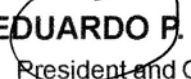


**No. 11-02-2011**

## **Payments for Medical Services to IHCPs Subject to Taxes**

Payments for medical services rendered by all accredited institutional health care providers shall be subjected to two percent (2%) Expanded Withholding Tax. This development is in compliance with Revenue Memorandum Circular Nos. 38-2011 dated September 1, 2011 and 49-2011 dated October 3, 2011, both issued by the Bureau of Internal Revenue (BIR). Any discrepancies with the applied tax rates must be referred to the BIR.

The deduction of the above taxes shall be applied starting November 1, 2011 to all claims in process for voucher preparation. Further queries regarding this matter may be referred to the Comptrollership Unit of the nearest PhilHealth Regional Office in your area.

  
**DR. EDUARDO F. BANZON**  
President and CEO