



## PERFORMANCE AGREEMENT

This Performance Agreement has been executed pursuant to the **PERFORMANCE EVALUATION SYSTEM FOR THE GOCC SECTOR (GCG MC No. 2013-02)** between the–

**GOVERNANCE COMMISSION FOR GOCCs (GCG)**

- and -

**PHILIPPINE HEALTH INSURANCE CORPORATION (PHIC)**

**WITNESSETH: THAT –**

The Parties agree to the following terms:

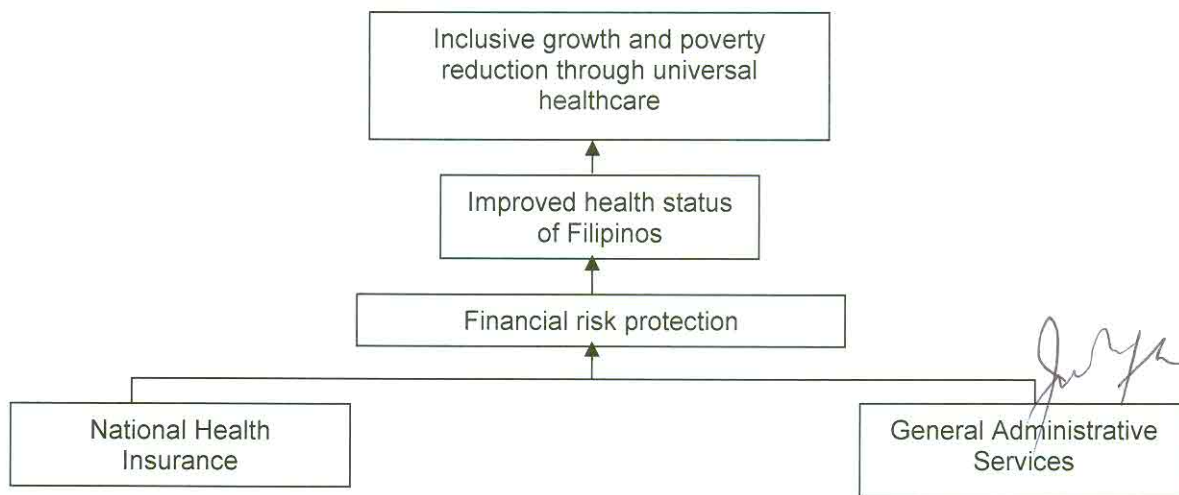
1. **Period.** – This Agreement shall be effective for a period of two (2) calendar years beginning from the execution of this Agreement and ending on 31 December 2014.
2. **Charter Statement and OPIF Logframe.** – PHIC's Charter Statement and OPIF Logframe for the Period specified in Section 1 hereof, shall be as follows:

### Mission:



“Sulit na Benepisyo sa Bawat Miyembro, Dekalidad na Serbisyo para sa Lahat”

### Vision:

“Bawat Pilipino, Miyembro, Bawat Miyembro, Protektado, Kalusugan Natin, Segurado”



3. **Measurement of Performance.** – Based on the Interim Performance Scorecard 2013-2014 attached hereto as **Annex A**, the PHIC's Performance for 2013-2014 shall be based on the following Measures/Performance Indicators and Annual Targets, to wit:

