Bawal Pilipino MIYEMBRO
Ramdm myembro PROTEKTADO
Kalusugan natin SI GURAPDO

PHILHEALTH CIRCULAR
No. _2016 - 0016_____

TO	:	ALL HEALTH CARE INSTITUTIONS, HEALTH CARE PROVIDERS, HEALTH INFORMATION TECHNOLOGY PROVIDERS, PHILHEALTHNATIONAL AND REGIONAL OFFICES, LOCAL HEALTH INSURANCE OFFICES, AND OTHER CONCERNED
SUBJECT	:	**Full Implementation of the Electronic Claims System**

I.   RATIONALE

Republic Act No. 8792, known as the "Electronic Commerce Act of 2000" provides that information in the form of electronic documents or electronic data message "shall have the legal effect, validity or enforceability as any other document or legal writing" for as long as "said electronic document maintains its integrity and reliability and can be authenticated so as to be usable for subsequent reference".

In 2011, the Corporation launched the eClaims Project by virtue of PhilHealth Circular No.014-2011 and Office Order No. 0069-2011 as a strategic approach towards improving operational efficiency for health insurance claim transactions through the use of Information Technology (IT). It consisted of three modules aimed at providing Health Care Institutions (HCIs) with the online capability for verifying a patient's eligibility for health insurance, submission of claims electronically, and the capability to track the status of reimbursement claims. Implementation was in phases and only the first module was released.

As PhilHealth strives to attain its goal of financial risk protection for all Filipinos under the Universal Health Care framework, membership is rising and more health insurance benefit packages are being developed to address the health needs of members. Because of these, a corollary increase in availment of benefits is occurring, leading to an increase in the volume of claims. This marked volume increase, under existing operational systems and workforce, translates to a corresponding lag in claim processing and payment mechanisms, and hence, poorer client satisfaction. This chain reaction has highlighted the need to reform business transactions between PhilHealth and its client healthcare providers.

By March 2012, five percent of hospitals nationwide had availed of this amenity. More than half engaged IT companies to provide the application that would enable them to connect to PhilHealth. The Corporation noted that the involvement of an IT company as

third party in electronic claims transactions may be pivotal in expediting the implementation of the system. Through PhilHealth Circular 038 series 2012, otherwise known as the "Accreditation of Health Information Technology Providers," the policy framework for recognizing Health Information Technology Providers (HITPs),as links in providing HCI with the means to connect to PhilHealth and transact business electronically, was established.

In September 2014, PhilHealth Circular No. 21, s. 2014 was approved to provide guidelines for the simulation of the eClaims System. There were seven (7) HITPs including the Department of Health (DOH) that participated in the simulation which ran for two (2) weeks. The simulation covered Modules 1 to 4 of the eClaims System from encoding of data in the claim forms (hospital side) to the generation of voucher. The last simulation was conducted in February 2016 with its second phase implemented within the pre-production environment of the eClaims System.

In view of the foregoing considerations, PhilHealth is scaling up the implementation of the eClaims System to ensure that core processes for claim transactions are performed with utmost efficiency. It is expected to simplify claim submission and processing, reduce turnaround time, and hasten payment to HCIs.

II.   DEFINITION OF TERMS

1.   **eClaims Utility** – the front-end eClaims application provided by health information technology providers (HITP) consisting of any or all of the eClaims Modules 1 to 3.

2.   **eClaims Web Service** – a set of standard Application Programming Interfaces (APIs) provided by PhilHealth for electronic transactions.

3.   **Electronic Document** - refers to information or the representation of information, data, figures, symbols or other modes of written expression, described or however represented, by which a right is established or an obligation extinguished, or by which a fact may be proved and affirmed, which is received, recorded, transmitted, stored, processed, retrieved or produced electronically.

4.   **Health Information Technology Provider (HITP)** –a third party information technology provider accredited by PhilHealth after having met the minimum requirements for managing transactions between HCIs and the Corporation (PhilHealth Circular No. 038 series 2012).

5.   **Network Connectivity** – connecting and communicating between two or more points in a telecommunications system, typically over a network.

6.   **Provider** – when used plainly, refers to both HCI and HITP.

7.   **Tracking Code** – the code generated in Module 1 as proof that the member eligibility has been verified.

