



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION
Citystate Centre Building, 709 Shaw Boulevard, Pasig City
Healthline 441-7444 www.philhealth.gov.ph



PHILHEALTH CIRCULAR

No. 2017-0008

TO : ALL MEMBERS UNDER THE INFORMAL ECONOMY, ACCREDITED COLLECTING AGENTS, ACCREDITED HEALTH CARE PROVIDERS, NATIONAL GOVERNMENT AGENCIES, LOCAL GOVERNMENT UNITS AND OTHER GOVERNMENT OFFICES, PHILHEALTH OFFICES AND ALL OTHERS CONCERNED

SUBJECT : Coverage of Individual/s, Directly-Hired Job Orders, and Project-Based Contractors in the Government under the Group Enrolment Scheme

I. RATIONALE

Sec. 5 (a) no. 3, Title III, Rule I, of the Revised Implementing Rules and Regulations of RA 7875 as amended by RA 10606 provides that "All other workers rendering services whether in government or private offices, such as job order contractors, project based contractors, and the like" shall be covered under the Formal Economy Program of the National Health Insurance Program (NHIP).

Considering that the entitlement to PhilHealth coverage to regular employees afforded through a cost-sharing scheme on premium contributions requires the existence of an 'employee-employer relationship', the aforesaid provision cannot be applied to the said class of personnel.

The DOLE-DBM Joint Circular No. 1-09, s.2009, specifically states that "Per Civil Service Commission Memorandum Circular No. 17, s. 2002, services rendered by job order personnel shall not be considered as government service. Moreover, said personnel are only entitled to the basic salary of the position."

Hence, any amount appropriated by government agencies for the payment of PhilHealth premiums for Job Order personnel whose services are not considered "government service" shall violate the said Circular as well as the fundamental principles of government accounting system, to wit: (1) "No money shall be paid out of any public treasury or depository except in pursuance of an appropriation law or other specific statutory authority" and (2) "Government funds or property shall be spent or used solely for public purposes."

In view of the foregoing, PhilHealth Board Resolution No. 2133, s. 2016, approves for the mandatory coverage of individual/s, **directly hired** job orders (JOs) and project based contractors (PBCs) in the government as Members of the Informal Economy, and authorizes government employers to withhold and remit their full premium contributions as Individually Paying Members under the Group Enrolment Scheme.

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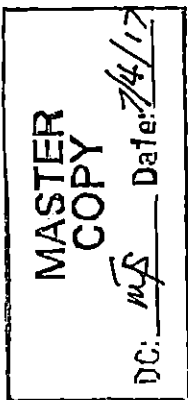
II. COVERAGE

This Circular covers the following:

1. All national and local government offices, including Local Government Units (LGUs), government owned and controlled corporations (GOCCs), state universities and colleges (SUCs) engaged in the direct hiring of job orders (JOs) and project-based contractors (PBCs); and
2. Individuals directly hired by national government agencies (NGAs), LGUs, (GOCCs) and (SUCs) as job orders and project-based contractors as provided for in their respective service agreement contracts.

III. GENERAL GUIDELINES

1. All Local Health Insurance Offices (LHIOs)/ PhilHealth Regional Offices (PROs) are required to coordinate with the concerned government employers within their respective catchment areas for the coverage of government hired JOs and PBCs under the program.
2. Government employers are required to submit the following documents to the nearest LHIO to institutionalize the partnership with the concerned government employers for the implementation of the program:
 - a. Letter of Commitment (LOC) per Annex A; and/or
 - b. Signing of a Memorandum of Agreement per Annex B
3. To fast track the process of coverage of said JOs and PBCs, government employers may require them to fill-up PhilHealth Member Registration Form (PMRF) and register with PhilHealth upon signing of any service agreements.
4. Concerned government agencies shall submit a list of JOs and PBCs using the prescribed template in Excel file format for processing per Annex C, together with corresponding duly accomplished PMRFs.
5. The total amount of premium contribution that may be deducted from the JOs and PBCs and withheld for PhilHealth shall be based on the Two Tiered Premium Contribution Rate as prescribed by the Corporation. The current annual premium contribution for those earning a monthly rate of P 25,000 and below is P 2,400 and P 3,600 for those earning above P25,000.
6. The premium contribution rate of JOs and PBCs may be remitted to any LHIOs/Accredited Collecting Agents (ACAs) on a monthly, quarterly, semi-annual, or annual basis.
7. Government employers may use the prescribed application system for the reporting of premium contributions of their respective JOs and PBCs.