Performance Measures					Baseline Data	Targets	
Description	Formula	Weight		2012	2013	2014	
		2013	2014				
MFO: Financial Risk Protection							
Quantity 1	Enrollment Rate	Total No. of Enrolled PhilHealth Beneficiaries over Total Population	5%	5%	75% (71.84 M / 95.88 M)	85% (83 M / 97.7 M)	92% (91.6 M / 99.56 M)
Quantity 2	Coverage Rate	Total No. of Eligible PhilHealth Beneficiaries over Total Population	20%	20%	66% (63.57 M / 95.8 M)	70% (68.20 M / 97.70 M)	85% (84.62 M / 99.56 M)
Quantity 3	Percentage of DOH-Licensed Hospitals (Public and Private) with PhilHealth Engagement	No. of "PhilHealth-Engaged" Hospitals over Total No. of Hospitals	20%	20%	92% (1670)	Not less than 95% of eligible hospitals & infirmaries	Not less than 95% of eligible hospitals & infirmaries
Quantity 4	Percent of LGUs with Engaged Primary Care Benefit (PCB) Providers	No. of LGUs with Engaged PCB providers over Total No. of LGUs	10%	10%	83% (1349 / 1634)	85% of qualified LGUs	90% of qualified LGUs
Quality 1	Net Customer Satisfaction Survey	Net Satisfaction Rating	5%	5%	82%	> +85%	> +88%
Quality 2	Percent of NHTS-PR poor Families enlisted to a PCB provider	No. of "NHTS-PR poor" PhilHealth Families enlisted to a PCB provider over Total No. of assigned "NHTS-PR poor" PhilHealth Families	5%	2.50%	35% (1.61 M)	50% (2.49 M)	65% (9.54 M)
Quality 3	Utilization Rate of PCB 1	No. of profiled "NHTS-PR poor" PhilHealth Families over Total No. of assigned "NHTS-PR poor" PhilHealth Families	0%	2.50%		 2013 Baseline +10%	
Timeliness	Turn-Around-Time (TAT) of Claims Processing (Good Claims)	Average No. of Days for Claims Processing	5%	5%	60 days (ave. 46 days)	40 days 	30 days

May





Performance Measures					Baseline Data	Targets	
Description		Formula	Weight		2012	2013	2014
			2013	2014			
Financial 1	Collection Efficiency (Employed: Private Sector)	Actual collections over Potential collections	5%	5%	65% (21.28 B / 32.55 B)	65%	70%
Financial 2	Percent of NBB of Sponsored Program Claims in Government Facilities	NBB SP Claims over Total SP Claims	20%	20%	7% (CARES Survey)	7%	40%
General Administrative Services (GAS)							
Quality 1	Quality Management System Implementation	Implementation of Quality Management System	5%	5%	No Baseline	QMS 100% Complete	ISO Certification of 4 key processes
		Total of Weights:	100%	100%			

It is understood that the GOCC must achieve a weighted-average of at least 90% to be eligible to grant any Performance-Based Bonus.

4. **Quarterly Submission of Performance Monitoring.** – PHIC shall submit a quarterly monitoring report to the GCG within thirty (30) calendar days from the close of each quarter using the monitoring report attached hereto as **Annex B**.

5. **Good Governance Conditions.** – In addition to the covered portions of the Performance Scorecard, the GOCC must fully comply with the Good Governance Conditions enumerated under GCG MC No. 2013-02, namely:

6.1. *Conditions Common to National Government Agencies and GOCCs:*

- (a) Transparency Seal;
- (b) PhilGEPS Posting;
- (c) Cash Advance Liquidation;
- (d) Citizen’s Charter or its equivalent; and
- (e) Compliance with the submission and review requirements covering Statement of Assets, Liabilities and Net Worth (SALN);

6.2. *Conditions Specific to GOCCs Covered by R.A. No. 10149:*

- (a) Satisfaction of all statutory liabilities, including the payment of all taxes due to the Government, and declaration and payment of all dividends to the State as of the end of the applicable calendar year, whenever applicable. Liabilities that are still under dispute and there has been no final and executory judgment/decision as of the date of the release of the PBB by the GOCC shall be excluded for the purpose of this provision.
- (b) Submission and execution of concrete and time bound action plans for addressing Notices of Disallowances and Audit Observation Memoranda from the Commission on Audit (COA), if any.

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- (c) Adoption of a "Manual of Corporate Governance" pursuant to Section 42 of the **CODE OF CORPORATE GOVERNANCE FOR GOCCs (GCG MC No. 2012-07)** that is approved by GCG and uploaded on the GOCC's website.
  - (d) Compliance with posting on the GOCC's website the information enumerated under Section 43 of GCG MC No. 2012-07.
  - (e) Adoption of a **No GIFT POLICY** approved by the GCG and uploaded on the GOCC's website pursuant to Section 29 of GCG MC No. 2012-07.
7. PHIC hereby undertakes to have its Performance Scorecard rated by its customers and solicit feedback on how the same may be improved. PHIC shall determine the most effective method for accomplishing the said purpose. Such information shall be reported to GCG together with the quarterly monitoring report. The rating shall not affect the performance indicators/measures in PHIC's Performance Scorecard, and shall be used solely as a reference by GCG and PHIC during Performance Agreement Negotiations/Renegotiations.
8. Nothing herein shall be construed as limiting the authority of GCG to initiate renegotiations and/or revoke Performance Agreements in accordance with existing laws, rules and regulations.

