



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

Citystate Centre, 709 Shaw Boulevard, Pasig City  
 Call Center: (02) 8441-7442 | Trunkline: (02) 8441-7444  
 www.philhealth.gov.ph



UNIVERSAL HEALTH CARE  
 KAUSAPAN AT SAHOGAL PARA SA LAHAT

**PHILHEALTH CIRCULAR**

No. 2020 - 003

**TO : ALL HEALTH CARE PROVIDERS AND ALL OTHERS CONCERNED**

**SUBJECT : Guidelines on the Denial or Withdrawal of Accreditation of Health Care Providers**

**I. RATIONALE**

The National Health Insurance Act of 2013 provides that the Philippine Health Insurance Corporation (PhilHealth) shall have the authority to grant accreditation to a health care provider (HCP) which confers the privilege of participating in the National Health Insurance Program (NHIP). The Revised Implementing Rules and Regulations of the National Health Insurance Act of 2013 further establishes the authority of PhilHealth to issue, deny or withdraw accreditation after an evaluation of the **capability and integrity** of health care providers.

Further, PhilHealth is mandated to supervise the provision of health benefits and to set standards, rules, and regulations necessary to ensure access to quality health care, member satisfaction, appropriate utilization of services, and fund viability.

**II. OBJECTIVE**

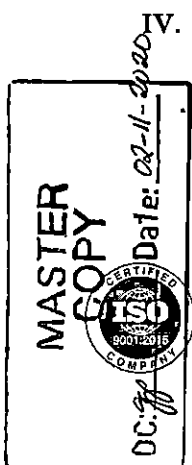
This policy establishes the guidelines and procedures on the denial and withdrawal of accreditation of health care providers. It also enumerates the conditions that could lead to denial or withdrawal of accreditation, and the processes involved in denial or withdrawal of accreditation and the remedies thereafter.

**III. SCOPE**

This policy applies to all health care providers (HCPs), both institutions and professionals, that are currently participating in the National Health Insurance Program as well as to health care providers with intention to participate in the NHIP.

**IV. DEFINITION OF TERMS**

**A. PRO Accreditation Subcommittee (ASc)** – a committee in the PhilHealth Regional Office (PRO). Its decision is recommendatory to the Vice President (VP)/Regional Vice President (RVP), as delegated by the President and CEO of the Corporation (PCEO). It has the following functions:



1. Recommend approval or denial of ALL applications for accreditation of HCPs;
  2. Recommend approval or denial of motions for reconsideration (MRs) on applications for accreditation denied due to non-compliance with any or all of the accreditation requirements only;
  3. Recommend to the RVP the withdrawal or pre-termination of accreditation of HCPs for grounds stated in Section V of this issuance;
  4. Refer unresolved novel issues **pertaining to accreditation** of HCPs to the Accreditation Committee (AC); and
  5. Recommend policies or enhancement of policies to the Accreditation Department relative to the accreditation of HCPs.
- B. Accreditation Committee** – a collegial body composed of internal and external stakeholders with the following functions:
1. Resolve appeals on the denied motions for reconsideration on denied applications for accreditation or gaps in accreditation of HCPs. The Committee’s decisions shall be recommendatory to the PCEO.
  2. Act on novel issues pertaining to accreditation of HCPs as elevated by the PROs, through the RVP.
  3. Propose new policies on accreditation, subject to the approval of the PCEO.
- C. Health Care Provider (HCP)** – a person or a health facility that provides a health care service
- D. Denial of Accreditation** – non-approval of the application for accreditation due to non-compliance with any or all of the accreditation requirements or upon determination of issues involving the integrity of the HCP.
- E. Withdrawal / Pre-termination of Accreditation** – cessation or termination of a valid accreditation that was previously granted to an HCP due to non-compliance with any or all of the accreditation requirements, or upon determination of issues involving the integrity of the HCP.
- F. Reinstatement of Accreditation** – the restoration of accreditation after compliance to conditions following a suspension/withdrawal of accreditation imposed by the Corporation. The HCP shall exhibit that the reason for denial/withdrawal has been addressed.
- G. Novel Issues** – case for which no precedent can be found and there are no available guidelines to refer to.

**V. GENERAL GUIDELINES**

**A. Performance Monitoring and Feedback Process**

1. PhilHealth shall assess the performance of health care providers using a set of indicators and tools as provided in PhilHealth Circular No. 2018 – 0019 entitled “Health Care Provider Performance Assessment System (HCP PAS) Revision 2.
2. The Corporation shall provide the concerned HCP with the feedback on the result of the monitoring activity within 10 calendar days from completion of the same. The feedback shall contain the following, as applicable:
  - a. all monitoring findings
  - b. validated reports from any or all of the following:
    - i. field validation (through facility inspection and domiciliary visits); and/or

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- ii. medical validation (through review of medical record and / or any health facility document/s)
- 3. The concerned HCP, within ten (10) calendar days from receipt of the PhilHealth feedback form, shall provide justification or explanation on the monitoring or validation finding/s.

**B. Grounds for Denial or Withdrawal of Accreditation**

The Corporation shall deny or withdraw the accreditation of HCPs due to any of the following:

- 1. Non-compliance with any or all of the accreditation requirements;
- 2. Pending case filed with the Prosecution Department;
- 3. Violation of RA 7875, as amended, and its RIRR and RA 11223 and its Implementing Rules and Regulations;
- 4. Commission of fraudulent or criminal acts prejudicial to the NHIP; or
- 5. Other validated monitoring findings from any concerned office of the Corporation.