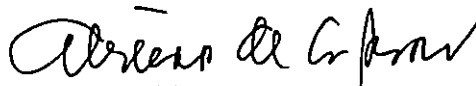


8. Enrolled JOs and PBCs shall be entitled to automatic availment of regular benefits accorded to the members of the Informal Economy upon remittance of the initial premium contribution.

IV. EFFECTIVITY

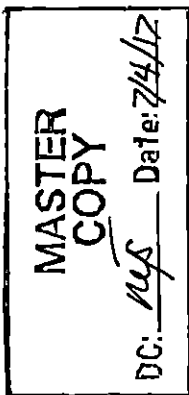
This Circular shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation as may be required by existing laws, rules and regulations, and must be filed with the Office of the National Administrative Register (ONAR) at the University of the Philippines Law Center.

For information and guidance.



DR. CELESTINA MA. JUDE P. DE LA SERNA
Interim/OIC President and Chief Executive Officer

Date: 6/30



PHILHEALTH CIRCULAR

Subject: Coverage of Individual/s, Directly-Hired Job Orders, and Project-Based Contractors in the Government under the Group Enrollment Scheme

LETTER OF COMMITMENT

Date

MR. _____
Regional Vice President
PhilHealth Regional Office _____

Dear Regional Vice-President _____,

I, the undersigned, in my capacity as head/representative of (Name of National Government Agency (NGA)/Local Government Unit (LGU)) hereby declare that (Name of NGA/LGU) commits and continuously commits to participate under the National Health Insurance Program (NHIP) as partner (agency/unit) for the implementation of the Group Enrollment Program and to undertake the following necessary steps to ensure successful implementation of the said Program:

1. Cause for the immediate registration/enrollment of its PBCs/JOs under the NHIP;
2. Collect from the directly hired PBCs /JOs the prescribed Philhealth premiums;
3. Remit to Philhealth the total premium amount due on or before the prescribed deadline based on the preferred (monthly/quarterly/ semi-annual/annual) mode of payment;
4. Assist and support Philhealth in the conduct of information dissemination and education campaigns to its members through the "Alaga Ka".

Moreover, we as an (agency/unit) understands that a failure on our part to remit the total required premiums within the prescribed deadline can result in the automatic suspension of benefit entitlement of our directly hired PBCs/JOs in accordance with the existing NHIP rules, guidelines and procedures.

Thank you and best regards.

Very truly yours,

Conforme:

Name and Position of the Representative

Regional Vice-President
Philippine Health Insurance Corporation

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PRESCRIBED TEMPLATE FOR THE LISTING OF PROPOSED ENROLLEES UNDER THE GROUP ENROLLMENT PROGRAM

LASTNAME	FIRSTNAME	MIDDLENAME	EXT_NAME	BIRTHDAY	SEX	BARANGAY	MUNICIPALITY/CITY	PROVINCE	REGION
1			Jr.	MM/DD/YYYY	M				
2			Sr.		F				
3			III						
4									
5									
6									
7									
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MEMORANDUM OF AGREEMENT

KNOW ALL MEN BY THESE PRESENTS

This Memorandum of Agreement ("**Agreement**") is entered into by and between:

The **PHILIPPINE HEALTH INSURANCE CORPORATION**, a government-owned and controlled corporation organized and existing under the laws of the Republic of the Philippines, with principal office at Citystate Centre, 709 Shaw Boulevard 1600 Pasig City, Metro Manila, represented by its **Regional Vice President** _____ (**PHILHEALTH**);

– and –

The _____, a government agency organized and existing under and by virtue of the laws of the Philippines, with principal office address at _____, represented by its **Secretary** _____ (**PROPONENT**);

WITNESSETH:

Whereas, Article XIII Section 11 of the Constitution mandates the State to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other services available to all people at affordable cost;

Whereas, to implement the aforementioned constitutional provision, the Philippine Congress enacted Republic Act No. 7875, as further amended by R.A. No. 10606 (the National Health Insurance Act of 2013);

Whereas, Title 3, Rule 1, Section 4 of the revised Implementing Rules and Regulations (IRR) of the National Health Insurance Act of 2013 states that "*All Filipinos shall be mandatorily covered under the Program. In accordance with the principles of universality and compulsory coverage enunciated in Section 2(b) and 2(l) of the Act, implementation of the Program shall ensure sustainability of coverage and continuous enhancement of the quality of service. The Program shall be compulsory in all provinces, cities and municipalities nationwide, notwithstanding the existence of LGU-based health insurance programs. The Corporation, DOH, LGUs, and other agencies including Non-Governmental Organizations (NGOs) and other National Government Agencies (NGAs) shall ensure that members in such localities shall have access to quality and cost-effective health care services*";

Whereas, Section 5.a.3, Title III, Rule I, of the revised IRR provides that "*All other workers rendering services whether in government or private offices, such as job order contractors, project based contractors, and the like shall be covered under the Formal Economy of the National Health Insurance Program (NHIP)*";

Whereas, these individuals who are directly hired by National Government Agencies or Local Government Units of may be enrolled in the program for the purpose of providing social protection or social health insurance;

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Whereas, cognizant of the important role of the National Government Agencies or Local Government Units in providing individuals who are directly hired by these agencies access to social health insurance, PhilHealth is tapping them as partners in the implementation of NHIP through the Regular Group Enrollment;

Whereas, this partnership engages Organized Groups in the vision towards universal coverage and Kalusugan Pangkalahatan;

NOW, THEREFORE, in view of the foregoing considerations, the Parties agree as follows:

I. OBLIGATIONS OF PHILHEALTH

PhilHealth, with due diligence and efficiency, shall:

- 1.1 Apprise the **PROPONENT** about the processes of Group Enrollment Program, from initial registration, collection and remittance of premium.
- 1.2 Conduct comprehensive training for the **PROPONENT** in providing Information, Education and Communication (IEC) campaign and advocacy.
- 1.3 Conduct sustained seminars/orientations aimed at apprising the government agencies/members of the **PROPONENT** on the policies, rules and regulations relative to program benefits, availment procedures, and their rights and obligations under the Program. For this purpose, PhilHealth shall immediately take appropriate action on any campaign materials intended to be issued by the **PROPONENT** to its participating government agencies/units in consonance with Article II Section 2.5 of this Agreement.
- 1.4 Provide the **PROPONENT** with appropriate member registration forms, reporting and monitoring forms, and IEC materials to be issued to its participating members in consonance with Article II Section 2.5 of this Agreement.
- 1.5 Process and validate the accomplished PhilHealth Member Registration Forms (PMRF) prior to the assignment of PhilHealth Identification Numbers (PINs) to each enrollee of the **PROPONENT**.
- 1.6 Generate and release the PhilHealth ID Cards (PIC) for new members registered through the **PROPONENT** after payment of the required premium contribution.
- 1.7 Regularly update the **PROPONENT** on the NHIP.

II. OBLIGATIONS OF THE PROPONENT

The **PROPONENT**, with due diligence and efficiency, shall:

- 2.1 Provide PHILHEALTH a profile of its directly hired job order/project based contractors to determine the number of eligible individuals to be enrolled under NHIP.
- 2.2 Directly hire job order/project based contractors for enrollment under the NHIP through the Regular Group Enrollment Program.