8.   **Transmittal Receipt Number** – the code generated in Module 2 as proof that the HCI transmitted successfully a batch of claim.
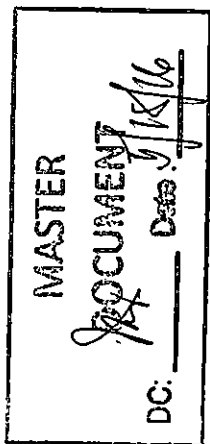
III. THE PHILHEALTH ELECTRONIC CLAIMS SYSTEM (eClaims)

A. **The eClaims System Framework.** The eClaims System is an interconnected modular information system for claim reimbursement transactions beginning from the time a patient signifies the intention of using a PhilHealth benefit, and ends when the claim is paid. It possesses the following electronic features, to wit: 1) ability for HCI to determine eligibility of patient to avail of insurance; 2) ability to submit a claim online; 3) ability for HCI to track and verify the status of its claims; 4) ability for PhilHealth to review and process a claim; and, 5) ability for HCI to reimburse the claim. The first three (3) are tasks performed at the HCI level while the rest are functions performed by PhilHealth.

B. **Properties of the eClaims System**

1. **Modules.** The eClaims System is divided into five modules, namely:

   a. **Module 1. Claim Eligibility Web Service (CEWS).** Launched in 2011, it aimed to empower HCI to determine eligibility of a member to avail of an insurance benefit based on patient type and qualifying contributions. It was enhanced to provide a peek into compensability of a claim based on PhilHealth rules on annual maximum of 90 days confinement, single period of confinement, contribution payments per member type, case type Z claims, and professional healthcare status. It also serves to instruct PhilHealth member with compliance to particular deficiencies. To utilize this feature, HCI will have to input the following information:

      i. Member and Patient Data
         i.1 Member name, PhilHealth Identification Number, birth date, address, membership type, employer name and PhilHealth employer number;
         i.2 Patient name, birth date, admission and discharge dates.
      ii. Procedure performed (Relative Value Scale); and
      iii. HCI and healthcare professional (HCP) accreditation number.

   b. **Module 2. Electronic Claim Submission (ECS).** This module consists of attributes specified in PhilHealth Claim Forms. It is designed in such a way as to permit transmission to PhilHealth in the form of an Extensible Markup Language (XML). Document attachments (i.e. official receipts, laboratory results, operative records, etc) that are required for arbitration and evaluation, shall be submitted in a format prescribed by PhilHealth (i.e. PDF/A).

   c. **Module 3. Electronic Claim Status Verification (CSV).** This module functions as a required add-on feature in the eClaims system. It enables an HCI to track a submitted claim, map it against its own information system, and verify the adjudication and payment status of a claim.
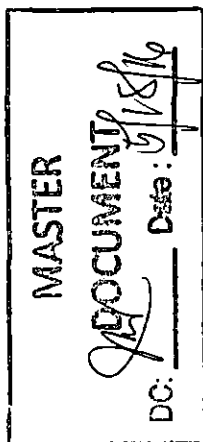
d. **Module 4. Electronic Claim Review and Processing.** The adjudication module simplifies the number of processing steps for a claim and enables medical and non-medical adjudicators to review claims in a systematic manner and ease up decision-making.

e. **Module 5. Auto-Credit Payment of Claim.** PhilHealth Circular No. 043 series 2012, also known as the "Reimbursement of Hospital Claims through Auto-Credit Payment Scheme (ACPS)", provides the guidelines for settling a provider's claim through direct crediting to an HCI deposit account. The eClaims System shall adopt this mechanism, and for this purpose, it shall be referred to as "Module 5".

2. **Data security, privacy, and confidentiality.** The eClaims System shall ensure that all data collected, including personal information and health records, and transmitted through the use of information and communications technology systems provided by juridical entities, are in accordance with Republic Act No. 10173, otherwise known as the Data Privacy Act of 2012. With such, HITPs will be connected to PhilHealth through a secured means of connection as prescribed by PhilHealth. HITP shall also ensure secure data transmission and storage with its HCI clients. In general, PhilHealth security standards that will govern information exchange among HCI, HITPs and PhilHealth, as specified under PhilHealth Circular No. 038 series 2013, shall cover the following:

a. data center;
b. front-end security and authentication;
c. database security;
d. semantic security (data dictionary and document type definition); and
e. transmission security.