**C. Authority to Issue Denial or Withdrawal of Accreditation**

- 1. All HCPs with pending cases shall be subjected to automatic review and deliberation by the PRO Accreditation Subcommittee (ASc) for possible denial or withdrawal of accreditation.
- 2. Denial of Accreditation
  - a. The ASc shall recommend to the Vice President (VP)/ Regional Vice President (RVP), as applicable, the denial of the application for accreditation.
  - b. Upon approval by the VP/RVP, the PRO shall issue a notice of denial of accreditation to the HCP. The notice shall include the basis/ bases for the denial of the application.
- 3. Withdrawal of Accreditation
  - a. The Legal Sector or the VP/RVP of the concerned PhilHealth Regional Office shall recommend the withdrawal or pre-termination of accreditation based on the grounds stated above.
  - b. The PCEO of the Corporation shall order the withdrawal of accreditation.
  - c. Withdrawal of accreditation shall take effect one day after receipt of the notice of withdrawal.

**D. Remedies of the HCP on the Denial of Accreditation:**

- 1. HCP with denied accreditation **due to non-compliance** with any or all of the accreditation requirements within the prescribed period:
  - a. The HCP may file a motion for reconsideration (MR) with ASc within fifteen (15) days from receipt of the notice of denial of application.
  - b. The ASc's decision on the MR shall be recommendatory to the VP/RVP, as applicable.
  - c. Failure to file an MR within the prescribed period shall result in the finality of the decision.
  - d. When the MR is denied, the HCP may file an **appeal** with the Accreditation Committee within fifteen (15) days from receipt of the notice of denial of the MR.
  - e. The Accreditation Committee's decision on the appeal shall be recommendatory to the PCEO of the Corporation.

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2. HCP with denied accreditation for reasons other than those mentioned in the previous section:
  - a. The HCP may file an **appeal** with the Accreditation Committee (AC) within fifteen (15) days from receipt of the notice of denial of application.
  - b. The AC's decision on the appeal shall be recommendatory to the President and CEO of the Corporation.
  - c. When the appeal is denied, the HCP may file an **MR** with the AC within fifteen (15) days from receipt of the notice of denial of the appeal.
  - d. The Committee's decisions on the MR shall be recommendatory to the President and CEO of the Corporation.
  - e. Failure to file an MR within the prescribed period shall result in the finality of the decision.

**E. Remedies of the HCP on the Withdrawal of Accreditation:**

1. An appeal for reinstatement of accreditation may be filed by the HCP with the Office of the VP/RVP of the concerned PRO, as applicable, within fifteen (15) days from receipt of the notice, otherwise the order of withdrawal of accreditation shall become final and executory.
2. The RVP/ VP shall recommend to the PCEO the approval or denial of the appeal. Only one (1) appeal shall be entertained by the Corporation.

**F. Monitoring**

PhilHealth shall ensure that all HCIs act in accordance with their signed Performance Commitment and shall conduct monitoring activities in accordance with the latest provisions of the existing PhilHealth's Health Care Provider Performance Assessment System to ensure the following:

1. Strict compliance with all PhilHealth policies, rules and regulations on quality assurance, claims processing and fraud detection and prevention;
2. Determination of the offenses and violations committed by the participating HCPs as a result of the monitoring of their performance, and that shall immediately warn of non-compliance with accreditation requirements and violations of the policies, rules and regulations; and
3. Maintenance of high quality standards of care being rendered to members by engaged HCIs.

**VI. PENALTY CLAUSE**

Any violation of this Circular, the terms and conditions of the 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.

**VII. SEPARABILITY CLAUSE**

In the event that a part or provision of this policy is declared unconstitutional or rendered invalid by any Court of Law or competent authority, provisions not affected by such declaration shall remain in full force and in effect.

**VIII. REPEALING CLAUSE**

This Circular repeals Sections IV.A.1 & A.2, IV.B.1, B.2.b, B.3 of PhilHealth Circular No. 2017-0013 entitled "Guidelines on Filing of Appeal and Motion for Reconsideration (MR) on the Denied Application / Other Accreditation Transaction of HCPs, Section VI.B.1.3 of PhilHealth

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Circular No. 54 s. 2012 entitled "Provider Engagement Through Accreditation and Contracting for Health Service and Section II.B.1.2 of the Manual of Procedure of PC 54s. 2012."

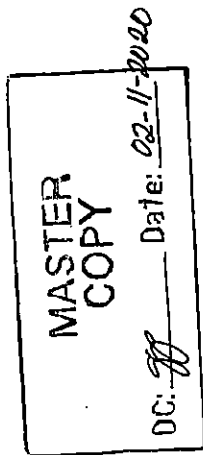
All provisions inconsistent with or contrary to this Circular are hereby revised, modified or repealed accordingly. All provisions of existing issuances which are not affected by this Circular shall remain valid and in effect.

#### IX. DATE OF EFFECTIVITY

This Circular shall take effect 15 days after publication in a newspaper of general circulation. A copy shall thereafter be deposited with the Office of the National Administrative Register, University of the Philippines Law Center. This shall cover applications for participation in the NHIP beginning the effectivity of this Circular.

  
BGEN. RICARDO C. MORALES, AFP (RET) FICD  
President and CEO

Date signed: 2/10/2020



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