



Republic of the Philippines  
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**PHILHEALTH CIRCULAR**

No. 2024 - 0015

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

**SUBJECT : Guidelines on Contracting Health Care Provider Networks (HCPN)**

**I. RATIONALE**

For decades, the way of guarantees that the providers, with the exception of Z-benefit providers, are paid by PhilHealth has been through the tandem processes of accreditation and reimbursement. With the passage of Republic Act No. 11223 or the Universal Health Care (UHC) Act, PhilHealth has been mandated to implement prospective payment mechanisms to pay for services delivered. This is partnered with contracting mechanisms as a way to reinforce the envisioned impact of prospective payment on cost containment, and provider performance.

Section 18.2 of the UHC Act Implementing Rules and Regulations further details this contracting of health care provider networks (HCPN) by the Corporation for the delivery of individual-based health services. Contracting is recognized as an effective means to forge strategic partnerships among facilities, and the Corporation. In fact, this power to negotiate and enter into contracts regarding payment mechanisms and delivery of health services has been existing in Section 16 (j) of the National Health Insurance Act of 2013. The UHC Act enhances this by expanding the range of contracting towards health care provider networks, to ensure the continuum of care, in which primary care facilities act as the navigator and coordinator of health care and refer to higher level-of-care facilities for necessary case management.

**II. OBJECTIVES**

This PhilHealth Circular aims to establish policy on how PhilHealth contracts HCPNs, in line with the UHC Act and the National Health Insurance Act (Republic Act No. 7875, as amended by Republic Act No. 10606).

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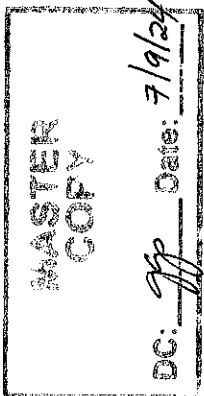
### III. SCOPE

This PhilHealth Circular encompasses the policy on contracting HCPNs which details:

- A. Guiding principles of creating HCPN; and
- B. Processes related to contracting such as application, contract negotiation, execution of contracting instrument, and the monitoring and evaluation of contracting instrument.

### IV. DEFINITION OF TERMS

- A. **Affiliate Primary Care Provider (APCP)** – any non-PhilHealth Konsulta facility engaged by the Network to provide the content of the prevailing primary care benefit package.
- B. **Apex Hospital** – (also known as end-referral center) a hospital, offering specialized services as determined by the Department of Health (DOH), which is engaged as a stand-alone facility by PhilHealth [DOH Administrative Order No. 2020-0019 (Guidelines on the Service Delivery Design of Health Care Provider Networks), Section IV].
- C. **Contracting** – a process where providers and networks are engaged to commit and deliver quality health services at agreed cost, cost sharing and quantity in compliance with prescribed standards [UHC Act Implementing Rules and Regulations, Rule 4].
- D. **Front-Loaded Amount** – advanced funds from a predetermined contract for the anticipated delivery of medical goods or services.
- E. **Health Care Provider Network (HPCN)** – a group of primary to tertiary care providers, whether public or private, offering people-centered and comprehensive care in an integrated and coordinated manner with the primary care provider acting as the navigator and coordinator of health care within the network [UHC Act Implementing Rules and Regulations, Rule 4]. The terms HCPN and Network are used interchangeably in these guidelines.
  - 1. **Public Network** – a network of providers, which may be composed of health care providers from both the public and private sector, represented by the Local Health Board (LHB) as the managing board.
    - a. **Local Health Board (LHB)** - the board created in every province, city, and municipality pursuant to Section 102 of RA No.7160 or the Local Government Code of 1991. In addition, the UHC Act provides for the additional members



and functions of LHB in Provinces, Highly Urbanized Cities, and Independent Component Cities [DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001 (Guidelines on the Allocation, Utilization, and Monitoring of and Accountability for the Special Health Fund), Section III].

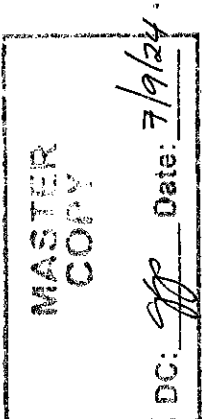
2. **Private Network** – a network of providers, which may be composed of health service providers from both the public and private sector, represented by a private entity as the Managing Board, supported by a document establishing its juridical personality (e.g., Security and Exchange Commission-Articles of Incorporation, Articles of Partnership, Joint Venture Agreement).
  3. **Mixed Network** – a network of providers, which may be composed of health service providers from both the public and private sector, represented by a self-assembled entity of both public and private sector as the Managing Board, supported by a document establishing its juridical personality (e.g., Security and Exchange Commission-Articles of Incorporation, Articles of Partnership, Joint Venture Agreement).
- F. **Health Facility** – previously referred to as Health Care Institution (HCI), which may be public or private, devoted primarily to provision of services for health promotion, prevention, diagnosis, treatment, rehabilitation and palliation of individuals suffering from illness, disease, injury, disability or deformity or in need of obstetrical or other medical and nursing care [UHC Act Implementing Rules and Regulations, Rule 4].
- G. **Individual-Based Health Services** – services which can be accessed within a health facility or remotely that can be definitively traced back to one (1) recipient, has limited effect at a population level and does not alter the underlying cause of illness such as ambulatory and inpatient care, medicines, laboratory tests and procedures, among other [UHC Act Implementing Rules and Regulations, Rule 4].
- H. **Managing Board** - governing body that provides oversight function to healthcare provider network(s), such as Local Health Board for public Network, a private board for private Network, and a self-assembled board composed of both public and private entities for mixed Network.
- I. **Memorandum of Agreement (MOA)** – instrument between parties that sets the obligations and commitments towards the payment of benefits by PhilHealth to a health care provider network. It shall include a service-level agreement as an annex.
- J. **Pooled Fund for Health** – pool of financial resources used by private or mixed networks to finance individual-based health services,

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health system operating costs, capital investments, and maintenance and other operating expenses.

