



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**

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**PHILHEALTH CIRCULAR**

No. 2017-0017

**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 (Revision 2)

**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 during their confinement period.

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.

Meanwhile, Section 4(e) of Republic Act No. 7432, as amended by Republic Act No. 9257, and further amended by Republic Act No. 9994 otherwise known as the "Expanded Senior Citizens Act of 2010", states that:

"SEC. 4. Privileges for the Senior Citizens. The senior citizens shall be entitled to the following: x xx

(e) free medical and dental services, diagnostic and laboratory fees such as, but not limited to, x-rays, computerized tomography scans and blood tests, in all government facilities, subject to the guidelines to be issued by the DOH in coordination with the PhilHealth; x x x "

Section 2(d) of the same Act, as amended, defined "medical services" as follows:

"Medical Services refer to hospital services, professional services of physicians and other health care professionals and diagnostics and laboratory tests that the necessary for the diagnosis or treatment of an illness or injury;" (underscoring supplied)

Henceforth, PhilHealth Board Resolution No. 1924, series of 2015, mandated that "All senior citizen members including Lifetime Members and Kasambahays who are 60 years old and above shall be entitled to the No Balance Billing (NBB) Policy of PhilHealth."

**II. COVERAGE AND SCOPE**

**A. NBB Patients**

This policy covers members and dependents of the following categories:

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1. **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.
2. **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 including hospital sponsored members, Point of Care (POC) and those enrolled by DSWD as defined in PhilHealth Circular No. 2016-0019 (orphans, abandoned and abused minors, out-of-school youths and street children).
3. **Domestic Worker or Kasambahay** – refers to any person engaged in domestic work within an employment relationship such as, but not limited to, the following: general househelp, nursemaid or “yaya”, cook, gardener, or laundry person, but shall exclude any person who performs domestic work only occasionally or sporadically and not on an occupational basis.  
  
The term shall not include children who are under foster family arrangement, and are provided access to education and given an allowance incidental to education, i.e. “baon”, transportation, school projects and school activities. (RA 10361 or Kasambahay Law)
4. **Senior Citizen** - refers to any Filipino citizen who is a resident of the Philippines, and aged sixty (60) years or above. The term may apply to dual citizens aged 60 years or above provided there is proof of Filipino citizenship and have at least six (6) months of residency in the Philippines as provided in the Implementing Rules and Regulations of Republic Act No. 9994.
5. **Lifetime** -- a member who has reached the age of retirement under the law and has paid at least one hundred and twenty (120) monthly premium contributions. (RA 10606)

**B. Benefits Covered**

1. All Case Rates
2. Z Benefit Packages
3. Primary Care Benefit
4. Other covered benefits:
  - a. Middle East Respiratory Syndrome Coronavirus (MERS-CoV) Benefit
  - b. Ebola Virus Disease (EVD) Benefit Package

**C. Health Care Institution Covered**

1. All accredited government health care institutions (HCIs) including all levels of hospitals and other health facilities (e.g., contracted HCIs for Z Benefit packages, ambulatory surgical clinics, freestanding dialysis clinics, infirmaries, dispensaries, birthing homes, DOTS Centers, PD Centers, PCB providers, OHAT providers).
2. The following accredited private health care institutions:
  - a. Contracted facilities for Z Benefit Packages
  - b. TB DOTS Centers
  - c. Birthing Home (for NBB eligible members *and dependents* only)
  - d. Infirmaries and dispensaries

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- For government infirmaries and dispensaries, NBB policy shall apply to all claims of NBB eligible members and dependents.
  - For private infirmaries and dispensaries, NBB policy shall apply to MCP, ANC, NSD and NCP of all claims of NBB eligible members and dependents.
3. Private HCIs (*hospitals, ASCs and FDCs*) voluntarily implementing the NBB policy.

Type of HCI	Gov't	Private	Benefits Covered by NBB
1. Hospitals	✓	✗	All benefits covered by NBB
2. Outpatient Malaria Providers	✓	✗	Outpatient Malaria Package
3. Animal Bite Treatment Centers	✓	✗	Animal Bite Treatment Package
4. Treatment Hubs	✓	✗	OHAT Package
5. Contracted HCIs for Z Benefit Package	✓	✓	Z Benefit Packages
6. Ambulatory Surgical Clinics	✓	✗	All benefits covered by NBB
7. Freestanding Dialysis Clinics (hospital and non-hospital based)	✓	✗	Dialysis Package
8. Peritoneal Dialysis Center	✓	✗	Peritoneal Dialysis
9. TB DOTS Centers	✓	✓	DOTS Package
10. Birthing home	✓	✓	MCP, ANC, NSD, NCP, family planning procedures (for NBB eligible members <i>and dependents only</i> )
11. PCB Providers	✓	✓	PCB, family planning procedures
12. Infirmaries/Dispensaries	✓	✓*	All benefits covered by NBB * In private infirmaries NBB shall apply only to MCP, ANC, NSD and NCP.