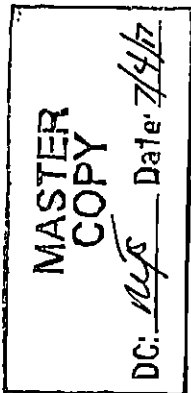
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- 2.3 Conduct information, education and communication campaigns aimed at apprising these individuals on the policies, rules and regulations relative to program benefits, availment procedures, and their corresponding rights and obligations under the Regular Group Enrollment Program. Any campaign and information materials that the **PROPONENT** intends to issue and distribute to its directly hired job order/project based contractors as part of its marketing activities shall require the prior written approval of PHILHEALTH. For this purpose, the **PROPONENT** shall submit the draft of said materials to PHILHEALTH for immediate review, approval or such other appropriate action.
- 2.4 Ensure proper accomplishment and submission of PhilHealth Member Registration Forms (PMRF) together with complete documentary requirements attached to the Transmittal List of Enrollees to PhilHealth.
- 2.5 The properly accomplished PMRF and documentary requirements shall be transmitted to the nearest PhilHealth Local Health Insurance Office (LHIO).
- 2.6 Collect and duly remit to PHILHEALTH premium contributions of its directly hired job order contractors, project based contractors and the like. The **PROPONENT** is solely responsible and liable in case it fails to remit to PHILHEALTH the said premium payment it has collected from these individuals.
- 2.7 Submit required reports to PHILHEALTH for purposes of monitoring/evaluation, research and program development.

III. PAYMENT OF PREMIUM CONTRIBUTION AND LATE REMITTANCES

PHILHEALTH and the **PROPONENT** shall be guided by the following provisions pertinent to contribution payments and late remittances:

- 3.1 The **PROPONENT** shall remit premium payments of its directly hired job order/project based contractors at PHILHEALTH's Local Health Insurance Offices (LHIOs). Succeeding payments may be transacted at Accredited Collecting Agents (ACAs).
- 3.2 The **PROPONENT** shall remit applicable premiums on or before the prescribed deadline based on the preferred (monthly/quarterly/semi-annual/annual) mode of payment.
- 3.3 Late remittances or non-remittance of premium contributions by the government agencies/units shall be a valid ground for the suspension of program benefits due to enrollee-members. This is without prejudice to other sanctions as provided for under existing laws, rules and regulations.



IV. EFFECTIVITY

This Agreement shall take effect upon signing, and shall remain in full force and effect unless otherwise terminated by either party by giving the other party a prior thirty (30)-day written notice of termination.

V. SEPARABILITY

If any provision of this Agreement is declared null and void, invalid or contrary to law by a court of competent jurisdiction, all other provisions that are not affected shall remain in full force and effect and binding on the Parties.

VI. REVISION OR AMENDMENT

This Agreement may be amended only in with the written concurrence of both Parties.

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DC: uys Date: 7/4/17

IN WITNESS WHEREOF, the parties have hereunto signed on this agreement this _____ day of _____ 2017, at _____, Philippines.

PHILIPPINE HEALTH
INSURANCE CORPORATION

PROPONENT

By:

By:

Regional Vice President

Secretary

ACKNOWLEDGEMENT

BEFORE ME, a Notary Public, on the above date and place, personally appeared the following:

<u>Name</u>	<u>Comm. Tax Cert. No.</u>	<u>Date/Place Issued</u>
_____	_____	_____
_____	_____	_____

Known to me to be the same persons who executed the foregoing instrument and acknowledged to me that the same is their free and voluntary acts as well as that of the entities represented.

This instrument consisting of four (4) pages, including the page on which this Acknowledgement is written has been signed on the left margin of each and every page thereof by the parties, with my notarial seal.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of 2017.

NOTARY PUBLIC

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