- K. Primary Care** – initial-contact, accessible, continuous, comprehensive, and coordinated care that is accessible at the time of need, including a range of services for all presenting conditions, and the ability to coordinate referrals to other healthcare providers in the healthcare delivery system, when necessary [UHC Act Implementing Rules and Regulations, Rule 4].
- L. Primary Care Provider (PCP)** – a service delivery entity, either a healthcare worker or health institution, equipped with the capacity to provide primary care services as determined, licensed, or certified by the Department of Health (DOH).
  - 1. Primary Care Facility (PCF)** – the institution that primarily delivers primary care services which shall be licensed or registered by the DOH [UHC Act Implementing Rules and Regulations, Rule 4].
- M. Primary Care Provider Network (PCPN)** – a coordinated group of public, private or mixed primary care providers providing a range of primary care services, as the foundation of the health care provider network [UHC Act Implementing Rules and Regulations, Rule 17].
- N. Prospective Payments** – allocation of resources to a healthcare provider to deliver the covered package of health care goods, services, and interventions to the covered population in which rates are set in advance and/or providers are paid before services are delivered [DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001 (Guidelines on the Allocation, Utilization, and Monitoring of and Accountability for the Special Health Fund), Section III].
- O. Provider Payment Mechanisms (PPM)** – methods of payment of PhilHealth to providers for the provision of healthcare services as stipulated within the benefit packages of the Corporation.
- P. Provincial/City-Wide Health Systems (P/CWHS)** – integrated local health system in which health care providers deliver continuous and integrated health services to individuals and/or communities in a well-defined catchment area [Department of Health Administrative Order No. 2020-0021 (Guidelines on Integration of the Local Health Systems into Province-wide and City-wide Health Systems (P/CWHS)), Section VI].
- Q. Service-Level Agreement (SLA)** – an annex of the Memorandum of Agreement between the contracting parties that stipulates volume of services, total prospective payment amounts and allocations, and other terms.



- R. **Special Health Fund (SHF)** – a pool of financial resources at the Province/City-wide health system intended to finance population-based and individual-based health services, health system operating costs, capital investments, and remuneration of additional health workers and incentives for all health workers [DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001 (Guidelines on the Allocation, Utilization, and Monitoring of and Accountability for the Special Health Fund), Section III].
- S. **Referral** – the process in which a health facility officially and appropriately transfers the management of a patient to a better or differently resourced facility, and refers the patient back to the assigned primary care provider [Department of Health Administrative Order No. 2020-0019 (Guidelines on the Service Delivery Design of Health Care Provider Networks), Section IV].
- T. **Volume of Services** – the quantity of unique individuals forming a catchment for provision of primary care services, or the quantity of individual cases or episodes of care for inpatient services.

**V. POLICY STATEMENTS**

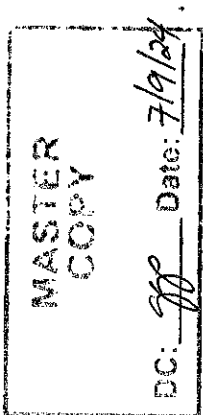
**A. Guiding Principles**

- 1. Structure of a Health Care Provider Network
  - a. An HCPN, also referred herein as the Network, shall ensure comprehensive and continuous care, from primary to tertiary, through an integrated and coordinated service delivery.
    - a.1 A Network shall comply with the minimum requirements on service delivery, resources, legal personality, structure, performance management, and fiscal authority (Annex A: Minimum Requirements for Health Care Provider Network).
    - a.2 A Network shall establish a functional referral system rooted in effective primary care navigation across the Network.
  - b. A Network shall be composed of a group of health care providers with capacity to provide primary, secondary, and tertiary care services, including stand-alone facilities that provide specific and/or specialized care.
    - b.1 A Network shall comply with the minimum health services and their respective facilities.
  - c. A Network shall have primary care as its foundation in the delivery of comprehensive health services.
    - c.1 A primary care facility (PCF), in coordination with the province or city of its jurisdiction and its Managing

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Board, shall define the catchment population the PCF will register. There shall be no overlapping of catchment areas among PCFs.

- c.2 A PCF shall act as the navigator and coordinator of health care within the Network. A PCF shall be able to refer to affiliate primary care providers (APCP) within the primary care provider network (PCPN), and to higher level-of-care facilities.
  - c.3 A PCPN may be assembled in order to complete the services for primary and outpatient care. All PCFs that are part of the Network shall be duly-acknowledged by DOH and PhilHealth, either through licensing, certification, and/or accreditation.
  - c.4 A PCF, as the chief facility of PCPN, shall be responsible for completing primary care services by entering into a legal instrument with APCPs. All APCPs that are part of the PCPN shall be licensed/certified by DOH and/or certified by the authorized certifying organizations.
- d. A Network shall have hospitals for the delivery of inpatient health services.
- d.1 All hospitals that are part of the Network shall be DOH-licensed and PhilHealth-accredited.
  - d.2 A Network shall have more than the capacity of a level-1 hospital or infirmary, as defined by the prevailing DOH standards.
  - d.3 When there is no level-2 or level-3 hospital within the geographical jurisdiction of the Network, the Network shall enter into a Memorandum of Agreement (MOA) with the nearest level-2 or level-3 hospital for the referral of their patients. The receiving level-2 or level-3 hospital shall be paid based on their existing engagement with PhilHealth, either as an individual facility or as part of another Network.
- e. A Network may be linked to stand-alone facilities such as:
- e.1 Reproductive health and family planning, maternity care, and newborn care package providers; and
  - e.2 Z-benefit providers, drug abuse treatment and rehabilitation centers, and providers of other outpatient services (e.g., ambulatory surgical clinics, hemodialysis clinics, etc.).
- f. A Network shall be linked to an apex hospital to provide specialized care that is beyond the capacity of Network.
- f.1 Apex hospitals shall be determined by the DOH based on the criteria stipulated in Section IV.D of DOH Administrative Order No. 2020-0019 (Guidelines on the Service Delivery Design of Health Care Provider Networks).



- f.2 A Network shall enter into a MOA with at least one apex hospital. An apex hospital may be linked to multiple Networks.
- f.3 Apex hospitals shall be separately engaged by PhilHealth in accordance with the prevailing guidelines.

2. Managing Board of a Health Care Provider Network

a. The entity that manages the Network, referred to as the Managing Board, shall determine its type.

a.1 The Public Network shall be managed by a Local Health Board (LHB; Provincial/City Health Board [P/CHB]) of a province-/city-wide health system (P/CWHS]), supported by a Sanggunian Resolution. The membership and functions of LHB shall be expanded pursuant to UHC Act through issuance of an Executive Order.