### III. GENERAL POLICIES

- A. Under the No Balance Billing (NBB) Policy, no other fees or expenses shall be charged or be paid for by qualified NBB patients above and beyond the packaged rates.
- 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 institutions must give NBB patients preferential access to their social welfare funds or other sources for financing such as Philippine Charity Sweepstakes Office (PCSO), Medical Assistance Program (MAP), and Department of Social Welfare and Development (DSWD) which may be used to augment the benefit package provided in case of insufficiency to fully cover all facility charges.
- D. All health care institutions shall ensure to deliver utmost quality of care and provide complete medical and non-medical care, including but not limited to, drugs, supplies (e.g., implants, plates, screws, pins, straps), diagnostics and other medically necessary

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services like provision of adequate patients' meals based on prescribed therapeutic diet, nutritional status and dietary requirements, to achieve the best possible outcome.

1. Patients should not be requested to buy drugs and supplies; or pay for diagnostic procedures with the assurance that members will be reimbursed by the facility once it receives reimbursement from PhilHealth.
  2. Requiring patients to replace consumed drugs, supplies and blood products is also a violation of the NBB policy.
  3. Hospitals should not request patients to render services or donate goods as payment for excess charges.
  4. Patients should not be required to pay for prescription fee, S2 form, processing for PhilHealth claim forms or the like.
  5. Facilities are not allowed to collect donations from PhilHealth members.
- E. 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.
- F. 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. Hospitals should automatically apply NBB to all eligible patients.
1. NBB eligible patients should not be reclassified based on Administrative Order No. 2015-0031: Amended Guidelines for the Implementation of Republic Act No. 747 entitled "An Act to Regulate the Fees to be Charged Against Patients in Government Hospitals and Charity Clinics Classifying Patients According to their Financial Condition and DOH Administrative Order No. 51A, s.2000: Classification of Patients on Availment of Medical and Social Services.
  2. Health care facilities including contracted facilities should not require members *and dependents* to sign any document that waives their NBB benefit or privileges. However, if the patient opts to avail a private accommodation, the NBB policy shall not apply.
  3. 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.
  4. Hospitals should follow Republic Act 1939: "An Act Prescribing the Appropriate Share of the National, Provincial, City and Municipal Governments in the Financial Contributions for the Operation and Maintenance of Fee Beds in Government Hospitals and/or the Establishment of Additional Wards or Hospitals in the Philippines", wherein all government hospitals should operate with not less than 90% of its bed capacity as free or charity beds; and DOH Administrative Order No. 2007-0041: "Guidelines on the Mandatory Allocation of a Certain Percentage of the Authorized Bed Capacity as Charity Beds in Private Hospitals" which requires private hospitals to allocate not less than 10% of its authorized bed capacity as charity ward.
  5. Once the patient is admitted in the ward, NBB automatically applies regardless if the patient is attended by a private consultant or salaried physician. This amends PhilHealth Circular No. 20, s.2011 Section I B "The NBB shall not apply: 2. When the sponsored member/dependent requests for a private doctor".
  6. NBB Policy shall not apply if the eligible member or dependent is initially admitted in ward type accommodation then requested transfer to a private room;

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or, the eligible member or dependent initially opted for admission in a private room and requested transfer to a ward type accommodation.

7. Once the NBB eligible patient is admitted in a lying-in clinic, NBB automatically applies regardless if the patient is attended by a midwife or physician.
8. As per PhilHealth Circular No. 22, s.2015, standard care for dialysis is covered by NBB policy. Facilities should ensure that standard care for dialysis is available to NBB patients who cannot pay excess charges for high-flux dialysis.