3. **The Role of a HITP.** The task of providing the front end interface for eClaims Modules 1 to 3 to an HCI, ensuring connection of an HCI to PhilHealth, and facilitating electronic transactions, shall be the required functions of an HITP. Under PhilHealth Circular No. 038 series 2012 on the accreditation of HITP, the HITP acts as a conduit for electronic transactions on claim reimbursements from the HCI to PhilHealth and vice versa.

IV. THE PHILHEALTH ECLAIMS IMPLEMENTATION GUIDE

A manual of procedures, called the **PhilHealth Electronic Claims Implementation Guide (PeCIG),** will be provided to HITPs. It shall serve to define the standards prescribed by PhilHealth for a HITP or HCI to develop the eClaims Modules 1 to 3 needed by the HCI. It shall be regularly updated to include new systemrequirement specifications like updates in processes, data content, format, and/or structure, mandatory document attachments, among others. Every revised version shall be covered
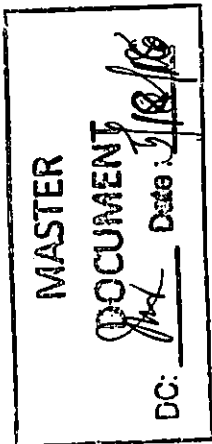
by an advisory prior to its release to the relevant HCIs. The edition shall also adequately state the relevant PhilHealth policies it has addressed (see Annex A). The PeCIG shall be posted in the corporate website.Conformity to the defined standards shall be the basis for the System Validation Certificate that will be issued to the HITPs.

This Certificate shall be different from the Certificate of Accreditation issued to HITPs which is intended for the validation of their prototypes and not the actual system used in operational eClaims.The mechanics for eClaims System validation,which had been defined in PhilHealth Circular No. 21, s. 2014 entitled "Guidelines for eClaims System Simulation" which was issued in September 2014,shall also be indicated in PeCIG.

The security protocol shall be indicated in PeCIG and its technical details shall be provided in later issuances. The PeCIG shall be subject to review and revision by the HITPAC.

V.   SCOPE

1.   The eClaims System shall apply to the following reimbursement claims filed:

   a.   all case rates (ACRs);
   b.   special benefit packages (Z Benefits), and;
   c.   outpatient benefit packages such as but not limited to Maternal Care Package (MCP) Newborn Care Package (NCP) TB-DOTS Package, Outpatient Malaria Package, Animal Bite Treatment Package.

2.   Only accredited HITPs with System Validation Certificateissued by PhilHealthshall be allowed to provide the eClaims front-end utilities to HCIs.

3.   The eClaims System shall not cover claims reimbursement filed under the following:

   a.   Primary Care Benefit Package/Tsekap scheme;
   b.   for readjustment of amount claimed;
   c.   Fee-For-Service scheme and directly-filed claims;
   d.   MERS-COV; and
   e.   Ebola.
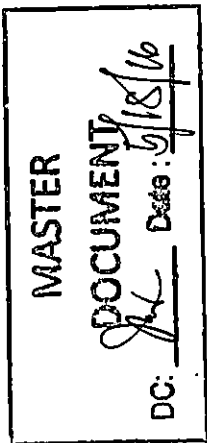
## VI.   GENERAL GUIDELINES

1.   The eClaims System shall be implemented using the environment and infrastructure prescribed by PhilHealth.

2.   The implementation of eClaims System shall be open to all HCIs.

3.   A Claim Signature Form (CSF) shall be prescribed for member, patient and doctor/s. It shall be among the mandatory supporting documents scanned and uploaded with each claim file.

4. The HCI head (i.e. Hospital Director, Chief of Hospital) shall be responsible for ensuring the quality (i.e. validity, accuracy, completeness, etc.) of the data submitted electronically.

5. The set of electronic data received by PhilHealth and stored in its database shall be its property and shall cease to be accessible to HCI or HITP. However, electronic supporting documents at the HCI or HITP level that may be necessary during adjudicationshall be made available and readable to PhilHealth.

6. Submitted claims shall be deemed final, hence, actionable by PhilHealth. Only PhilHealthauthorized personnel shall be given access to retrieve the data for viewing, reviewing, assessing, and other permissible rights or actions.

7. Electronic claim review, adjudication and payment shall be conducted in compliance with existing policies.

8. All electronically submitted claims, together with its attached documents, whether through HITP or not, must be stored and archived at the provider end, for a minimum of ten years.