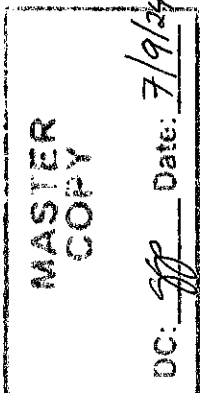
a.2 The Private Network shall be managed by a board of private entities, supported by a document establishing its juridical identity e.g., Security and Exchange Commission Articles of Incorporation, Articles of Partnership, or Joint Venture Agreement. No member of the said board may hold public office concurrently with the duration of their term in the board.

a.3 The Mixed Network shall be managed by a self-assembled board composed of both private and public entities, supported by a document establishing its juridical identity e.g., Articles of Partnership or Joint Venture Agreement.

b. A P/CWHS may assemble multiple Networks as necessary. There can be more than one Network within a P/CWHS.

b.1 The Province or Highly Urbanized City or Independent Component City, in partnership with the relevant PhilHealth Regional Office (PRO) and DOH, shall organize health facilities to complete the comprehensive service delivery capacity and performance requirements, as well as contract obligations of a Network as indicated in the different benefit packages of PhilHealth and in this policy.

b.2 For Public Network, an Ordinance from the Sangguniang Panlalawigan/Panlungsod and/or a Memorandum of Instruction or Executive Order from the Local Chief Executive through the Local Health Board shall be issued to engage public health facilities under the LGU supervision to be part of the Network. A MOA shall be entered into to engage with private health facilities outside the LGU supervision to be part of the Network.



- b.3 For Private and Mixed Network, a MOA shall be entered into with health facilities, regardless of the nature of ownership, to form part of the Network.
- c. The Managing Board shall assume full responsibility in the management of PhilHealth prospective payment for the Network.
  - c.1 For Public Networks, the Management Support Unit (MSU) shall serve as the administrative secretariat of the LHB. The MSU, together with the Local Budget Officer, Treasurer, Accountant, and Health Officer, shall provide fund management support functions to the LHB, as outlined in the DOH-DBM-DOF-DILG-PHIC JMC No. 2021-0001 (Guidelines on the Allocation, Utilization, and Monitoring of and Accountability for the Special Health Fund).
  - c.2 For Private and Mixed Networks, an administrative secretariat may be created to assist with the management functions of their Managing Board.

3. Prospective Payment for Health Care Provider Network

- a. PhilHealth prospective payment mechanisms, outlined in a separate PhilHealth Circular, shall be referenced for paying the Network.
- b. The fund stream of PhilHealth prospective payment shall be in accordance with the type of Network.
  - b.1 PhilHealth prospective payment shall be coursed through the Special Health Fund (SHF) for Public Networks.
  - b.2 PhilHealth prospective payment shall be coursed through the Pooled Fund for Health (PFH) for Private and Mixed Networks.
- c. The Commission on Audit (COA) shall issue accounting guidelines on prospective payments to Networks.

4. Engagement of Health Care Provider Network

- a. PhilHealth shall recognize the equivalent DOH engagement with the Network, as stipulated in a relevant DOH issuance. An equivalent DOH engagement with the Network shall take precedence to PhilHealth contracting.
- b. The Network, through its authorized representative, shall enter into legal instruments to formalize engagement with PhilHealth, member facilities, and apex hospital/s.
  - b.1 PhilHealth and the Network shall enter into a Memorandum of Agreement (MOA) for the delivery of individual-based health services by the Network (Annex

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B.1: Template of MOA between PhilHealth and the Network).

b.1.1 A service-level agreement (SLA) shall be attached to the MOA (Annex B.2: Template of SLA between PhilHealth and the Network). The SLA shall indicate the volume of services and contract amounts to be paid by PhilHealth to the Network.

b.1.2 The MOA and its annex SLA shall be signed and notarized not later than the 30<sup>th</sup> of November.

b.1.3 The engagement shall be for one calendar year, commencing every 1<sup>st</sup> day of January and ending every 31<sup>st</sup> of December.

b.1.4 Engagement involving multiple calendar years shall also be allowed through multi-year MOA.

b.1.5 For prospectively paid benefits that allow the request of supplementary budgets, the maximum supplementary budget amount for the network shall be accounted for in computing the contract amount to be reflected in the SLA.

b.2 The Network and its member facilities shall enter into a MOA and SLA for the delivery of individual-based health services by the member facilities.

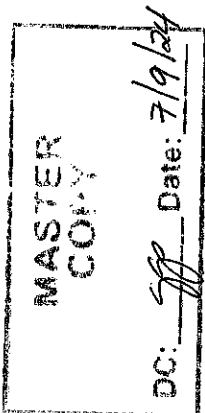
b.2.1 The MOA and SLA shall be signed and notarized not later than the 15<sup>th</sup> of December.

b.2.2 The engagement shall last for one calendar year, commencing every 1<sup>st</sup> day of January and ending every 31<sup>st</sup> of December.

b.2.3 The specific benefit packages to be implemented in the Network shall contain template SLAs between the Network and its member facilities.

b.2.4 Member facilities shall ensure that their DOH licenses or certifications and PhilHealth accreditation are valid during the engagement period.

b.2.4.1 Member facilities with a) revoked or non-renewed applicable license or certification and/or PhilHealth accreditation, b) suspended PhilHealth accreditation, and/or c) cessation of operations or closure of business during the engagement period, and/or d) withdrawn PhilHealth accreditation during the engagement period shall return the unutilized funds to the Network and then to PhilHealth, following the procedures of the Corporation as stipulated in PhilHealth Circular No. 2021-0011 (PhilHealth Payment Recovery (PPR) Policy).



b.2.4.2 Member facilities with revoked or non-renewed applicable license or certification and/or PhilHealth accreditation shall be automatically removed from the Network. The termination shall commence on the date of revocation or non-renewal.

b.2.4.3 Member facilities with suspended PhilHealth accreditation shall be barred from receiving funds from the Network and from charging from or using any PhilHealth funds until the accreditation is reinstated.

b.2.5 When the minimum component health facilities are not met due to either one of the scenarios mentioned above, the Network shall secure a MOA with the relevant health facility closest to its geographical jurisdiction for the referral by the network.

b.2.5.1 The aforementioned MOA shall be executed within a maximum period of thirty (30) calendar days from the effective date of either one of the scenarios mentioned above.

b.2.5.2 Should no MOA be executed within the prescribed period, the Network shall be barred from charging from or using any PhilHealth funds, until the deficiencies have been resolved.

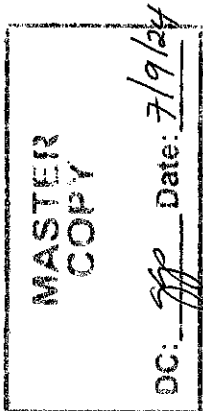
b.2.5.3 Member facilities that possess provisional accreditation shall continue to be part of the Network and continuously receive the appropriate PhilHealth payment during the provisional accreditation period.

b.3 The Network and apex hospital shall enter into a MOA to establish linkage for a referral system (Annex C: Template of MOA between the Network and Apex Hospital).

b.3.1 The MOA with an apex hospital shall be ready as part of pre-contracting requirements.

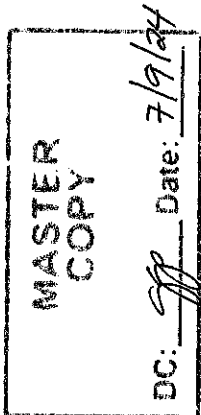
b.3.2 The MOA shall be valid for one (1) calendar year, commencing every 1<sup>st</sup> day of January and ending every 31<sup>st</sup> of December.

b.4 The Network may modify the template contracts in this Circular and in the specific benefit packages, subject to review and approval by PhilHealth.



**B. Application**

1. The Network shall apply during the cycle period of 01 July to 30 September (Annex D: Flowchart of the Application Process).
2. The applicant Network shall conduct a self-assessment using the tool provided in this Circular (Annex E: Self-Assessment Tool for Health Care Provider Network) before the application to the concerned PRO.
3. The applicant Network shall express intent by submitting a Letter of Intent (Annex F: Letter of Intent) to the concerned PRO. The applicant Network shall attach to the Letter of Intent the following documents:
  - a. Equivalent DOH engagement with the Network;
  - b. Accomplished self-assessment tool providing the status of application and pre-contracting requirements (Annex E: Self-Assessment Tool for Health Care Provider Network); and
  - c. Accomplished Provider Data Record for Network (Annex G: Provider Data Record for Health Care Provider Network).
4. The concerned PRO-Accreditation and Quality Assurance Section (PRO-AQAS) shall conduct document review of the application requirements.
  - a. If the application requirements are met, the applicant Network shall receive a "Notice to Proceed with Pre-contracting Requirements" (Annex H: Template Notice to Proceed with Contracting).
  - b. If deficiencies are noted, the applicant Network shall receive a Notice of Deficiency (Annex I: Template Notice of Deficiency). The applicant Network shall comply within thirty (30) calendar days from receipt of the notice. The concerned PRO shall assess the compliance document/s within seven (7) calendar days from the receipt of documents.
5. The applicant Network that complied with the pre-contracting requirements shall receive a "Notice to Proceed with Contracting" (Annex J: Template Notice to Proceed with Contracting) and an acknowledgment receipt which the applicant Network shall return to the PRO.
  - a. "Notice to Proceed with Contracting" shall be valid from the commencement to the conclusion of engagement with PhilHealth. The maximum validity shall be three (3) years, corresponding with the potential engagement duration of a multi-year MOA.
  - b. A Network that is able to secure "Notice to Proceed with Contracting" during the application cycle period of the current year is recommended to start engagement with PhilHealth the succeeding calendar year.
  - c. A Network shall only be allowed to add member facilities during the application cycle period. The additional member

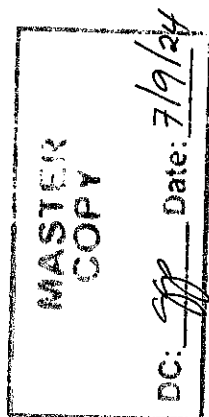


facilities shall be officially part of the Network for the succeeding calendar year.

6. The applicant Network that is unable to comply with the pre-contracting requirements shall receive a Notice of Denial (Annex K: Template Notice of Denial). Thereafter, the Network shall have the following options:
  - a. The Network may file a Motion for Reconsideration (MR), along with compliance document/s, to the PRO within 30 calendar days after the receipt of the Notice of Denial.
    - a.1 The applicant Network with approved MR shall receive Notice of Approved MR (Annex L: Template Notice of Approved MR) from the concerned PRO within thirty (30) days upon the receipt of the MR; and
    - a.2 The applicant Network with denied MR (Annex M: Template Notice of Denied MR) may file for an Appeal to the concerned Office of the Area Vice President (OAVP) within thirty (30) days upon the receipt of Notice of Denied MR.
  - b. The Network may opt to re-apply during the current or succeeding application period as applicable.
7. The applicant Network shall be able to secure a Notice to Proceed with Contracting not later than the 30<sup>th</sup> day of September every year. Applicant Networks that are not able to secure approval by this date shall be considered for the next application cycle (01 July – 30 September).

### C. Contracting Process

1. Negotiation
  - a. Contract amounts for Networks shall be computed by PhilHealth following estimation rules as prescribed in the relevant benefit packages and in reference to the component healthcare facilities.
  - b. A negotiation session shall be conducted after the Network secures "Notice to Proceed with Contracting".
  - c. All parties such as PhilHealth and the Network shall schedule a negotiation session.
    - c.1 When a particular date for the negotiation session is agreed upon by all parties, the PRO shall send a notice of meeting.
    - c.2 The PRO shall be in charge of facilitating the negotiation session, which may be face-to-face, virtual, or a hybrid of face-to-face and virtual.
  - d. All parties shall be present during the negotiation session.



- d.1 The authorized representative of the Network, a quorum of the Managing Board, and the Administrative Secretariat of the Network shall be present as the representatives of the Network during the negotiation session.
    - d.1.1 The Public Network shall assign the highest government official of the Local Health Board as its Authorized Representative through an Executive Order/Ordinance.
    - d.1.2 Mixed or Private Networks shall assign any member of the Managing Board, preferably the Chairman, as its Authorized Representative through a Board Resolution.
    - d.1.3 The Secretariat of the Network shall signify that there is a quorum.
    - d.1.4 Technical personnel, such as but not limited to the provincial/city health officer, provincial accountant, or members of the health board, may also be invited as requested by the Managing Board. Identified personnel may vary from health economists, health specialists, public financial management specialists, and other relevant technical personnel identified by the signatory of the MOA and SLA.
  
  - d.2 The following shall be present as the representatives of PhilHealth in the negotiation session:
    - d.2.1 Authorized representatives from the Office of the President and Chief Executive Officer (PCEO) and/or PhilHealth Central Office;
    - d.2.2 Concerned Area Vice President (AVP);
    - d.2.3 Concerned Regional Vice President (RVP); and
    - d.2.4 Heads of the relevant units of the concerned PRO.
  
  - e. All parties may negotiate the volume of services and cost-sharing terms, as applicable.
  
