



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION
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Healthline 637-9999 www.philhealth.gov.ph

May 18, 2009

PHILHEALTH CIRCULAR

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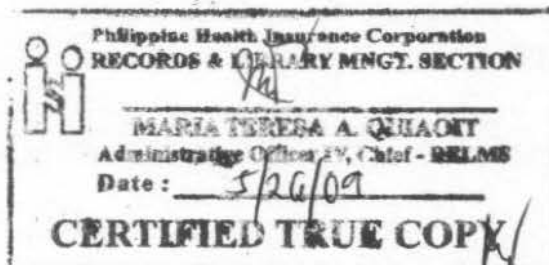
TO : All Accredited Institutional Health Care Providers,
All Philhealth Offices and All Others Concerned

SUBJECT : **Guidelines on Downgrading, Closure/Cease and Desist
Operation of Institutional Health Care Providers**

In order to facilitate the accreditation of institutional health care providers and to make the processing of applications for accreditation more efficient, the following are hereby issued;

A. DOWNGRADING OF IHCPs:

1. A Level 2, Level 3 or Level 4 (L2, L3 or L4) hospital that was given provisional accreditation due to non-compliance to the requirements or standards of accreditation but failed to comply within the compliance period as prescribed by the Corporation may be downgraded to a level/category it is compliant with. This however, shall be done only after submission of a letter of intent (LOI) within the compliance period stating therein that they are amenable to such downgrading. Failure to submit the said document shall result to termination of its provisional accreditation effective on the date of deliberation of Accreditation Committee.
2. An IHCP applying for accreditation but upon evaluation and/or pre-accreditation inspection was noted to be incapable of delivering the service required of the level/category it is applying for, shall follow the guidelines stated hereunder:
 - a. The IHCP shall be informed by the concerned PHRO within five (5) days after receipt of application of its evaluation results or by the surveyors during the pre-accreditation inspection exit conference on their findings as to deficiencies. Thereafter, IHCP shall comply within the prescribed compliance period (PC 24 s-2008).
 - b. If the IHCP cannot comply with the deficiencies, they may opt to be downgraded to a level/category it is compliant with by submitting a Letter of Intent (LOI) within the reglamentary period of compliance, stating therein that they are amenable to such downgrading. Otherwise, the said application shall be denied by the Corporation.

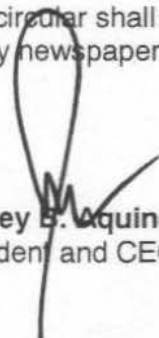


B. CLOSURE/CEASE AND DESIST OPERATION OF AN IHCP

1. Any accredited IHCP which plans to close its facility or with a "Cease and Desist Operation Order from DOH" shall have its accreditation validity terminated on the same day it shall close/cease and desist to operate. The IHCP shall inform the Corporation five (5) days prior to the planned closure/cease operation. The concerned PhRO shall validate the same within three (3) days after receipt of such information and shall immediately inform the Accreditation Department, Central Office to effect necessary changes in the database.
2. For any IHCP with active accreditation which, upon monitoring, was noted to have closed/ceased operation but failed to give information to the Corporation, the concerned PhRO/SO personnel shall exhaust all efforts to validate within the same day the actual date of closure/cease operation. Immediately, thereafter, it shall provide the Accreditation Department Central Office the same information to effect the necessary changes in the databases.
3. Claims paid for admissions during the closure/cease operations, if any, due to failure of the hospital to inform the Corporation as specified, shall be charged to its unpaid claims. If there are no unpaid claims, the same amount shall be collected from the hospital by the Corporation as re-payment without prejudice for any legal action the Corporation may take in the future.
4. Any IHCP may apply for re- accreditation with the Corporation once it has resumed its operations.

All previous policies and guidelines and other administrative issuances with provisions inconsistent herewith are hereby repealed/amended accordingly.

This circular shall take effect after fifteen (15) days from publication in the official gazette or any newspaper of general circulation.


Dr. Rey B. Aquino
President and CEO

