

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session

HOUSE RESOLUTION No. 1769



Introduced by Representative STELLA LUZ A. QUIMBO

RESOLUTION

URGING THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH) TO IMMEDIATELY SETTLE THE UNPAID CLAIMS OF ALL HEALTH CARE FACILITIES IN ORDER TO MAINTAIN AND BOLSTER THE COUNTRY'S HEALTH CARE CAPACITY AND DIRECTING THE HOUSE COMMITTEE ON GOOD GOVERNMENT AND PUBLIC ACCOUNTABILITY TO CONDUCT AN INQUIRY IN AID OF LEGISLATION ON THE NON-PAYMENT OF HEALTH CARE FACILITIES' BENEFIT CLAIMS BY PHILHEALTH

1 WHEREAS, as of March 2021, according to the Private Hospitals Association of the
2 Philippines (PHAPi), the Philippine Health Insurance Corporation (PhilHealth)
3 reportedly has unsettled claims from PHAPi member hospitals amounting to P6 billion,
4 which forced some of these hospitals to reduce manpower and resources¹, thus impairing
5 their ability to treat COVID-19 patients;

6 WHEREAS, as of 29 March 2021, PhilHealth admitted that the Corporation continue to
7 have unsettled claims from health care facilities (HCFs).² In 2020, PhilHealth received a
8 total of 11.62 million claims worth P107 billion, of which only about 9.84 million claims
9 (85 percent), amounting to P91.04 billion, have been paid. Meanwhile, about 653
10 thousand claims (5.6 percent) have been returned for deficiencies and about 459 thousand
11 claims (3.9 percent) have been denied, together totaling about P9.68 billion. The
12 remaining 670 thousand claims (5.8 percent), amounting to P3.87 billion, are in different
13 stages of processing;

14 WHEREAS, PhilHealth has also bared that in 2020, the Corporation received 3 million
15 claims from PHAPi member hospitals, of which 87 percent have been paid, 8 percent
16 were denied or returned due to deficiencies, and 5 percent are in different processing

¹ Philippine Star. March 2021.

² PhilHealth. March 2021.

1 stages as of April 2021.³ Overall, from 2018 to 2020, PhilHealth has received 9.2 million
2 claims worth P91.06 billion from member-hospitals of PHAPi, of which 563 thousand
3 claims worth P5.6 billion were returned or denied due to alleged deficiencies and non-
4 compliance to policies and guidelines⁴;

5 WHEREAS, the state health insurer expressed commitment to pay the benefit claims of
6 HCFs so long as such claims are without deficiencies and are compliant with all the
7 requirements of their insurance program⁵;

8 WHEREAS, PHAPi reportedly sought a dialogue with PhilHealth because, while some
9 claims initially go unsettled by PhilHealth due to incomplete or deficient documentary
10 requirements, PhilHealth fails to settle the bills for such claims even after requirements
11 have been completed;⁶

12 WHEREAS, President Rodrigo Duterte ordered PhilHealth to expedite the processing of
13 unsettled bills to hospitals.⁷ Consequently, the agency issued PhilHealth Circular No.
14 2021-0004 dated April 8, 2021 which adopts the Debit-Credit Payment Method (DCPM)
15 for claims received from March 3, 2020 to April 7, 2021 (excluding denied claims) from
16 HCFs in the National Capital Region and the provinces of Batangas, Bulacan, Cavite,
17 Laguna, Pampanga, and Rizal. Under the Circular, PhilHealth will initially pay an
18 eligible HCF 60 percent of the amount of receivables, then pay the remaining 40 percent
19 “following full compliance to existing claims processing requirements and procedures
20 and full reconciliation of the 60 percent of the total amount of receivables initially paid to
21 the [facility]”⁸;

22 WHEREAS, despite the release of the DCPM policy, HCFs have continued to express
23 concerns regarding payments due for their unsettled claims. According to PHAPi
24 President Dr. Jose de Grano, the value of PhilHealth’s unsettled claims has ballooned to
25 P28 billion (across 700 private hospitals), which only covers the period of March to
26 December 2020.⁹ This has likely increased following the recent surge in COVID-19 cases.
27 However, he disclosed that only P10 billion has been allocated under the DCPM policy;

28 WHEREAS, according to the Philippine Hospital Association, hospitals have expressed
29 misgivings about the terms of the DCPM policy and the requirement to sign an
30 Undertaking, which has hindered some of them from participating in the policy and

³ The Manila Times. April 2021.

⁴ GMA News Online. April 2021.

⁵ Ibid.

⁶ CNN Philippines. March 2021.

⁷ Rappler. April 2021.

⁸ PhilHealth Circular 2021-0004. April 2021.

⁹ Philippine Daily Inquirer. April 2021.

1 processing claims. Hospitals are reportedly seeking another dialogue with PhilHealth to
2 address their concerns¹⁰;

3 WHEREAS, while private hospitals have been operating at full or critical capacity in
4 recent weeks due to the surge in COVID-19 cases, the financial difficulties resulting from
5 the unpaid claims has made it difficult for hospitals to comply with the Department of
6 Health directive to expand capacity.¹¹ Thus, there is an urgent need to settle payments
7 due to hospitals so as not to further hinder our health system's capacity to respond to the
8 ongoing pandemic;

9 WHEREAS, on April 23, 2021, the Inter-Agency Task Force for the Management of
10 Emerging Infectious Diseases also ordered PhilHealth to prioritize paying its unsettled
11 claims to hospitals in areas with high risk and critical COVID-19 situation nationwide, as
12 these shall be prioritized for COVID-19 vaccine allocation, human health resource
13 deployment, and other relevant COVID-19 responses;

14 NOW, THEREFORE BE IT RESOLVED, AS IT IS HEREBY RESOLVED, by the House of
15 Representatives to urge PhilHealth to immediately settle the unpaid claims of all health
16 care facilities;

17
18 RESOLVED, FURTHER, to direct the House Committee on Good Government and Public
19 Accountability to conduct an inquiry, in aid of legislation, on the unpaid benefit claims
20 of PhilHealth to all HCFs, the benefits claims processing systems of PhilHealth, and the
21 effectiveness of the DPCM policy as a mechanism to address unsettled claims.

22 Adopted,



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¹⁰ ABS-CBN News. April 2021.

¹¹ Philippine Daily Inquirer. April 2021.