  - f. The MOA and SLA shall be updated when the agreement on the volume of services is reached, as documented by minutes of the meeting/s.
2. Execution of Service-Level Agreement (SLA)
- a. Upon review and approval of the terms in the MOA and SLA, including the agreed volumes of services and corresponding contract amounts, PhilHealth and the Network shall execute the signing of the MOA and SLA.
    - a.1 The Authorized Representative of the Network shall sign the MOA and SLA within seven (7) working days upon receipt of the finalized draft.

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- a.2 The PhilHealth Board of Directors shall provide clearance for each MOA and SLA to be entered into by PhilHealth.
- a.3 PCEO shall represent PhilHealth as the signatory. The signing authority of the PCEO shall be subject to delegation and signing authority following the existing guidelines of the Corporation.
- b. The MOA and SLA shall be notarized on the same date as that of their signing by PhilHealth.
- c. Each party shall have an original copy of the signed and notarized MOA and SLA. Two original copies of the signed and notarized MOA and SLA shall be submitted to the PhilHealth Central Office and the PhilHealth Regional Office.
- d. The MOA and SLA between PhilHealth and the Network shall be signed and notarized no later than the 30<sup>th</sup> of November every year.
- e. Addenda to the MOA and SLA may be executed, referencing relevant benefit packages.
- f. The SLA between the Network and member facilities shall be signed and notarized not later than the 15<sup>th</sup> of December every year. The Network shall consolidate all SLAs for its submission to the concerned PRO not later than 31<sup>st</sup> of December every year.

**D. Monitoring and Evaluation**

- 1. The Managing Board shall reserve the right to conduct regular monitoring and internal performance assessments of their member facilities. The Network shall ensure efficient and effective service delivery across its member health facilities through the review of the following components conducted at least quarterly:
  - a. Utilization of primary care providers by the catchment population as entry point of care;
  - b. Compliance with basic accommodation requirements, cost-sharing policies, and financial risk protection measures;
  - c. Patient satisfaction rating obtained through a process or tool to be established by the Managing Board using criteria defined by PhilHealth;
  - d. Evaluation of appropriateness and timeliness of referrals made within the Network; and
  - e. Adherence to clinical practice guidelines and referral protocols.
- 2. The PRO shall conduct monitoring activities regularly or as deemed necessary by the Corporation to ensure compliance to the MOA and SLA. Monitoring activities shall include utilization

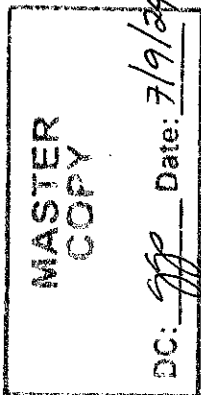
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review, medical post-audit of claims, and/or visitation to the facility.

3. The PRO shall ensure that the contracted Network observes full compliance with all the policies and procedures of the specific benefits covered by the Network such as but not limited to the following:
  - a. Provision of health services based on the package requirements; and
  - b. Performance outcomes based on the specific benefit packages.
4. The Network shall submit the utilization report to the PRO-Benefit Administration Section (BAS) before or on the 10<sup>th</sup> day after the last day of the quarter. The annual utilization report shall be submitted before the 15<sup>th</sup> day of February.
5. Reconciliation shall be conducted at a specific time after the engagement period to determine unutilized funds and provider performance. Unutilized funds shall be returned back to PhilHealth following the guidelines stipulated in the existing payment recovery policy of the Corporation and its succeeding revisions.
6. PhilHealth shall regularly review this policy and introduce enhancements as necessary.

**E. Annexes** (posted at the official website of PhilHealth at [www.philhealth.gov.ph](http://www.philhealth.gov.ph))

1. Annex A: Minimum Requirements for Network
2. Annex B.1: Template of Memorandum of Agreement between PhilHealth and the Network (for HCPN Demonstration Sites)
3. Annex B.2: Template of Service-Level Agreement between PhilHealth and the Network (for HCPN Demonstration Sites)
4. Annex C: Template of Memorandum of Agreement between the Network and Apex Hospital
5. Annex D: Flowchart of the Application Process
6. Annex E: Self-Assessment Tool for Health Care Provider Network
7. Annex F: Template Letter of Intent
8. Annex G: Provider Data Record for Health Care Provider Network
9. Annex H: Template Notice to Proceed with Pre-contracting Requirements
10. Annex I: Template Notice of Deficiency
11. Annex J: Template Notice to Proceed with Contracting
12. Annex K: Template Notice of Denial
13. Annex L: Template Notice of Approved Motion for Reconsideration
14. Annex M: Template Notice of Denied Motion for Reconsideration



**VI. PENALTY CLAUSE**

Any violation of this PhilHealth Circular, terms and conditions of the MOA and SLA, and all existing related PhilHealth Circulars, shall be dealt with and penalized in accordance with the pertinent provisions of Republic Act No. 7875, as amended by Republic Act Nos. 9241 and 10606 (National Health Insurance Act of 2013) and Republic Act No. 11223 (Universal Health Care Act), and their respective Implementing Rules and Regulations, and other pertinent laws and rules.

**VII. TRANSITORY CLAUSE**

A. This policy shall be initially implemented in the integrated sandbox sites, also known as the HCPN demonstration sites.

1. In order to support the implementation of HCPN demonstration, contracting Network shall be allowed flexibility to start in the remaining period of Calendar Year (CY) 2024.
  - a. The initial implementation of HCPN demonstration shall only be limited to Public Networks.
  - b. An applicant Network shall meet the application requirements by July 31, 2024, at the latest, in order to be contracted for CY 2024. Applicant Networks that are unable to meet application requirements on the said date may be considered for the next application period upon reevaluation and compliance with the requirements.
  - c. Only Networks with "Notice to Proceed with Contracting" before or on August 31, 2024 shall be contracted for the remainder of CY 2024.
  - d. All Networks contracted for CY 2024 and PhilHealth shall conduct a separate contracting process i.e., negotiation, execution of SLA for CY 2025. Proposed turn around times and timelines may be adjusted.
  - e. Contract amounts based on the negotiation shall apply to cover the period from the beginning of the SLA until December 31, 2024.
  - f. Networks contracted for CY 2024 but not for CY 2025 shall return the unutilized funds to PhilHealth, following reconciliation and PhilHealth payment recovery. All existing rules on claims reconciliation and payment recovery as prescribed in pertinent PCs shall apply.
  - g. For Networks contracted for CY 2024 and CY 2025, any unutilized fund from the CY 2024 released payments shall be credited to the contracted HCPN account and shall form part of the total contract amount to be released for CY 2025.

