



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

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UNIVERSAL HEALTH CARE  
 KALUSUGAN AT KALINGA PARA SA LAHAT

**PHILHEALTH CIRCULAR**

No. 2020-0024

**TO : ACCREDITED HEALTH CARE PROVIDERS, PHILHEALTH REGIONAL OFFICES, BRANCHES, LOCAL HEALTH INSURANCE OFFICES, AND ALL OTHERS CONCERNED**

**SUBJECT : Governing Policies on No Co-payment/No Balance Billing for PhilHealth Benefit Packages**

**I. RATIONALE**

Along with the introduction by the Philippine Health Insurance Corporation (PhilHealth) of the All Case Rates (ACR) was the introduction of the No Balance Billing (NBB) Policy (PhilHealth Circular No. 2017-0017) which states that “no other fee or expense shall be charged to the indigent patient, subject to the guidelines issued by the Corporation (Republic Act No. 10606 Section 24). The NBB policy was among the first policies of PhilHealth that aimed to drastically reduce patients’ out-of-pocket expense to ensure financial risk protection for indigent, sponsored, domestic worker or kasambahay, senior citizen, and lifetime members.

With the passage of the Universal Health Care (UHC) Act, the role of PhilHealth in ensuring financial risk protection for all Filipinos is further strengthened. According to the said Act, PhilHealth shall implement a cost-sharing scheme to include no co-payment, co-payment and co-insurance schemes (Section 9, Chapter III, R.A. No. 11223).

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**II. OBJECTIVE**

This PhilHealth Circular aims to provide the governing policies on cost-sharing schemes including no co-payment and co-payment that PhilHealth shall implement as part of its various benefit packages.

**III. SCOPE**

This PhilHealth Circular covers governing principles on the design and implementation of no co-payment/no balance billing and co-payment in healthcare providers accredited or contracted by PhilHealth.

**IV. DEFINITION OF TERMS**

- A. **Cost-sharing** - refers to the direct payment of a portion of health care costs by an insured person when receiving health services.
- B. **Co-insurance** - refers to a percentage of a medical charge that is paid by the insured, with the rest of the charges paid for by an applicable health insurance plan.
- C. **Co-payment** - refers to a flat fee or predetermined rate paid at point-of-service.



- D. **Minimum standards of care** - refer to all relevant direct medical services that are essential to improve the health condition or status of a patient.
- E. **Basic or Ward Accommodation** - refers to the provision of regular meal, bed in shared room, fan ventilation, and shared toilet and bath.
- F. **Non-basic accommodation** - refers to the provision of minimum standards of care for patients, and includes fringe and/or additional amenities provided by the facility at the option of the patient.
- G. **Fringe and/or additional amenities** - refer to features of the health service that provide comfort or convenience, such as private accommodation, air conditioning, telephone, television, and choice of meals, among others.
- H. **Health care providers (HCPs)** - refer to health facilities whether government or private and/or professionals that provide health services.

**V. POLICY STATEMENTS**

- A. For all members admitted in any basic or ward accommodation, no co-payment or other fees or expenses shall be charged.
- B. Members who opt for non-basic or non-ward accommodation shall be charged hospital fee for services, professional fees and fringe and /or additional amenities, thus co-payment shall apply.
- C. PhilHealth benefit packages will cover the costs necessary to deliver the minimum standards of care.
  - 1. PhilHealth shall set the appropriate and specific co-payment scheme for existing and future benefits as part of the guidelines of its benefit packages.
  - 2. PhilHealth shall use its standard costing framework and methodology as a basis in determining payment and co-payment rates of its benefit packages.
- D. All health care providers shall comply with the prescribed allocation of basic and non-basic accommodation within their facilities, following the rules and guidelines set forth by the Department of Health, and in accordance with R.A. No. 11223. Compliance to these bed ratios can be the basis for accreditation and/or contracting of a healthcare facility by PhilHealth. All hospitals shall abide by the bed ratios in the UHC law as follows:
  - 1. All government hospitals shall allocate at least 90% of their approved bed capacity to basic accommodation;
  - 2. All government specialty hospitals shall allocate 70% of their approved bed capacity to basic accommodation; and
  - 3. All private hospitals shall allocate 10% of their approved bed capacity to basic accommodation.
- E. All adverse monitoring findings regarding non-compliance to the relevant provisions of this policy such as, but not limited to co-payment, and other related issuances shall be validated and subject to provider performance assessment without prejudice to filing of appropriate legal action.

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F. The Department of Health and PhilHealth shall jointly issue guidelines on co-payment for public health care providers and public-led health care provider networks.

**VI. PENALTY CLAUSE**

Violations of any provision of this Circular shall be penalized under R.A. No. 11223, its Implementing Rules and Regulations and applicable laws, rules and regulations.

**VII. TRANSITORY CLAUSE**

All other policies relative to no co-payment such as the COVID-19 inpatient benefits and co-payment such as the Z-benefits shall remain in effect subject to further review.

**VIII. SEPARABILITY CLAUSE**

Should any provision of this Circular shall be declared invalid, unconstitutional or unenforceable in whole or part by any competent authority, it shall not affect or invalidate the remaining provisions hereof.

**IX. DATE OF EFFECTIVITY**

This Circular shall take effect after fifteen (15) days following the complete publication in a newspaper of general circulation and shall thereafter be deposited with the Office of the National Administrative Register at the University of the Philippines Law Center.



**ATTY. DANTE A. GIERRAN, CPA**  
President and Chief Executive Officer (CEO)

Date signed: \_\_\_\_\_

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