9. Security over personal information processing and transmission must be ensured by HCI and HITP following the standards implemented by PhilHealth in compliance with the Data Privacy Act of 2012.

10. An offline version of the eClaims Systemmay be provided by the HITPs for HCIs without or with poor internet connection.

11. The eClaims System may undergo regular updates, hence, HITPs and/or partner HCIs must ensure conformance to updated specifications.

## VII. SPECIFIC GUIDELINES

A. ENGAGEMENT OF HCI

1. HCI must possess the following minimum requirements for eClaims:

   a. Desktop computer;
   b. Document scanner;
   c. Internet connection, if available; and
   d. Authorized depository bank account if ACPS-compliant, details of which must be submitted to its respective PhilHealth Regional Office, in accordance with guidelines provided under PhilHealth Circular No. 043 series 2012 known as the "Auto-Credit Payment Scheme (ACPS)".

2. HCI shall have the prerogative to choose the HITP it will engage with, based on a roster of accredited HITPs posted on the PhilHealth website and with System Validation Certificate.
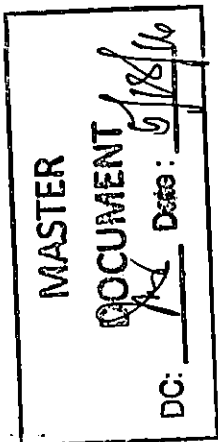
3. HCI shall also have the prerogative to change its HITP. In such case, all electronic claims data including the scanned documents generated by the former HITP must be transferred from its server to the server of the new HITP.

4. HCI shall request from HITP a copy of its System Validation Certificate.

5. HCI shall ensure that personnel authorized to handle eClaims modules and to encode claim data shall be adequately trained by its HITP.

6. HCI Head (i.e. hospital director, chief of hospital) shall be responsible for ensuring the quality (i.e. validity, accuracy, completeness, etc.) of data submitted electronically.

7. HCIs are required to develop and maintain policies and procedures protecting the personal health information (PHI) of patient-member/dependent stored electronically in accordance with the Data Privacy Law which includethose for backup, archiveand live electronic data management.

B. ENGAGEMENT OF HITP

1. HITP shall provide the following mandatory services to HCI:

   a. eClaims utility including URLs;
   b. after sales service (helpdesk);
   c. capability building of HCI personnel assigned to the eClaims system;
   d. registration to PhilHealth's web service;

2. HITP shall ensure storage of claim files and scanned documents for its HCI clients.

3. HITP shall be responsible for ensuring security of the applicable connectivity technology withPhilHealth and/or with HCIs.

4. HITP shall ensure that only authorized personnel should handle the eClaims Modules.

5. HITPs are required to develop and maintain policies and procedures protecting the personal health information (PHI) of patient-member/dependent stored electronically in accordance with the Data Privacy Law which include those for backup, archive and live electronic data management.

6. HITPs shall elevate to PhilHealth all other unresolved technical queries/concerns through its IT-Helpdesk.
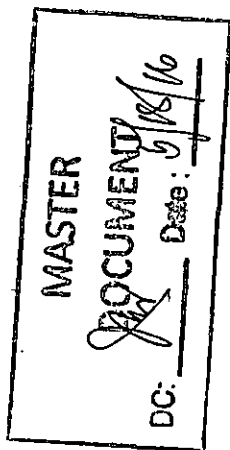
C. HITP eCLAIMS CONNECTION BY APPLICABLE CONNECTIVITY TECHNOLOGY

Please refer to Annex A for the technical details on HITP eClaims connectivity.

1. HITPs shall establish the applicable connectivity withPhilHealthandpartner HCIs depending on their system and infrastructure design.

2. All HITPs shall register with PhilHealth to enable them to connect to the eClaims System. PhilHealth shall provide the HITPs with appropriate forms to be accomplished and returned to PhilHealth so that configuration details for each of the HITPs can be specified based on their hardware.

3. For the connection of its partner HCIs, HITPs shall provide a duly accomplished Non-Disclosure Agreement (NDA) including that of its partner HCI to PhilHealth.

4. HITP shall notify PhilHealth of its readiness to commence the implementation of eClaims System.

5. PhilHealth shall inform the concerned PhilHealth Regional Offices (PROs) of the HCI clients and their start dates of implementation of their eClaims System.