B. Specific benefit packages shall be referenced for the implementation and payment of benefits provided by a Network.

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1. The PhilHealth Konsulta with Sustainable Development Goals (SDG) - Related Benefits Package (Konsulta+SDG), stipulated in PhilHealth Circular No. 2023-0019, shall be the primary care benefit in the Network.
2. The All Case Rates-based Global Budget (ACR-GB), stipulated in PhilHealth Circular No. 2024-0004, shall be used as the provider payment mechanism for inpatient services.
3. PhilHealth Outpatient Drug Benefit (ODB), also known as Guaranteed Access to Medications for Outpatient Treatment (GAMOT), shall be implemented in accordance with PhilHealth Circular No. 2023-0029.
4. The accreditation of the individual health facilities and the application of the Network shall be done simultaneously.
  - a. Once the application of the Network is approved, A Notice to Proceed with Contracting shall be issued to the Network and shall include the list of health facilities that are deemed qualified for accreditation based on the submitted documentary requirements.
  - b. The Certificate of Accreditation shall be issued to individual health facilities once the MOA and SLA between PhilHealth and Network is completed. The validity of the said Certificate shall be effective on the start of the contract period.
- C. Z benefits and stand-alone case-based benefit packages other than benefit packages for HIV/AIDS, tuberculosis, malaria, and animal bite shall be paid directly to the facility following existing engagement agreements. Facilities delivering these benefits shall be able to receive referrals from the Network.
- D. Facilities that are not members of the Network, except facilities that constitute the Konsulta+SDG package, shall be paid through their existing engagement with PhilHealth.
- E. Any changes to the implementation will be communicated through a pertinent PhilHealth issuance.

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**VIII. SEPARABILITY CLAUSE**

If, for any reason, any part of this PhilHealth Circular is declared invalid or unconstitutional, any part or provision not affected thereby shall remain in full force and effect.

**IX. REPEALING CLAUSE**

All previous issuances that are inconsistent with any provisions of this PhilHealth Circular are hereby amended, modified, or repealed accordingly.

PhilHealth Circular No. 2023-2029 shall be repealed to allow the simultaneous accreditation of GAMOT providers and application of Network for the duration of HCPN demonstration.

**X. DATE OF EFFECTIVITY**

This PhilHealth Circular shall be published in any newspaper of general circulation and shall take effect immediately upon publication. Further, this PhilHealth Circular shall be deposited thereafter with the Office of the National Administrative Register at the University of the Philippines Law Center.



**EMMANUEL R. LEDESMA JR.**  
President and Chief Executive Officer

Date signed: 07/08/2024

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## Annex A: Minimum Requirements for Health Care Provider Network

Requirements	Criteria
<b>A. Application Requirements</b>	
1. Proof of Equivalent DOH Engagement with the Network (as provided for in a relevant DOH issuance)	Legal Personality Fiscal Authority
2. Proof of Engagement with Providers to be part of the Network <ul style="list-style-type: none"> <li>- Ordinance from the Sangguniang Panlalawigan/Panlungsod or Executive Order from the Local Chief Executive to engage public health facilities under the LGU supervision</li> <li>- Memorandum of Agreement for private health facilities outside the LGU supervision</li> <li>- Any equivalent instrument</li> </ul>	Legal Personality Service Delivery
3. List of health facilities by type of services with appropriate facility license/certification and PhilHealth accreditation:	Service Delivery Network Structure
Konsulta Provider Affiliate Primary Care Provider <ul style="list-style-type: none"> <li>· Laboratory</li> <li>· Tuberculosis Service</li> <li>· Outpatient HIV/AIDS Service</li> <li>· Outpatient Malaria Service</li> <li>· Animal Bite Service</li> </ul>	
Inpatient Facility <ul style="list-style-type: none"> <li>· Infirmary</li> <li>· Level 1 Hospital</li> <li>· Level 2 Hospital</li> <li>· Level 3 Hospital</li> </ul>	
Retail Drug Outlet	
4. Electronic medical record (EMR) system recognized by DOH and PhilHealth (alternative system in consultation with PhilHealth, may be considered in case of poor connectivity and interoperability issues with the PhilHealth system)	Network Resource
5. SHF Depository Bank Account (in the name of the Network/Local Government Unit)	Legal Personality Fiscal Authority
<b>B. Pre-contracting Requirements</b>	
6. Certificate of compliance with PhilHealth IT requirements (e.g., eClaims, MHRA, Gamot App, ACR-GB)	Network Resource Performance Management
7. Evidence of SHF book of accounts and subsidiary ledgers	Legal Personality Fiscal Authority
8. Memorandum of Agreement with an Apex Hospital	Service Delivery Network Structure

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**Annex B.1: Template of Memorandum of Agreement  
between PhilHealth and the Network  
(for HCPN Demonstration Sites)**

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Republic of the Philippines) s.s.  
Contract No. \_\_\_\_\_

**MEMORANDUM OF AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement entered into by and between the following parties:

**PHILIPPINE HEALTH INSURANCE CORPORATION**, a government-owned and controlled corporation created and existing by virtue of R.A. No. 7875, otherwise known as the "National Health Insurance Act of 1995", as amended, with office address at [Address], represented herein by its President and Chief Executive Officer [NAME] hereinafter called "**PHILHEALTH**"

-and-

[**PUBLIC HEALTH CARE PROVIDER NETWORK NAME**], an/a (LGU/Province/City-owned network), authorized through a Sanggunian Resolution No. \_\_\_\_\_ issued on [Date] and existing under the laws of the Republic of the Philippines, with principal address at [Address] represented herein by its Authorized Representative [NAME], hereinafter called "**NETWORK**"

(each a "**Party**", and collectively the "**Parties**").

**WITNESSETH THAT:**

**WHEREAS**, Republic Act No. 11223 or the Universal Health Care (UHC) Act mandates health reforms that aim to deliver equitable, accessible, and quality health services, and empowers the **Philippine Health Insurance Corporation (PHILHEALTH)** to implement health financing reforms;

**WHEREAS**, in response to the need to implement reforms stipulated in UHC Act, **PHILHEALTH** endeavors to contract health care provider networks (HCPN) for the delivery of individual-based health services and to shift to prospective payment mechanisms to finance HCPN;

**WHEREAS**, the UHC Act mandates integrated local health systems to pool and manage, through a Special Health Fund (SHF), all resources intended for health services to finance population-based and individual-based health services, health system operating costs, capital investments, and remuneration of additional health workers and incentives for all health workers;

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**WHEREAS, PHILHEALTH** has published PhilHealth Circular (PC) No. 2024-\_\_\_\_\_ outlining the guidelines on contracting HCPN for the delivery of individual-based health services, and PC No. 2024-\_\_\_\_\_ for implementing the prospective provider payment for HCPN, which form an integral part of this MOA;

**WHEREAS, PHILHEALTH** enjoins provinces, highly urbanized cities, independent component cities, and private facilities to integrate their resources and services in a HCPN and to initially implement HCPN in a sandbox, referred to as the HCPN demonstration site;

**WHEREAS,** the **HCPN**, also referred to as **NETWORK**, is a group of health care providers, hereinafter referred to as **MEMBER FACILITIES**, governed by a Local Health Board, organized to deliver health care services in a coordinated and integrated manner;

**WHEREAS,** the **NETWORK** is willing to participate in the implementation of prospective payment mechanisms, the establishment of the SHF or pooled fund in the delivery of health services, and the terms and conditions contained in this Agreement;

**NOW THEREFORE,** for and in consideration of the foregoing premises, and of the mutual covenants and stipulations hereinafter set forth, the **Parties** hereby agree, and by these presents, bind themselves, to wit:

**I. AGREEMENT**

- a. The **NETWORK** shall provide comprehensive and continuous care, from primary to tertiary levels, to PhilHealth beneficiaries through an integrated and coordinated service delivery rendered by its component health care providers and facilities, hereinafter called **MEMBER FACILITIES**, enumerated in item 1.1.3 of Annex A of this Agreement.
- b. The **NETWORK** shall execute a service-level agreement (SLA) with each **MEMBER FACILITY** to formalize engagement between them. The same SLA shall specify the type and volume of services, corresponding contract amounts, and its payment arrangement and schedule.
- c. For the entire term of this contract, the **NETWORK** shall render the delivery of the following benefits, in accordance with the expected targets and other terms of delivery specified in item 1.2 of Annex A of this Agreement:

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Services	Benefits	References
Primary care services	PhilHealth Konsulta integrated with Sustainable Development Goals	PC No. 2023-0019 (Subject: Implementing Guidelines for the PhilHealth Konsulta with Sustainable Development

	Benefits (Konsulta+SDG)	Goals-Related Benefits Package)
Secondary and tertiary care services	All Case Rates-based Global Budget (ACR-GB)	PC No. 2024-0004 (Subject: Guidelines for the Implementation of an All-Case Rates-Based Global Budget in Health Care Provider Network Demonstration Sites)
Specialized care services	Outpatient Drug Benefit (ODB) or PhilHealth Guaranteed and Accessible Medications for Outpatient Treatment (GAMOT)	PC No. 2023-0029 (Subject: Implementing Guidelines for the Outpatient Drug Benefit Package)

- d. The **NETWORK** agrees to maintain a management information system, including updated registries of beneficiaries and health workers, and to ensure the truthfulness, legitimacy, and accuracy of all data submitted to **PHILHEALTH**, as detailed in item 1.5 of Annex A of this Agreement.
- e. The **NETWORK** agrees to fully comply with pertinent laws, policies and miscellaneous provisions and fully cooperate during regular surveys, administrative investigations, and domiciliary visitations, as detailed in item 1.6 of Annex A of this Agreement.
- f. **PHILHEALTH** agrees to provide the **NETWORK** with regular updates and orientation on **PHILHEALTH** policies and guidelines, address concerns, and issue clarifications as needed to facilitate benefit implementation.
- g. **PHILHEALTH** agrees to assist the **NETWORK** to ensure interoperability and connectivity with **PHILHEALTH** databases to support innovations and electronic medical record initiatives.
- h. **PHILHEALTH** shall conduct scheduled and/or random on-site or virtual validation visits to observe the actual implementation. **PHILHEALTH** shall provide the results of the monitoring and assessment to the **NETWORK**.

**II. TERMS OF PAYMENT**

- a. For and in consideration of the health services rendered to its beneficiaries, **PHILHEALTH** shall pay the maximum contract amount to the **NETWORK** amounting to **[AMOUNT IN WORDS]** (Php\_\_\_\_\_), inclusive of all applicable taxes, in accordance with

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the schedules of and conditions for payment releases stated in PhilHealth Circular No. 2023-0019 (Subject: Implementing Guidelines for the PhilHealth Konsulta with Sustainable Development Goals-Related Benefits Package), PC No. 2024-0004 (Subject: Guidelines for the Implementation of an All-Case Rates-Based Global Budget in HCPN Demonstration Sites), and PhilHealth Circular No. 2023-0029 (Subject: Implementing Guidelines for the Outpatient Drug Benefit Package) (summarized in item 1.3.1 of Annex A of this Agreement).

- b. For and in consideration of the health services rendered to PhilHealth beneficiaries by **MEMBER FACILITIES** as part of the **NETWORK**, the **NETWORK** shall pay the maximum contract amount to the **MEMBER FACILITIES** in accordance with the amounts summarized in item 1.4.2 of Annex A of this Agreement.
- c. The **NETWORK** shall manage the payments released by **PHILHEALTH** in accordance with the provisions of PhilHealth Circular No. 2024-\_\_\_\_ (Subject: Implementing Guidelines on PhilHealth Prospective Payment Mechanism for Health Care Provider Networks) and other terms as stipulated in items 1.3 and 1.4 of Annex A of this Agreement.
- d. The **NETWORK** shall submit payment utilization reports, financial reports, and other monitoring reports to **PHILHEALTH** in accordance with the provisions of relevant **PHILHEALTH** Circulars.
- e. The **NETWORK** ensures recovery of unutilized funds from **MEMBER FACILITIES** after due reconciliation and evaluation of targets and performance accomplishment.

### III. AMENDMENTS AND MODIFICATIONS

No amendment or modification of any of the terms and conditions of this Agreement shall be valid unless evidenced by a written agreement executed by the authorized representatives of both **Parties**.

### IV. EFFECTIVE DATE

This Agreement shall become effective upon the signing of all the **Parties** to the Agreement. The Agreement shall remain binding until terminated pursuant to the termination provisions of this Agreement.

### V. TERM AND TERMINATION

- a. The Term of this Agreement shall be valid from \_\_\_\_\_ to \_\_\_\_\_

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- b. The **Parties** pre-terminate this Agreement prior to its expiration in the event of:
- i. Abuse in the operations of the **NETWORK**
  - ii. Fraud committed by the **NETWORK**
  - iii. Request from the **NETWORK** to pre-terminate the implementation due to unsustainable and/or unfeasible benefit implementation
- c. All pre-terminations shall be subject to a thirty (30)-day prior notice, except when a shorter period is agreed upon by the **Parties**.

