



Republic of the Philippines

PHILIPPINE HEALTH INSURANCE CORPORATION

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CORPORATE GOVERNANCE CONFIRMATION STATEMENT

The Philippine Health Insurance Corporation (PhilHealth) hereby confirms its strict adherence to the principles of good corporate governance, fundamentally recognizing that a public office is a public trust and that sound governance is essential to its mandate.

As a Government-Owned or Controlled Corporation (GOCC) supervised by the Governance Commission for GOCCs (GCG), PhilHealth, encompassing its Board of Directors, Management, and all personnel, hereby attests to its full compliance for Calendar Year 2024 with the GCG's Code of Corporate Governance.

This compliance is operationalized through the PhilHealth Manual of Corporate Governance, which was formally adopted by the Corporation's Board of Directors and Management. This Manual, adopted pursuant to Section 42 of the Code of Corporate Governance for GOCCs (GCG Memorandum Circular No. 2012-07), provides the primary framework that directs and guides the Corporation.

In alignment with this Manual, PhilHealth reaffirms the core commitments and governance functions detailed below.

Core Governance Commitments

- **Role in National Development:** PhilHealth acknowledges its vital role as an active government partner in national development. The Corporation is committed to leveraging its organization to deliver public services, with the specific goal to "provide all citizens of the Philippines with the mechanism to gain financial access to health services" and to "progressively realize universal health care in the country."
- **Institutionalizing Good Governance:** PhilHealth, at every level from the Board of Directors and Management to all employees, is fully "committed to institutionalize the principles of good corporate governance in the entire organization." This commitment is recognized as an "integral component of sound strategic business management and of transparency and accountability."
- **Adherence to Key Governance Principles:** The Corporation's governance framework is anchored on the key principles stipulated in its Manual, including:
 - (a) Promoting transparency, accountability, and fairness, ensuring all business is conducted strictly in accordance with the rule of law.
 - (b) Ensuring timely and accurate disclosure on all material aspects of PhilHealth, including its financial condition, performance, and governance.



- (c) Aligning the Corporation's strategic guidance with government objectives, while ensuring effective monitoring of Management by the Board and the Board's accountability to PhilHealth and its Stakeholders.
- (d) Protecting and facilitating the exercise of Stakeholder rights and ensuring equitable treatment for all.
- (e) Encouraging active cooperation between PhilHealth and its Stakeholders to ensure the long-term sustainability of the National Health Insurance Program.

Key Governance Functions

Risk Management

For CY 2024, active oversight of the Corporation's risk profile was conducted. Key activities included the regular review of the Corporation's investment portfolio and its performance, and the status of the National Health Insurance Fund.

Oversight extended to the enterprise-level risk management program, encompassing a review of accomplishments, risk assessments, and the status of response plans. Most notably, the multi-year Integrated Risk Management Plan (IRMP) was reviewed and endorsed on October 21, 2025, providing a systematic framework to manage priority risks.

The review process also covered:

- Identification and monitoring of the top corporate risks and critical operational areas, including ICT and cybersecurity threats.
- Analysis of consolidated fund balance projections, which involved modeling various scenarios for collections, benefit payouts, and potential enhancements.
- Formulation and approval of the Corporate Operating Budget (COB) for the succeeding year and management of the current year's budget.
- Deliberation on matters concerning the Corporation's fund balance in compliance with national fiscal policies and relevant laws.

Internal Audit

In 2024, the mandate to oversee and enhance the Corporation's internal control systems was fulfilled, ensuring transparency and compliance with governance standards.

This was accomplished through the confirmation of numerous audit reports and the issuance of directives covering key operational, financial, and ICT-related areas.

In compliance with good governance, the Corporation's quarterly Financial Statements were reviewed and cleared prior to Board approval. Oversight was provided for compliance with Commission on Audit (COA) findings and adherence to the Internal Auditing Standards for the Philippine Public Sector (IASPPS). Key financial matters, including reserve funds and liabilities, were also addressed.

To ensure continuous improvement, key initiatives were approved to strengthen the internal audit function, including the full implementation of the Internal Audit-Quality Assurance and Improvement Program (IA-QAIP). The multi-year Risk-Based Internal Audit Strategic Plan (RBIASP) was endorsed, along with revisions to the annual audit plans. Active monitoring of the closure and resolution of audit recommendations from current and prior years was conducted, reflecting a strong commitment to accountability.

Governance

The PhilHealth Board benefits from the active participation of various subcommittees dedicated to safeguarding members' interests, shaping management policies, guiding critical business decisions, and ensuring effective governance. These subcommittees play a vital role in supporting the Corporation's mission to serve every Filipino.

The corporate governance function through the Governance Committee (GovCom) assists the Board in fulfilling its responsibilities and fosters alignment across all subcommittees. This function contributes significantly through the following activities:

1. **Guiding Board Performance:** The performance of the Board and its committees is regularly evaluated, promoting continuous improvement and effectiveness.
2. **Developing Policies and Procedures:** Policies, procedures, and standards are proactively developed and recommended for the Board's consideration and approval, ensuring robust governance practices.
3. **Shaping Program Development:** A key role is played in reviewing and recommending priorities for the development of impactful programs and application systems, enhancing service delivery.
4. **Contributing to Board Initiatives:** Additional responsibilities are undertaken as assigned by the Board, demonstrating adaptability and commitment to supporting the organization's needs.

Key initiatives were proactively addressed and valuable recommendations were provided to the Board throughout the year, making significant progress on several fronts. A crucial role was played in shaping PhilHealth's future by finalizing the PhilHealth Corporate Strategy Map and CY 2025 priorities in the third quarter. This work effectively operationalized the strategic framework for the development of the comprehensive 2024-2030 PhilHealth Strategic Plan. To ensure adequate staffing, the hiring and re-hiring of additional Job Order Contractors (JOCs) for CY 2024 and CY 2025 was endorsed. Transparency and accountability were also prioritized with the endorsement of the PhilHealth Executive Session Guidelines and the CY 2023 governance accomplishment report for Board approval and publication.


Throughout the year, several important organizational advancements were championed, including the recommendation of the PhilHealth Research and Branding Project (PhilHealth Brand Refresh) to enhance the corporation's image. Significant progress was made with the Revised Delegation and Signing Authority (DSA) Policy, which is limited to procurement activities. After being benchmarked against other GOCCs, the policy was approved, resulting in streamlined operations. Additionally,

Board approval was recommended for the design development of a new building in PRO XII, demonstrating a continued commitment to infrastructure development.

Finally, responsiveness to organizational needs was demonstrated by granting an extension for the PhilHealth Casuals position program design, ensuring the corporation maintains its necessary staffing levels.

This confirmation of CY 2024 activities, grounded in the PhilHealth Manual of Corporate Governance, underscores the Corporation's steadfast commitment. PhilHealth will continue to institutionalize and practice good governance to ensure transparency, accountability, and the fulfillment of its mandate to the Filipino people.

Certified by:


ATTY. LORA L. MANGASAR
Acting Corporate Secretary 