



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

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PHILHEALTH CIRCULAR

No. 03, series of 2008
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TO : ALL MEMBERS AND BENEFICIARIES OF THE NATIONAL HEALTH INSURANCE PROGRAM, PHILHEALTH ACCREDITED HEALTH CARE PROVIDERS, PHILHEALTH CENTRAL AND REGIONAL OFFICES AND ALL OTHERS CONCERNED

SUBJECT : IMPLEMENTING GUIDELINES ON THE ADMINISTRATIVE REMEDIES OF A MOTION FOR RECONSIDERATION AND A FINAL APPEAL ON DENIED OR REDUCED BENEFIT CLAIMS

PhilHealth Board Resolution No. 842, s. 2005 (Re: Adopting the Reengineered PhilHealth Organization) removed the remedy of an **initial appeal** with the Claims Review Office (CRO) on denied or reduced benefit claims and instead provided for the initial remedy of a **motion for reconsideration** with the PhilHealth Regional Offices (PROs) on such claims, and further provided for the remedy of a **final appeal** with the Protests and Appeals Review Department (PARD) on decisions by the PROs which deny or reduce benefit claims. The said resolution thus amended and superseded Rule XXXVIII, Title VIII (Administrative Remedies) of the 2004 Implementing Rules and Regulations of the National Health Insurance Act of 1995 and therefore necessitates the adoption by PhilHealth of corresponding implementing guidelines on the administrative remedies of a motion for reconsideration and a final appeal on denied or reduced claims, as follows:

**RULE I
 MOTION FOR RECONSIDERATION WITH THE PRO**

SECTION 1. Who May File and Subject of a Motion for Reconsideration. – Any movant who is an aggrieved member, beneficiary or health care provider whose benefit claim has been originally denied or reduced by the PROs (including the NCR-Central, NCR-North and NCR-South for the purpose of these guidelines) may file a motion for reconsideration (M/R) on such denied or reduced benefit claim.

	Philippine Health Insurance Corporation
	RECORDS & SECRETARY MNGT. SECTION
	MARIA TERESA A. QUILANT <i>ms</i>
	Administrative Officer IV, Chief - RELMS
Date :	<u>3/4/08</u>
CERTIFIED TRUE COPY	

SECTION 2. Venue and Filing Period. – An M/R may be filed with the PRO which denied or reduced the benefit claim **within fifteen (15) calendar days** from receipt by the aggrieved member, beneficiary or health care provider of a written notice by the PRO of such denied or reduced benefit claim.

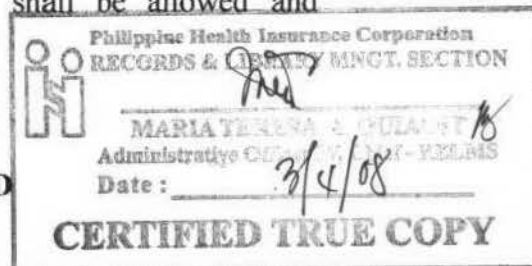
SECTION 3. Grounds. – An M/R may be filed on the ground of any error of fact or law or both on the part of the PRO in denying or reducing a benefit claim.

SECTION 4. Form and Supporting Documents. – An M/R should be in writing, duly signed by the movant, state the grounds thereof and accompanied by all the original claim documents which were returned by the concerned PRO, if any. The PRO and Office of the Area Head may require the submission of additional documents for a more proper evaluation and resolution of an M/R.

SECTION 5. Action on an M/R. – Within fifteen (15) calendar days from receipt by the PRO of an M/R, it shall either issue an order denying the M/R and briefly stating therein the reasons for the denial or issue an order recommending to the concerned Office of the Area Head the grant of the M/R. If for the denial of the M/R, a copy of the said order shall be issued by the PRO to the movant. If for the grant of the M/R, the order (with case file) shall be forwarded by the PRO for review to the concerned Office of the Area Head which shall, within fifteen (15) calendar days from receipt thereof, approve or disapprove the same through an order, copy furnishing the movant and the PRO for its implementation. In case an M/R is denied by the PRO or Office of the Area Head, the original claim documents shall be returned to the movant together with the order of denial.

SECTION 6. Finality of the Order on an M/R. – The order of the PRO and Office of the Area Head on a M/R shall be final and executory, subject to the remedy of a final appeal by the movant with the PARD in accordance with the succeeding rule. No second M/R under whatever form or nomenclature shall be allowed and entertained by the PRO and Office of the Area Head.

**RULE II
FINAL APPEAL WITH THE PARD**



SECTION 7. Who May File and Subject of a Final Appeal. – Any movant whose M/R has been denied by an order of the PRO (including the NCR-Central, NCR-North and NCR-South) or by an order of the Office of the Area Head may file a final appeal.

SECTION 8. Venue and Filing Period. – A final appeal on an order of denial by the PRO or Office of the Area Head of an M/R may be filed with the PARD (acting for the President and CEO) **within fifteen (15) calendar days** from receipt by the movant of a copy of such order.

SECTION 9. Grounds. – A final appeal may be filed on the ground of any error of fact or law or both on the part of the PRO or Office of the Area Head in denying an M/R.

SECTION 10. Form and Supporting Documents. – A final appeal should be in writing, duly signed by the movant, state the grounds thereof and accompanied by all the original claim documents including a copy of the order of the PRO or Office of the Area Head which is being appealed. The PARD may require the submission of additional documents for a more proper evaluation and resolution of a final appeal.

SECTION 11. Action on a Final Appeal. – Within an average of fifteen (15) calendar days from receipt by the PARD of a complete final appeal, it shall either dismiss or grant the same through a resolution which shall concisely state therein the facts, issues and legal provisions on which the resolution is based, copy furnishing the movant and the concerned PRO or Office of the Area Head for its implementation.

SECTION 12. Finality of the Resolution on a Final Appeal. – The resolutions of the PARD on final appeals shall be final and executory, subject to judicial appeals on the final resolutions and orders of quasi-judicial agencies under Rule 43 of the Revised Rules of Court.

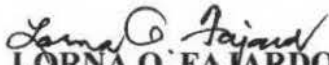
RULE III LIBERAL INTERPRETATION

SECTION 13. The provisions of these guidelines may, in meritorious cases, be accorded a liberal interpretation and application in order to serve the ends of substantial justice and equity over matters of form and technicality and for the expeditious resolution of M/Rs and final appeals.

RULE IV TRANSITORY PROVISIONS

SECTION 14. The existing procedure on appeals with the CRO and PARD on denied or reduced benefit claims shall continue to remain in force and effect until the effectivity of these guidelines.

This Circular shall take effect on 31 March 2008.


LORNA O. FAJARDO
Acting President and CEO
Office of the President and CEO

DATE SIGNED MARCH 3, 2008