G. There shall always be an available health care professional to manage patients daily.

H. 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.

#### I. NBB for Private *Health Care Institutions*

1. Private *HCI's* participation in NBB policy shall be subject to approval of the Corporation.
  - a. The hospitals should submit a letter of intent (LOI) together with the hospital policy on the implementation of the NBB policy to PhilHealth Regional Office (PRO).
  - b. The PRO shall evaluate the documents submitted and approve the LOI.
  - c. A Memorandum of Agreement (MOA) shall be executed between PhilHealth and participating hospital.
2. Claims from private *HCIs* implementing the NBB shall be subjected to monitoring according to HCPPAS and any non-compliance (e.g., violation of performance commitment) shall be dealt with accordingly.
3. Private *HCIs* without MOA with PhilHealth should not use the term "No Balance Billing" or "NBB" in promoting their services.

J. NBB covers only the 45-day maximum allowable confinement and/or the 90 day allowance for patients undergoing dialysis per year. If the allowable days have been consumed, the NBB policy shall no longer apply.

*It is reiterated that the No Balance Billing Policy covers until the date the attending physician issues the order of discharge. Patients who refuse to leave the hospital or stay against medical advice and has no medical reason to remain in the facility shall no longer be covered by the NBB policy.*

K. The NBB Policy covers readmission of the same condition (within 90 days) in the same facility. However, the NBB shall not apply in cases where patients are admitted in another facility.

#### IV. ENABLING MECHANISMS

##### A. MEMBERSHIP AND ELIGIBILITY OF MEMBERS

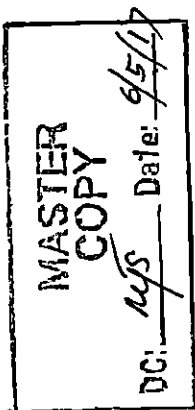
To ensure that qualified NBB members and dependents will not have any out-of-pocket expenditures, it is imperative that membership verification should be done prior to hospital admission and availment of outpatient services. All accredited facilities should have the capacity for real time verification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

1. **Health Care Institutional Portal.** HCI Portal is a simple web-based system for online verification of membership and eligibility which only requires a computer with internet connection. All accredited facilities must have this system in place.

- a. PhilHealth shall ensure the deployment of the HCI Portal.
  - b. All government facilities must provide the necessary resources for the optimum utilization of the HCI Portal such, as but not limited to, the deployment of a dedicated personnel manning the portal, and a computer with reliable internet access.
  - c. In case the hospital is unable to access the HCI 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.
2. **Member Data Record (MDR)** Indigent members may present their MDR as proof of membership and eligibility provided that MDRs are valid within availment period.
  3. **Pantawid Pamilyang Pilipino Program (4Ps) ID Card.** Pursuant to PhilHealth Circular No. 24, s.2012, "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. In cases where the member has multiple eligibility upon admission, the membership eligibility with superior benefits shall prevail. *However, eligibility to superior benefits acquired within confinement or after admission shall not be honored if the member already has an existing eligibility upon admission except for those enrolled under Point of Care or future similar schemes.*
  5. Health care institutions should develop policies to ensure that NBB members and dependents are properly identified such as tagging of patients' charts, patient coding in the nurses' station, issuance of NBB passport or slip and designated NBB ward.

## 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. They shall provide the most cost-effective clinical approach without compromising the 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. The Accreditation Department shall ensure that 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 PhilHealth Circular No. 31, s. 2014.
3. **Medications/Supplies**
  - a. **Ensuring availability of drugs and supplies.** Facilities shall establish a mechanism whereby all necessary medications 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.
  - iv. Prescribed non-PNF drugs, ARSP drugs (in non-accredited Anti-microbial Resistance Surveillance Program facilities) and other unnecessary drugs should not be charged to NBB patients. These expenses shall be charged to the professional fee component of the case rates.
  - v. NBB members *or dependents* should not be asked to get blood products from blood service facilities nor be charged blood service fees. These should be charged against the case rates.
  - vi. NBB does not cover drugs and medicines that will be used after the confinement period.
- b. **Unavailability of drugs.** In any instance where medications and its alternatives are not available, the facility shall 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 institutions to ensure that their health care professionals prescribe medications and supplies that are available within the hospitals' pharmacy. The physician shall only prescribe PNF drugs in generics and brand names should not be indicated. In instances 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. Dispensed branded drugs are still covered by the NBB policy and should not be charged to NBB patients.
  - iv. **Issuance of prescriptions to patients.** Health care facilities should develop a mechanism whereby all necessary medications, diagnostic tests and supplies are available in the facilities. Hospital staff should not hand over prescriptions to patients or their relatives. Drugs should be delivered to the ward or picked up at the pharmacy by hospital staff.