6. There shall be **two modes** by which a HITP and its partner HCI may implement the eClaims System, as follows:
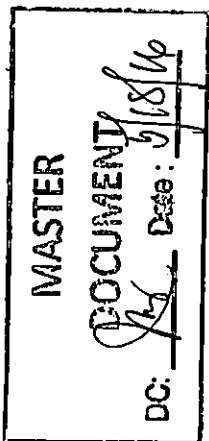
    a. **Through a Connection of PhilHealthOnly to HITP**

       i. Encoding is done by HCIs through the interface accessed centrally from a HITP server;
       ii. The scanned documents and their web location information are stored directly into the HITP server;

    b. **Through Connections of PhilHealthto Both HITP and HCI**

       i. Encoding is done by HCIs through a localapplication provided by HITP and the claims data including the scanned documents are sent to the HITP server to store the scanned documents:
       ii. HCI sends the web location information of the scanned document directly to PhilHealth.
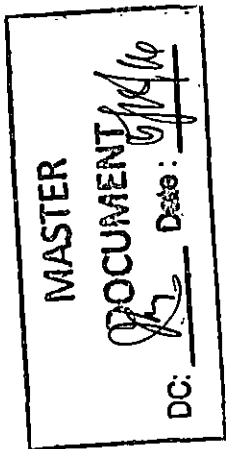
D. ELECTRONIC CLAIM SUBMISSION

1. All encoding of claims shall be done within the premises of HCIs.

2. HITPs shall provide their partner HCIs with a module to encode claims from their eClaims utility or extraction utility to obtain the required

claims data from an electronic medical record or hospital information system.

3. All information found in Claim Forms 1, 2 and 3 (if required) shall be encoded electronically or extracted with the provided module.

4. Required documents as prescribed by PhilHealthsuch as PhilHealth Membership Registration Form (PMRF), PhilHealth Official Receipt/s and Claim Signature Form (CSF) shall be scanned and saved in either the HITP or HCI provided repository.

5. Scanned files shall be saved in Portable Document Format for Archive (PDF/A) format.

6. The Claim Signature Form (CSF) containing information from both Claim Forms 1 and 2 shall be duly accomplished and signed by signatories (seePeCIG) from the hospital, patient-member/dependent, doctors and employers prior to scanning and attaching with the electronic claims in XML format.

7. In addition, supporting documents (i.e. official receipts, diagnostic results, operative records, etc.) that are necessary to review and adjudicate a claim, shall be scanned and saved in either the HITP or HCI server depending on the mode of implementing eClaims.

8. Submission of electronic claims can be done individually on real time during office hours or in batches during off-peak hours.

9. The web service application must be readily available for the following purposes:

   a. claim adjudication wherein absence of attached document shall constitute a return-to-sender decision for compliance, and;
   b. Post-payment audit review wherein absence of such document shall constitute a refund by the HCI.

10. HCIs shall ensure that scanned documents are stored encrypted according to the requirements of PhilHealthin its resting state on a secure file repository accessible only to PhilHealth via web services.

11. The scanned documents shall be encrypted by the authorized personnel of the HCIs using a standard tool provided by PhilHealthfor encryption.

E. **CLAIMS STATUS VERIFICATION**

eClaims Module 3 will enable the HCIs to track/monitor the processing of their claims as well as the corresponding reimbursement.

## F. ELECTRONIC CLAIMS REVIEW AND PROCESSING

1. Respective PhilHealth Regional Offices shall simultaneously review and process the electronic claims submission.

2. Electronic Claims Review and Processing flow is provided in PeCIG.

G. PAYMENTS

1. PhilHealth shall pay HCIs for each claim filed through its existing payment mechanism.

2. Concerned PhilHealth Regional Offices (PROs) shall determine and monitor erroneous payment (if any) identified during processing or post audit of claims.

H. MONITORING AND EVALUATION

1. Evaluation of the participating HITPsin the full implementation of the eClaims System shall be according to criteria and indicators provided in PeCIG. Performance Scorecard for HITPs. An advisory shall be issued by PhilHealth for the change in the said criteria and indicators as a result of its monitoring and evaluation.

2. The eClaims System in every HCI shall be monitored regularly using a tracking scheme to ensure proper usage of eClaims System.

