



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

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PHILHEALTH CIRCULAR

No. 0003, s. 2014

TO : ALL PHILHEALTH MEMBERS, ACCREDITED HEALTH CARE INSTITUTIONS, HEALTH CARE PROFESSIONALS, PHILHEALTH REGIONAL OFFICES AND ALL OTHERS CONCERNED

SUBJECT : Strengthening the Implementation of the No Balance Billing Policy

I. RATIONALE

In 2011, PhilHealth has implemented case based payment scheme which offers a more predictable and equitable benefit payment based on patients' medical condition. Along with the introduction of case payment is the introduction of the **No Balance Billing (NBB) Policy**, which provides that no other fees or expenses shall be charged or be paid for by the indigent patients above and beyond the packaged rates.

However, resource constraints have proved to challenge the effective implementation of the NBB policy. It necessitates, among others, the strong political will of both national and local government to do their share in resource management and policy enforcement to assure that every poor Filipino is truly protected against financial risk.

Section 43 of the Implementing Rules and Regulation of Republic Act No. 10606 (*National Health Insurance Act of 2013*) states that, "No other fee or expense shall be charged to the indigent patient, subject to the guidelines issued by the Corporation. All necessary services and complete quality care to attain the best possible health outcomes shall be provided to them." This Circular is crafted for the strengthening and improving the enforcement of the NBB policy.

II. COVERAGE AND SCOPE

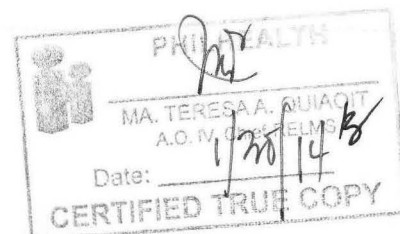
A. NBB Patients

1. Members and dependents of the following categories of membership:
 - a. **Indigent** – a person who has no visible means of income, or whose income is insufficient for family subsistence, as identified by the Department of Social-Welfare and Development (DSWD) based on specific criteria set for this purpose in accordance with the guiding principles set forth in Article I of the National Health Insurance Act of 2013.
 - b. **Sponsored** – a member whose contribution is being paid by another individual, government agency, or private entity according to the rules as may be prescribed by the Corporation.
 - c. **Household Help** – as defined in the Republic Act 10361 or "Kasambahay Law"
2. iGroup Gold members with existing Group Policy Contract (GPC) shall retain their NBB privilege until the expiration of their contract with PhilHealth. At the end of all existing GPCs, NBB shall no longer be accorded to the Organized Groups.



B. Benefits Covered

1. All case-based payments, a payment method that reimburses health care institutions a predetermined fixed rate for each treated case or disease. This includes:
 - a) All Case Rates
 - b) 23 Case Rates as enumerated in PhilHealth Circular No. 11, s-2011
 - c) Case Type Z benefits
 - d) Leptospirosis Package
 - e) TB-DOTS Package
 - f) Outpatient Malaria Package
 - g) Animal Bite Treatment Package
 - h) Voluntary Surgical Contraception Package
2. Other Covered Benefits:
 - a) Outpatient HIV/AIDS Treatment (OHAT) Package
 - b) Severe Acute Respiratory Syndrome (SARS) Package
 - c) Avian Influenza Package
 - d) Intrauterine device (IUD) insertion



C. Health Care Institution Covered

1. All accredited government health care institutions including all levels of hospitals and other health facilities (e.g., ambulatory surgical clinics, freestanding dialysis clinics, infirmaries, dispensaries, birthing homes, DOTS Centers).
2. Accredited private health care institutions:
 - a) Contracted facilities for Z Benefit Packages
 - b) Ambulatory Surgical Clinics
 - c) Freestanding Dialysis Centers
 - d) TB DOTS Centers
 - e) Birthing Homes
 - f) Infirmaries and dispensaries - For private infirmaries and dispensaries, NBB policy shall only apply to claims application for Maternity Care Packages and Newborn Care Packages. All other benefits are not subject to the NBB policy in private infirmaries.

Type of Facility	Gov't	Private	Benefits Covered by NBB
1. Hospitals	✓	✗	All applicable benefits covered by NBB in hospitals
2. Outpatient Malaria Providers	✓	✗	Outpatient Malaria Package
3. Animal Bite Treatment Centers	✓	✗	Animal Bite Treatment Package
4. Treatment Hubs	✓	✗	OHAT Package
5. Contracted Hospitals for Z Benefit Package	✓	✓	Case Type Z Benefits
6. Ambulatory Surgical Clinics	✓	✓	All benefits covered by NBB including cataract extraction, BTL, vasectomy
7. Freestanding Dialysis Clinics	✓	✓	Dialysis Package
8. TB DOTS Centers	✓	✓	DOTS Package
9. Birthing Homes	✓	✓	MCP, NCP IUD insertion
10. Infirmaries/Dispensaries	✓	✓ *	Government infirmaries: All benefits covered by NBB including vasectomy. *Private infirmaries: MCP and NCP only

III. GENERAL POLICIES

- A. Health care institutions must give NBB patients preferential access to their social welfare funds, which may be used to augment the benefit package provided in case of insufficiency to fully cover all confinement charges.
- B. Health care institutions shall be responsible and accountable for the care of patients and in achieving the best outcome. They shall extend all medical and financial support to qualified NBB members and dependents. They shall not deny access to health services whenever necessary.
- C. Health care providers shall ensure to deliver utmost quality of care and provide complete medical and non-medical care including but not limited to drugs, supplies, diagnostics and other medically necessary services like provision of adequate patients' meals based on prescribed therapeutic diet, nutritional status and dietary requirements, to achieve the best possible outcome.
- D. If the patients' condition requires stay in the intensive care unit, isolation room, recovery room and other special accommodation, this shall be provided to the patient and the NBB policy shall apply.
- E. Qualified NBB members and dependents enumerated in Section II.A of this Circular who are admitted in ward type accommodation shall be covered by the NBB policy.
 - 1. In any instance that a ward type accommodation is not available, it is the providers' responsibility to make the next higher accommodation available for the patient at no added cost.
 - 2. However, if the patient opts to avail a private accommodation, the NBB policy shall not apply.
- F. There shall always be an available health care professional to manage the patient. The patient shall not be charged for professional fees whether the health professional is salaried or not.
- G. Sourcing medications, diagnostics and supplies outside the facility shall only be a last resort when all other possible sourcing options have been exhausted. In such instances, the health care institution shall exclusively bear the cost of acquisition of such commodities and services.

IV. ENABLING MECHANISMS

A. MEMBERSHIP AND ELIGIBILITY OF MEMBERS

To ensure that qualified NBB members and dependents will not have any out-of-pocket expenditures, it is imperative that membership verification should be done prior to hospital admission and availment of outpatient services. All government facilities should have the capacity for real time verification of membership and eligibility.

- 1. **Institutional Health Care Provider Portal.** IHCP Portal is a simple web-based system for online verification of membership and eligibility which only requires a computer with internet connection. All government facilities must have this system in place.
 - a. PhilHealth shall ensure the deployment of the IHCP Portal.
 - b. All government facilities must provide the necessary resources for the optimum utilization of the IHCP Portal such, as but not limited to, the deployment of a dedicated personnel manning the portal, and a computer with reliable internet access.
- 2. **Member Data Record (MDR) and PhilHealth Number Card (PNC).** Indigent members may present their MDR, PNC or PhilHealth Identification Number (PIN) as the case may be upon admission as proof of membership and eligibility.



3. **Pantawid Pamilyang Pilipino Program (4Ps) ID Card.** Pursuant to PhilHealth Circular 24, s-2012 with the subject "Entitlement to NHIP benefits of all Pantawid Pamilyang Pilipino Program Beneficiaries of the DSWD", the hospital shall accept 4Ps identification cards as proof of membership. The mere presentation of the card shall be treated with presumptive validity and in good faith.
4. **PhilHealth CARES.** In case the hospital is unable to access the IHCP Portal, it is the providers' responsibility to devise mechanism to verify membership and eligibility prior to admission. The hospital may coordinate with the PhilHealth CARES personnel assigned to their facility or they may call the Local Health Insurance Offices (LHIOs) to verify eligibility.

B. BENEFITS OF THE NBB PATIENT

1. **Quality of Care.** Healthcare providers shall ensure that utmost quality of healthcare is provided to qualified NBB members and dependents. The providers shall provide the most cost-effective clinical approach without compromising the quality of care. This shall be monitored and evaluated by Post-audit System. PhilHealth shall impose necessary sanctions based on existing rules and regulations to facilities found to be compromising quality of care.
2. **Access to basic comforts.** All qualified NBB members and dependents shall receive the basic necessities and comfort each patient must receive. Hospitals shall adhere to the prescribed specifications for No Balance Billing beds as stipulated in PhilHealth Circular No. 22, s-2012. If a facility has been found not in conformity to the prescribed specifications, this shall be considered as breach of Performance Commitment subject to sanctions as stipulated in the abovementioned Circular.
3. **Medications/Supplies**
 - a. **Ensuring availability of drugs and supplies.** Facilities shall establish a mechanism whereby all necessary medications, diagnostic tests, and supplies are made available in the facility.
 - i. **Hospital Formulary.** In compliance to *DOH AO No. 51 of 1998*, the hospital Therapeutics Committee shall maintain a list of drugs the agency will keep on stock, use, buy or prescribe based on the latest edition of the Philippine National Formulary (PNF).
 - ii. The Therapeutics Committee shall perform appropriate forecasting to ensure that the hospital has an ample supply of drugs to meet the prevailing morbidity and mortality profile in their respective facilities in accordance with clinical practice guidelines (CPGs).
 - iii. All prescribed medications to qualified NBB members and dependents shall be made available and be dispensed exclusively from the hospital pharmacy.
 - b. **Unavailability of drugs.** In any instance where medications and its alternatives are not available, the facility shall undertake to make sure that medications are available at no cost to the patient through the following mechanism:
 - i. **Consignment.** PhilHealth supports other legal modes of procurement such as consignment. Government hospitals may consign, contract or enter into agreement with licensed suppliers of drugs, supplies and diagnostic services to ensure availability of resources. However, hospitals are highly discouraged to consign, contract or enter into agreement with third parties owned by hospital employees and their immediate relatives to avoid potential conflict of interests.



- ii. **Prescribing of medications.** It is incumbent upon the health care professionals to ensure that their prescribed medications and supplies are available within the hospitals' pharmacy. The physician shall only prescribe PNF drugs in generics and brand names should not to be indicated. In instance where the preferred prescriptions are not available within the pharmacy, the provider must first consider other therapeutic alternatives which may be given in lieu of the unavailable prescribed medication.
- iii. **Use of generic substitutions.** Health care institutions shall strictly observe and impose the use of generic substitutions to provide for the needs of patients within the resources available.

4. Diagnostics

- a. **Availability of laboratory tests and diagnostic procedures.** Health care institutions shall perform all necessary laboratory and diagnostic procedures to establish definitive, accurate diagnosis and further achieve the best possible outcome.
- b. **Unavailability of resources.**
 - i. In instances where a particular test is not available for any reason and the hospital cannot carry out required laboratory or diagnostic tests, the hospital shall make necessary referral and endorsement to the nearest government hospitals or private diagnostics center at no cost to the patient.
 - ii. For non-ambulatory patients, it is incumbent upon the hospital to make necessary arrangements for patient conduction via an ambulance without any additional cost to qualified NBB members and dependents.

5. Professional Services of Salaried Physicians

Health care professionals must not charge over and above the professional fees provided by the Program for members admitted to a service bed.

- a. Premised to the pooling of professional fee component for PhilHealth reimbursements within the facility, salaried physicians shall not charge additional professional fees to qualified NBB members and dependents.
- b. Non-salaried physicians (consultants) shall not charge additional professional fee to qualified NBB members and dependents admitted in ward type of accommodation.

6. Referral Systems

- a. Health care professionals shall not resort to unnecessary referrals for the mere reason of lack of resources including, but not limited to, laboratory, diagnostic procedures, and the likes.
- b. However in instances where a referral is deem necessary, providers shall make necessary arrangements such as endorsement, transportation and accommodation.

7. Hospital NBB Packages

- a. Hospitals are encouraged to develop NBB packages corresponding to the case-rate packages of PhilHealth in order to ensure that the resources necessary for each package are pre-determined, available and easily quantifiable in relation to demand.



- b. Such NBB packages shall include accommodation, use of operating room complex, professional fees, drugs and medicines including biologicals, supplies, as well as diagnostic and therapeutic procedures.

C. INCENTIVES

1. In support of providing the hospital with the resources it needs to continue implementing NBB effectively, PhilHealth shall facilitate payments to hospitals found to be efficiently implementing NBB.
2. Claims filed by hospitals which are highly compliant to the rules governing NBB shall be paid within 30 days upon receipt of complete documents for benefit availment.
3. If the response of the hospital to strengthen NBB implementation is to enter in consignment or other agreements necessitating payments to stakeholders outside the government facility, PhilHealth undertakes to accordingly provide support by fast tracking claims payment within 30 days from date of receipt.

D. EFFECTIVE INFORMATION DISSEMINATION

1. Upon admission, all qualified NBB members and dependents shall be oriented on PhilHealth's NBB policy.
2. The hospital, in collaboration with the PhilHealth CARES assigned to their facility, shall thoroughly orient all PhilHealth members and dependents on the case rates and NBB policies using IEC materials to be provided by PhilHealth.
3. All qualified NBB members and dependents shall accordingly be informed that they have a choice to opt for a ward type accommodation.

E. MONITORING AND EVALUATION

PhilHealth through the Standards and Monitoring Department shall regularly conduct monitoring on facilities' compliance to the NBB policy of PhilHealth.

1. **Exit Interview.** An exit interview shall be conducted randomly by PhilHealth among NBB patients prior to discharge. In the event that a violation has been noted, a Case Documentation/Action Form shall be completed and sent to the PRO-HCDMD Chief.
2. **Post-Audit System.** The PRO-HCDMD shall regularly conduct post-audit to claims wherein NBB policy applies.
 - a) If a provider has been found to be in violation of the existing rules and regulations of the NBB policy, the HCDMD Chief through AQAS and Legal Services Unit shall conduct validation by performing domiciliary visit.
 - b) The findings shall then be submitted to the RVP through the HCDMD for appropriate action.

G. GRIEVANCE AND ACCESS TO COMPLAINTS DESK

1. **CARES.** Members may approach the PhilHealth CARES assigned within the facility to report NBB violations. The PhilHealth CARES shall include these incidents to their monthly report submitted to the HCDMD Chiefs or FOD as the case may be for appropriate action.
2. **SMS Hotline.** An SMS receiving facility, manned and managed by PhilHealth Corporate Action Center, shall be made available to all PhilHealth members and dependents to report violations to the No Balance Billing policy.



3. These text messages shall be validated by PhilHealth Regional Offices through PhilHealth CARES, PhilHealth Anti-Fraud Team and AQAS. Violations may also be reported to:

Corporate Action Center

- a) Contact Number : 441-7442
- b) Email address : actioncenter@philhealth.gov.ph
- c) Facebook : www.facebook.com/PhilHealth
- d) Twitter : @teamphilhealth

H. PENALTIES

For any violation of this Circular, the terms and conditions of the signed Performance Commitment and all existing related PhilHealth circulars , office orders and directives shall be dealt with and penalized in accordance with the pertinent provisions of RA 7875, as amended, and its Implementing Rules and Regulations.

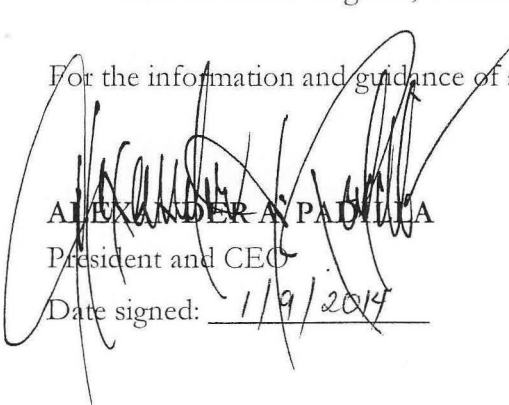
VI. SEPARABILITY CLAUSE

In the event that a part or provision of this Circular is declared void by any Court of Law or competent authority, those provisions not affected by such declaration shall remain valid and effective.

VII. EFFECTIVITY

This Circular shall take effect 15 days after its publication in a newspaper of general circulation and a copy thereof shall be deposited thereafter with the Office of the National Administrative Register, University of the Philippines Law Center.

For the information and guidance of all concerned.


ALEXANDER A. PADILLA
President and CEO

Date signed: 1/9/2014