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#### 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.**
  - 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.
  - 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. Pre-admission services

*The NBB shall also cover pre-admission services rendered in the out-patient department (OPD), observation room and emergency room (ER), provided that the services are given in the same facility and were done immediately prior to admission. All expenses should be charged against the case rates.*

#### 6. Professional Services of Physicians

Health care professionals must not charge over and above the professional fees provided by the Program for members *and dependents* admitted to ward type of accommodation.

- 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. They should be entitled to the professional fee (PF) component of the case rate.
- c. All professional fee charges (e.g., readers' fee, anesthesiologists' fee, sonologists' fee) of all physicians, whether salaried or private consultants, rendering their services to NBB patients shall be charged against the professional fee component of the case rates.
- d. Health care facilities should develop policies on pooling of professional fees to provide incentives or disincentives to improve compliance PhilHealth policies including NBB.

#### 7. 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 necessary, providers shall make necessary arrangements such as endorsement and transportation (e.g., vehicle, gasoline, driver, toll-fee). Ambulance fee is covered by NBB.
- c. *In cases of transfer, the NBB applies both to the referring (P00001- Referral Package) and referral facilities.*

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## 8. Hospital NBB Packages

- a. Hospitals are encouraged to develop NBB packages corresponding to the case rates 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.

## V. INFORMATION DISSEMINATION

1. During admission, accredited and contracted HCIs shall orient all PhilHealth members and dependents on PhilHealth benefits and NBB policies. All qualified NBB members and dependents shall be informed that NBB shall only be applied for ward type accommodation and shall be forfeited if they opt admission in private room.
2. NBB orientation to accredited health care providers shall be included in all PhilHealth ReachOut Program activities. The PhilHealth ReachOut Program is an institutionalized program to regularly orient, inform and educate health care providers on NHIP policies.

## VI. GRIEVANCE AND ACCESS TO COMPLAINTS DESK

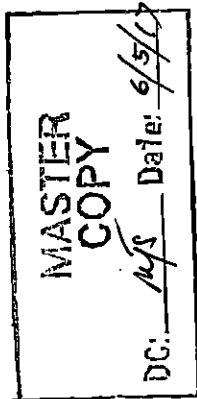
1. Members *and dependents* may approach the PhilHealth CARES assigned within the facility to report NBB violations.
2. NBB violations may also be reported to the Corporate Action Center:

Contact Number : 441-7442  
SMS Hotline : 0917-898-7442  
Email address : [actioncenter@philhealth.gov.ph](mailto:actioncenter@philhealth.gov.ph)  
Facebook : [www.facebook.com/PhilHealth](http://www.facebook.com/PhilHealth)  
Twitter : @teamphilhealth

## VII. MONITORING AND EVALUATION

PhilHealth through the Standards and Monitoring Department (SMD) shall regularly conduct monitoring on all hospitals and non-hospitals 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 PhilHealth Regional Office – Health Care Delivery Management Division (PRO-HCDMD) Chief.
2. Monitoring and evaluation shall be in accordance with the current guidelines of the Corporation on monitoring of HCPs as per PhilHealth Circular No. 26, s.2016 or Health Care Provider Performance Assessment System (HCP PAS) Revision 1.
3. All violations as reported to the PCARES and Corporate Action Center shall be forwarded to the concerned HCDMD.



**VIII. PENALTIES**

1. The HCP's compliance to NBB, as well as hospital policies on NBB, shall be used as basis for granting renewal of accreditation.
2. Based on PhilHealth Circular No. 26 s.2016, item V no. 6 "In cases of apparent and probable presence of irregularities and/or abuses of the NHIP, the Corporation may issue a temporary suspension of payment of claims for health care providers (HCPs) with pending further evaluation/ verification of the monitoring findings."
3. Any violation of this Circular would mean a breach of Warranties of Accreditation/Performance Commitment and shall be dealt with and penalized in accordance with the pertinent provisions of RA 7875, as amended, and its Implementing Rules and Regulations.

**IX. 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.

**X. REPEALING CLAUSE**

This circular shall supersede PhilHealth Circular No. 6, s.2017 or *Strengthening the Implementation of the No Balance Billing Policy (Revision 1)*.

All other existing issuances inconsistent with this circular are hereby repealed and / or amended accordingly.

**XI. EFFECTIVITY**

This Circular shall take effect *after 15 days of publication*. Further, this Circular shall be published in any newspaper of general circulation and shall be deposited thereafter with the Office of the National Administrative Register, University of the Philippines Law Center.

**CELESTINA MA. JUDE DE LA SERNA, MD**

Interim/OIC President and CEO

Date signed: 6/5/17

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