3. PhilHealth shall generate an evaluation report of each participating HCI.

4. A checklist of the functional and technical requirements for the evaluation of the features and connectivity of the systems of HITPs shall be provided by PhilHealth at the start of the operation of eClaims System (see PeCIG). An advisory shall be issued by PhilHealth for the change in the said checklist as a result of itsconducted evaluation.

5. HCI and HITP shall extend assistance to all PhilHealth personnel duringthe monitoring activities such as random spot checks and evaluation activities.
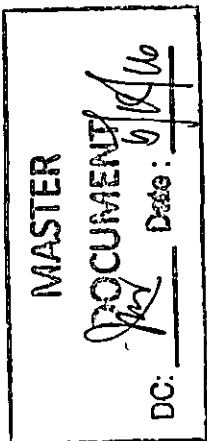
VIII. INFORMATION SECURITY

A. HITPs shall ensure that only the minimum and authorized personnel have access to eClaims utility. Additionally, both HITPs and HCIs should have appropriate means to secure confidential health information and its use within their operations including exchanges of confidential health information with other partners. Each HITPor HCI must provide a means to authenticate authorized users.

B. HITPs shall strive to keep claims information from unauthorized access. PhilHealth must be notified, however, as soon as unauthorized access is detected.

This notice must include what was disclosed, how it was obtained (means and methods), who gained unauthorized access if known, if the data has been subsequently and unlawfullydisclosed, and the risk mitigation plan the HITPwill be pursuing to prevent any further unauthorized access.

C.   HITPs must have a published sanction policy and ensure that it is effectively communicated to staff periodically. For external breaches, appropriate law enforcement officials will be involved in the investigation and prosecution if necessary.

D.   Each HITPshall develop, maintain and implement policies and procedures for protecting claims information stored electronically or via paper. The storage policies and procedures shall apply irrespective of the purpose of storage, whether claims data is stored on a CD for archiving or transmission purposes.

IX.   PENALTY CLAUSE

A.   Any participating HITP or HCI who shall fail to comply with the provisions of this Circular or who shall commit any acts that violate the Electronic Commerce Act of 2000, Cybercrime Prevention Act of 2012, and the Data Privacy Act of 2012, in so far as they relate to the operations of the eClaims System, shall be penalized with termination of the right to participate in this undertaking, and revocation of all privileges enjoyed pursuant to said participation without prejudice to administrative, civil and criminal liability of its owners, directors or responsible officers under pertinent laws and rules.

B.   Any individual involved in the processing of health information who shall commit any violation of the policies stipulated in this Circular, or who shall fail to observe internal policies or regulations implemented pursuant to the provisions of this Circular shall have his or her authorization to access the eClaims System revoked, without prejudice to administrative, civil and criminal liability under pertinent laws and rules.

C.   The finding of guilt for violation of this Circular shall not be a bar to the criminal prosecution for violation of the Electronic Commerce Act of 2000 (R.A. No. 8792), Cybercrime Prevention Act of 2012 (R.A. No. 10175), Data Privacy Act of 2012 (R.A. No. 10173), the Revised Penal Code or other special laws, whenever applicable.
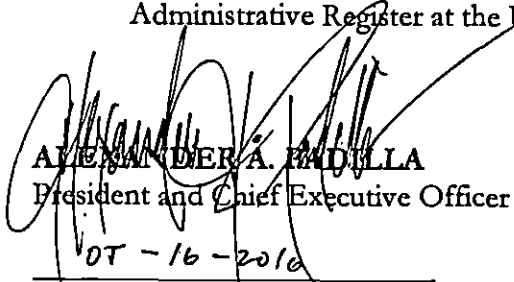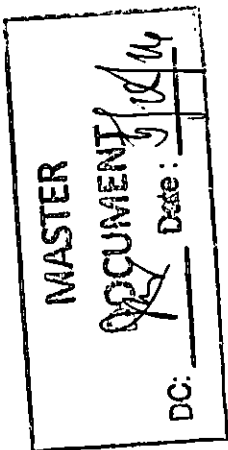

X.   SEPARABILITY CLAUSE

Provisions of previous issuances inconsistent with this Circular are hereby repealed accordingly. All other issuances consistent with this circular shall remain in full force and effect.

XI. EFFECTIVITY

This circular shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation and deposited thereafter with the National Administrative Register at the University of the Philippines Law Center.

ALEXANDER A. PADILLA
President and Chief Executive Officer

OT – 16 – 2016
Date signed

MASTER DOCUMENT
DC:
Date: