Republic of the Philippines BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO Bangsamoro Transition Authority BARMM Compound, Cotabato City

Second Regular Session Bill No. 1 4 1 Main Author: MP Atty. LAISA MASUHUD ALAMIA

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AN ACT

ESTABLISHING THE BANGSAMORO HEALTH CARE SUBSIDY PROGRAM, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES

Be it enacted by the Bangsamoro Transition Authority in session assembled:

Section 1. Short Title. – This Act shall be known as the "Bangsamoro Health Care Subsidy Program Act."

Sec. 2. Declaration of Policy. – Article II, Section 15 of the 1987 Constitution of the Republic of the Philippines declares that the State protects and promotes the right to health of the people. Under Article XIII, Section 12, the Constitution also mandates the State to adopt an integrated and comprehensive approach to health development, and to ensure to make essential goods, health and other social services available to all the people at affordable cost, with the needs of the underprivileged, sick, elderly, disabled, women, and children are given utmost priority.

The Bangsamoro Organic Law, under Article V, places health services within the powers and jurisdiction of the Bangsamoro Government which, in turn, ensures and supports the promotion of health and safety in the region; and under Article IX, Sections 8, 12, and 23, mandates the Bangsamoro Government to provide, maintain, and ensure the delivery of basic and responsive health programs, and to adopt a policy on health that provides for a comprehensive and integrated health service delivery for its constituents, all while ensuring that the individual basic right to life will be attainable through the prompt intervention of excellent and affordable medical services. Article IX, Section 1 of the Bangsamoro Organic Law also mandates the

Bangsamoro Government to enact a transitional justice mechanism to address the legitimate grievances of the Bangsamoro people and the indigenous peoples.

Pursuant to these, and taking into account the Report of the Transitional Justice and Reconciliation Commission, it is hereby declared the policy of the Bangsamoro Government to protect and promote the right to health of the Bangsamoro people, to provide support for disadvantaged groups through a comprehensive health care policy that will allow them to access quality and affordable health services, and to recognize the individuals who have been directly impacted by violent conflict and ensure they or their families benefit from social protection measures.

Sec. 2. General Objectives. – This Act seeks to provide specialized health care services, supplemental to the provisions and coverage of Republic Act No. 11223, to individuals who have been directly impacted by violent conflict and human rights abuses, as part of the Bangsamoro Government's commitment to the collective and progressive pursuit of transitional justice, reconciliation, and healing in the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM).

Sec. 3. Definition of Terms. - As used in this Act:

- (a) Contracting Refers to a process where providers and networks are engaged to commit and deliver quality health services at agreed cost, cost sharing and quantity in compliance with prescribed standards.
- (b) Dependent (of a former combatant) Refers to the legitimate, legitimated, legally adopted or acknowledged natural child who is unmarried, not gainfully employed, and not over twenty-one (21) years of age or over twenty-one years of age provided he/she is incapable of self-support due to physical or mental defect which is congenital or acquired during minority; the legitimate spouse living with the former combatant and the parents of said former combatant wholly dependent upon him/her for regular support.
- (c) Essential health benefit package Refers to a set of individual-based entitlements covered by the National Health Insurance Program which includes primary care; medicines, diagnostics and laboratory; and preventive, curative, and rehabilitative services.
- (d) Former combatant Refers to a combatant who took part in the protracted wars for selfdetermination in the service of the Moro revolutionary fronts. between the Bangsamoro people and the National Government, and has committed to transition to productive

civilian life. This excludes those former combatants who have been integrated into the Philippine Armed Forces or Philippine National Police.

- (e) Fraudulent act Refers to any act of misrepresentation or deception resulting in undue benefit or advantage on the part of the doer or any means that deviate from normal procedure and is undertaken for personal gain, resulting thereafter to damage and prejudice which may be capable of pecuniary estimation.
- (f) *Health care institution* Refers to an institutional health care provider that has partnered or has been contracted by the MOH to deliver subsidized inpatient care.
- (g) Health care provider Refers to any of the following:
 - (i) A *health facility* which may be public or private, devoted primarily to the provision of services for health promotion, prevention, diagnosis, treatment, rehabilitation and palliation of individuals suffering from illness, disease, injury, disability, or deformity, or in need of obstetrical or other medical and nursing care.
 - (ii) A *health care professional* who may be a doctor of medicine, nurse, midwife, dentist, or other allied professional or practitioner duly licensed to practice in the Philippines.
 - (iii) Community-based health care organization Refers to an association of members of the community organized for the purpose of improving the health status of that community.
 - (iv) Pharmacies or drug outlets Refer to establishments licensed under RA 9711 (Food and Drug Administration Act of 2009) which sell or offer to sell any health product directly to the general public or entities licensed by appropriate government agencies, and which are involved in compounding and/or dispensing and selling of pharmaceutical products directly to patients or end users as defined under RA 10918 (Philippine Pharmacy Act).
 - (v) Laboratories and diagnostic clinics Refer to licensed facilities where tests are done on the human body or on specimens thereof to obtain information about the health status of a patient for the prevention, diagnosis and treatment of diseases.
- (h) Health care provider network (HCPN) refers to a group of primary to tertiary care providers, whether public or private, offering people-centered and comprehensive care in

an integrated and coordinated manner with the primary care provider acting as the navigator and coordinator of health care within the network.

- (i) Human rights violation victim Refers to a person who identifies with the Bangsamoro people and/or non-Moro indigenous peoples and/or other inhabitants of the BARMM between March 18, 1968 and the present, and whose human rights were violated by state actors and state-affiliated armed groups, and/or non-state armed groups, including but not limited to, the following:
 - (i) Persons killed, in which case immediate family members can be beneficiaries:
 - (ii) Persons tortured, raped and/or sexually assaulted, mutilated, and/or injured; and
 - (iii) Persons whose properties were destroyed or forcibly taken;
- (j) Inpatient care Refers to medical treatment administered to a patient whose condition requires treatment in a hospital or other health care facility, and the patient is formally admitted to the facility by a physician.
- (k) Survivor (of a former combatant) Refers to the surviving spouse until he/she remarries, and unmarried dependent children of deceased combatants.
- Sec. 4. Bangsamoro Health Care Subsidy Program. he Bangsamoro Health Care Subsidy Program, hereinafter referred to as Program, is hereby established as a health and social protection program in view of enabling the conflict-affected population of the Bangsamoro to lead decent lives and supporting them in accessing quality and affordable health care. The Program shall be integrated into the plans, policies, and strategies adopted by the Bangsamoro Government towards the realization of universal health care in the region. It shall have the following key components:
 - (a) A health card system that will provide cardholders with subsidized health care services;
 - (b) An efficient network of institutional health care providers established by the Bangsamoro Government, all committed to deliver quality and affordable health services to the Bangsamoro people;
 - (c) A system, in view of public-private collaboration, of contracting private health care facilities to join the network guided by a fair and equitable expense-sharing scheme;
 - (d) A multi-sectoral and progressive effort to improve the public health facilities in the Bangsamoro Autonomous Region in Muslim Mindanao; and

- (e) Sustainable funding through earmarked revenues or shares in revenues from the exploration, development, and utilization of natural resources derived from land or water areas or territories within the Bangsamoro territorial jurisdiction and other funding streams.
- Sec. 5. Bangsamoro Care Card. The Bangsamoro Government shall place quality health care within reach of its conflict-affected constituents by granting health cards that will entitle them subsidized health care services. The entitlement shall not eliminate or in any way diminish the essential health benefit package being enjoyed by the cardholders pursuant to RA No. 11223. The health card shall be issued free of charge to eligible beneficiaries.
- **Sec. 6.** Coverage. The following shall be covered under the Program, hereinafter referred to as the Beneficiaries:
 - (a) Former combatants;
 - (b) Dependents or survivors of former combatants;
 - (c) Human rights violation victims; and
 - (d) Individuals displaced in the BARMM due to armed conflict and/or clan feud;

The Ministry of Health (MOH) shall undertake studies on the expansion of the abovementioned coverage. The Council shall present recommendations to the Parliament, as part of the MOH's mandatory report as provided in Section 22 of this Act, in no more than four (4) years upon the enactment of this Act. Special consideration should be given to Bangsamoro indigents, senior citizens, persons with disabilities, orphans, and other disadvantaged groups.

- **Sec. 7.** *Eligibility and Registration.* A person covered as defined in the immediately preceding section shall register with the MOH. The MOH shall formulate and issue guidelines to specify reasonable registration process, eligibility criteria, and documentary requirements for the issuance of the health cards.
- Sec. 8. Verification. The MOH shall establish a system of verification to ensure the integrity of the Program. This may include, among others, home or site visits, interviews and/or document review. The MOH shall explore partnership opportunities to enjoin non-government organizations, community-based organizations, local government units, and/or regional agencies in conducting such verification.

- **Sec. 9.** Intergovernmental Cooperation and Data Sharing Mechanisms. The MOH is authorized to access existing data and/or databases managed by other government agencies to aid the verification processes. For this purpose, data sharing mechanisms shall be established with the following:
 - (a) Local government units;
 - (b) Ministry of Social Services and Development;
 - (c) Bangsamoro Human Rights Commission;
 - (d) Philippine Statistics Office BARMM; and
 - (e) Other regional offices that may be created by the Bangsamoro Parliament that are mandated to monitor and/or build comprehensive databases of the concerned sectors.

Sec. 10. Inpatient Benefits. -

- (a) Cardholders are granted full eligibility to avail of subsidized inpatient care. The amount of subsidy shall be determined by the Council taking into consideration, among others, the prevailing hospitalization rates and economic standing and potential of the Beneficiaries. The amount is inclusive of hospital charges and professional fee of attending physician.
- (b) The subsidy is a percentage of the cost of the inpatient care, which shall be granted to the Beneficiaries in addition to the benefits provided by the National Health Insurance Program (Philhealth) through its All Case Rates. It shall be computed only after the Philhealth case rate amount has been deducted from the cardholder's total bill.
- (c) The subsidy shall be deducted by the partner Health Care Institution (HCI) from the cardholder's total bill, net of the case rate amount, prior to discharge.
- (d) For Beneficiaries below the poverty threshold, as determined by the Philippine Statistics Authority, the subsidy shall be at least 60% of the net bill of the cardholder.
- (e) The subsidy shall be paid by the Bangsamoro Government to the partner HCI through an agreed upon payment scheme.

- Sec. 11. Provision of Additional Benefits. Notwithstanding the benefits provided under this Act, the MOH may grant additional benefits and provisions, provided that they:
 - (a) are given for the benefit of the Beneficiaries;
 - (b) do not result in the diminution of existing benefits already granted under this Act;
 - (c) are based on a fiscally sound policy and will not lead the Bangsamoro Government to incur an unmanageable public sector deficit or compromise other public services as certified by the Ministry of Finance, Budget and Management; and
 - (d) are approved by the Chief Minister and submitted as part of the MOH's mandatory report as provided in Section 22 of this Act.
- Sec. 12. Health Care Institution Network. The MOH shall establish and maintain a network, hereinafter referred to as Network, of health care providers (HCP) and/or health care provider networks (HCPN) to deliver the benefits prescribed by this Act Provided, that MOH-sponsored hospitals shall automatically form part of the Network. The hospital administrators shall immediately enter into agreements with the MOH to stipulate the funding scheme and other terms to implement the Program. Provided further, that the MOH may expand the network to include other HCP/HCPN in the event that it grants additional benefits or expands the health care services coverage of the Program.
- Sec. 13. Contracting. The MOH may contract public, private, or mixed HCP/HCPN within or outside the BARMM through service-level agreements. Provided, that the access of Beneficiaries to services shall not be compromised and that the HCP/HCPN agrees to service quality, payment, and other standards set by the MOH. The requirements for contracting shall likewise be set by the MOH.
- Sec. 14. Expense sharing scheme. For any contracts with private or mixed HCP/HCPN, the MOH shall develop a fair and reasonable expense sharing scheme and other terms in the principle of public-private cooperation.
- Sec. 15. Authority to Enter into Agreements and Contracts. The Minister of Health, authorized by the Parliament, can enter into agreements or contracts for the implementation of the Program.
- **Sec. 16.** *Ministry of Health.* The Ministry of Health shall exercise overall supervision over the implementation of the Program, ensuring its provision, maintenance, and funding. The MOH shall have the following functions and duties:

- (a) Set the regional plans, policies, and strategies in the overall development and implementation of the Program, and ensure that the same have been set in consultation and coordination with appropriate regional agencies, BARMM constituent units, civil society organizations, non-government organizations, private sector representatives, and other stakeholders;
- (b) Administer the issuance of the Bangsamoro Care Cards, including the creation of special units within existing MOH local offices to deliver frontline services;
- (c) Formulate and issue guidelines to specify the registration process, eligibility criteria, and documentary requirements pertaining to the issuance of the health cards;
- (d) Develop contracting requirements and standards, and monitoring protocols that will govern all network contracting under the Program;
- (e) Pursue partnership agreements with the current MOH-sponsored hospitals as initial members of the Network to deliver the benefits under this Act;
- (f) Integrate the Program to the regional health policy directions and strategic thrusts including the development and implementation of the integrated strategic and investment plans of BARMM;
- (g) Integrate the Program to the implementation of universal health care, especially in the transition to integrated local health systems pursuant to RA No. 11223;
- (h) Develop internal mechanisms to set verification and data sharing systems, and pursue partnership agreements with regional agencies, BARMM constituent units, non-government institutions, and civil society sector to carry out the same;
- (i) Contract and allocate adequate funding for academic institutions to undertake studies to validate and evaluate the accomplishments of this Act;
- (j) Conduct an assessment, in partnership with the Ministry of Finance, Budget and Management, on the Program's coverage and benefits, and submit recommendations to the Parliamentary Oversight Committee regarding any viable expansion:
- (k) Conduct an awareness campaign and/or release information, education, and communications materials to promote the Program and encourage Beneficiaries to register; and

(1) Adhere to the reportorial requirements prescribed by this Act.

Sec. 17. Additional Positions and Personnel for the MOH. – For purposes of this Act, the MOH shall, in accordance with pertinent civil service rules, create positions and enlist additional personnel to ensure the proper and appropriate implementation of the Program under this Act.

Sec. 18. Offenses and Penalties. – Any violation of the provisions of this Act, after due notice and hearing, shall suffer the corresponding penalties as herein provided:

- (a) A healthcare provider who violates any of the provisions in its respective contract shall be subject to sanctions and penalties under its respective contracts, without prejudice to the right of the government to institute any criminal or civil action before the proper judicial body.
- (b) A healthcare provider contracted for the provisions of health services who commits an unethical act, abuses the authority vested upon the healthcare provider, or performs a fraudulent act shall be punished by a fine of Two hundred thousand pesos (P200,000.00) for each count, or suspension of contract up to three (3) months or the remaining period of its contract or accreditation, whichever is shorter, or both, at the discretion of the Office, taking into consideration the gravity of the offense.

The same shall also constitute a criminal violation punishable by imprisonment for six (6) months and one (1) day up to six (6) years, upon discretion of the court without prejudice to criminal liability defined under the Revised Penal Code.

If the healthcare provider is a juridical person, its officers and employees or other representatives found to be responsible, who acted negligently or with intent, or have directly caused the commission of the violation, shall be liable. Recidivists may no longer be contracted as participants of the Program.

(c) A Beneficiary who commits any violation of this Act or knowingly and deliberately cooperates or agrees, whether explicitly or implicitly, to the commission of a violation by a contracted healthcare provider or employer as defined in this section, including the filing of a fraudulent claim for benefits or entitlement under this Act, shall be punished by a fine of Fifty thousand pesos (P50,000.00) for each count or suspension from availment of the benefits of the Program for not less than three (3) months but not more than six (6) months, or both, at the discretion of the Office.

Sec. 19. Appropriations. – The amount necessary to implement this Act shall be sourced from the following:

(a) Revenues collected from the exploration, development, and utilization of any natural resources within the BARMM; and

(b) Not less than 1% of the Block Grant of the BARMM from the National Government.

For the initial implementation of this Act, the amount necessary to implement the provisions shall be charged against the current year's Contingent Fund, as appropriated. Subsequent funding requirements shall be included in the Bangsamoro Appropriations Act under the MOH which shall include in its yearly proposed the necessary amount for the operation and maintenance of the Program. In addition, the MOH may request the Parliament to appropriate supplemental funding to meet targeted milestones of this Act.

- **Sec. 20.** *Transitional Justice and Reconciliation.* The Program shall be integrated into the transitional justice programs of the Bangsamoro Government.
- Sec. 21. Parliamentary Oversight Committee. There is hereby created a Parliamentary Oversight Committee to monitor and oversee the implementation of the provisions of this Act. The Committee shall be composed of twelve (12) members with the Chairperson of the Committee on Health of the Parliament as Chairperson. The other eleven (11) members are to be designated by the Speaker of the Parliament. The Speaker shall ensure that the Committee on Finance, Budget and Management, Committee on Social Services, and Committee on Rules shall be sufficiently represented. The minority shall be entitled to pro rata representation but shall have at least five (5) representatives to the Committee.
- Sec. 22. Mandatory Review on the Implementation of this Act. Within two (2) years after the enactment of this Act, the Parliamentary Oversight Committee shall conduct a review on the implementation of the provisions of the Act. The MOH shall submit to the Committee a report on the implementation of the Program at the end of the second (2nd) year from the date of enactment and every two (2) years thereafter.
- Sec. 23. Separability Clause. If any part, section, or provision of this Act shall be held invalid or unconstitutional, the remainder of the law or the provisions not otherwise affected shall remain valid and binding.
- **Sec. 24.** Repealing Clause. All regional laws, orders, rules, and regulations or parts thereof which are inconsistent with this Act are hereby repealed or modified accordingly.
- Sec. 25. Effectivity Clause. This Act shall take effect fifteen (15) days after its publication in a newspaper of local circulation in the BARMM.

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