**DONE**, this November 28, 2013, in the City of Makati, Philippines.

**GOVERNANCE COMMISSION FOR  
GOCCs**

BY AUTHORITY OF THE COMMISSION:

  
**CESAR L. VILLANUEVA**  
Chairman

  
**MA. ANGELA E. IGNACIO**  
Commissioner

  
**RAINIER B. BUTALID**  
Commissioner

**PHILIPPINE HEALTH INSURANCE  
CORPORATION**

  
**ENRIQUE T. ONA, M.D.**  
Chair

  
**FRANCISCO T. DUQUE III, M.D.,  
MSc**  
CSC Chairperson

  
**CORAZON J. SOLIMAN**  
DSWD Secretary

  
**ALEXANDER A. PADILLA**  
Employer Sector

  
**ALEXANDER A. AYCO, M.D.**  
Labor Sector

  
**JANE M.N. STA. ANA**  
*Filipino Overseas Workers*

  
**ROBERT G. VERGARA**  
*GSIS President & General Manager*

  
**MANUEL A. ROXAS III**  
*DILG Secretary*

  
**ROSALINDA D. BALDOZ**  
*DOLE Secretary*

  
**JUAN M. FLAVIER, M.D.**  
*Health Care Providers Sector*

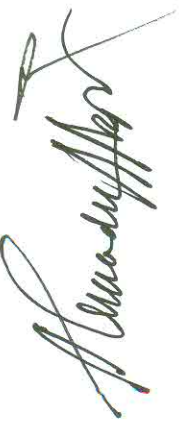
  
**FRANCISCO VICENTE F. LOPEZ,**  
**M.D.**  
*Self Employed Sector*

  
**EMILIO S. DE QUIROS, JR.**  
*SSS President & CEO*

  
**MARLON J. MANUEL**  
*NAPC-B8 Vice Chairperson*



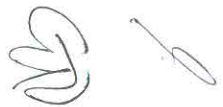






## PHILIPPINE HEALTH INSURANCE CORPORATION

Performance Measures			Weight		Data Provider (if available)	Baseline Data	Targets	
Description	Formula					2012	2013	2014
			2013	2014				
<b>MFO: Financial Risk Protection</b>								
Quantity 1	Enrollment Rate	Total No. of Enrolled PhilHealth Beneficiaries over Total Population	5%	5%	Population Projection from NSCB	75% (71.84 M / 95.88 M)	85% (83 M / 97.7 M)	92% (91.6 M / 99.56 M)
Quantity 2	Coverage Rate	Total No. of Eligible PhilHealth Beneficiaries over Total Population	20%	20%	Covered from PhilHealth; NHTS-PR List from DSWD	66% (63.57 M / 95.8 M)	70% (68.20 M / 97.70 M)	85% (84.62 M / 99.56 M)
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Performance Scorecard 2013-2014 (Annex A)

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Quantity 4	Percent of LGUs with Engaged Primary Care Benefit (PCB) Providers	No. of LGUs with Engaged PCB providers over Total No. of LGUs	10%	10%	No. of LGUs from DILG; "Engaged" from PhilHealth	83% (1349 / 1634)	85% of qualified LGUs	90% of qualified LGUs
Quality 1	Net Customer Satisfaction Survey	Net Satisfaction Rating	5%	5%	PhilHealth; Survey Company	82%	> +85%	> +88%
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<b>General Administrative Services (GAS)</b>								
Quality 1	Quality Management System Implementation	Implementation of Quality Management System	5%	5%	PhilHealth; GCG, Certification International	No Baseline	QMS 100% Complete	ISO Certification of 4 key processes
		<b>Total of Weights:</b>	100%	100%				

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