**VI. SEPARABILITY CLAUSE**

If any part of this Agreement is declared unenforceable or void, the rest of the Agreement shall nevertheless remain in full force and effect.

**VII. ASSIGNABILITY**

No assignment of rights, duties or obligations under this Agreement shall be made by either **Party** without the prior written approval of the other **Party**.

**VIII. WAIVER**

Neither the failure nor any delay on the part of either **Party** to exercise any right, power, or privilege hereunder shall operate as a waiver.

**IX. PROPRIETARY INFORMATION**

The **Parties** agree that the terms and conditions of this Agreement and its Annexes are proprietary, and agree to take all reasonable precautions to prevent the unauthorized disclosure of the terms.

**X. NON-DISCLOSURE AGREEMENT (NDA)**

The **NETWORK** shall comply with the submission of the NDA to **PHILHEALTH** in compliance with the Data Privacy Law and relevant rules, allowing **PHILHEALTH** access to personal information/data relevant to the processes subjected for the utilization of the benefit packages.

**XI. EXCLUSIVE AGREEMENT**

The **MEMBER FACILITIES** shall only engage in one **NETWORK**.

**XII. GOVERNING LAW AND VENUE OF ACTION**

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This Agreement shall be governed and construed in accordance with the laws of the Republic of the Philippines. All PhilHealth circulars and issuances on the PhilHealth Konsulta+SDG, ACR-GB, and ODB shall form an integral part of this Agreement. Venue of all actions arising from this Agreement shall be brought exclusively to the jurisdiction of the appropriate courts of the Philippines, without prejudice to the settlement of dispute through amicable settlement or alternative dispute resolution mechanisms under existing laws.

**XIII. ENTIRE AGREEMENT**

Both **Parties** acknowledge that this Agreement and its Attachments constitute the entire agreement between them and shall completely supersede all other prior understandings, previous communications or contracts, oral or written, between the **Parties** relating to the subject matter hereof.

**IN WITNESS WHEREOF**, the parties hereunto have affixed their respective signatures this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, at \_\_\_\_\_, Philippines.

<b>Authorized Representative of the NETWORK</b>	<b>PHILHEALTH President and Chief Executive Officer</b>
<i>Signed by the Authorized Representative of the NETWORK in the presence of:</i>	

\_\_\_\_\_  
*Signed by the PHILHEALTH President and Chief Executive Officer  
in the presence of:*

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 cc: *[Signature]* Date: 7/9/24

**ACKNOWLEDGMENT**

REPUBLIC OF THE PHILIPPINES)  
City of \_\_\_\_\_) S. S.

BEFORE ME, a Notary Public, for and in the City of \_\_\_\_\_, this  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared:

	ID No.	Issued on/Issued at
[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]	_____	_____
[NAME OF PHILHEALTH'S AUTHORIZED REPRESENTATIVE]	_____	_____

Known to me and to me known to be the same person(s) who executed the foregoing instrument and who acknowledged to me that the same is their free and voluntary act and deed, and that of the institutions respectively represented.

The foregoing instrument refers to a Memorandum of Agreement (MOA) consisting of \_\_\_\_\_ [ ] pages, including the page in which this Acknowledgement is written, signed by the parties, including their instrumental witnesses on each and every page thereof and sealed with my notarial seal.

**WITNESS MY HAND AND SEAL**, on the date and place above written.

**NOTARY PUBLIC**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

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**Annex B.2: Template of Service-Level Agreement  
between PhilHealth and the Network  
(for HCPN Demonstration Sites)**

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**ANNEX A**

**SERVICE LEVEL AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Agreement made and entered into by and between:

**PHILIPPINE HEALTH INSURANCE CORPORATION**, a government-owned and controlled corporation created and existing by virtue of R.A. No. 7875 otherwise known as the "National Health Insurance Act of 1995", as amended, with office address at [Address], represented herein by its President and Chief Executive Officer [NAME] hereinafter called "**PHILHEALTH**"

-and-

[**PUBLIC HEALTH CARE PROVIDER NETWORK NAME**], an/a (LGU/Province/City-owned network), authorized through a Sanggunian Resolution No. \_\_\_\_\_ issued on [Date] and existing under the laws of the Republic of the Philippines, with principal address at [Address] represented herein by its Authorized Representative [**NAME**], hereinafter called "**NETWORK**"

(each a "**Party**", and collectively the "**Parties**").

**WITNESSETH THAT:**

**WHEREAS**, Republic Act No. 11223 or the Universal Health Care (UHC) Act mandates health reforms that aim to deliver equitable, accessible, and quality health services, and enacts **Philippine Health Insurance Corporation (PHILHEALTH)** to implement health financing reforms;

**WHEREAS**, in response to the need to implement reforms stipulated in UHC Act, **PHILHEALTH** endeavors to contract health care provider networks (HCPN) for the delivery of individual-based health services and to shift to prospective payment mechanisms to finance HCPN;

**WHEREAS**, the UHC Act mandates integrated local health system to pool and manage, through a Special Health Fund (SHF), all resources intended for health services to finance population-based and individual-based health services, health system operating costs, capital investments, and remuneration of additional health workers and incentives for all health workers;

**WHEREAS**, **PHILHEALTH** has published PC No. 2023-\_\_ outlining the guidelines on contracting HCPN for the delivery of individual-based health services, and PC No.

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2023-\_\_ for implementing the prospective provider payment for HCPN, which form an integral part of this SLA;

**WHEREAS, PHILHEALTH** enjoins provinces, highly urbanized cities, independent component cities, and private facilities to integrate their resources and services in a HCPN and to initially implement HCPN in a sandbox, referred to as the HCPN demonstration site;

**WHEREAS, HCPN**, also referred to as **NETWORK**, is a group of health care providers, governed by a Managing Board, organized to deliver health care services in a coordinated and integrated manner;

**WHEREAS**, the **NETWORK** is willing to participate in the implementation of prospective payment mechanisms, the establishment of the SHF or pooled fund in the delivery of health services, and the terms and conditions contained in this Agreement;

**NOW THEREFORE**, for and in consideration of the foregoing premises, and of the mutual covenants and stipulations hereinafter set forth, the **Parties** hereby agree, and by these presents, bind themselves, to wit:

**1. NETWORK OBLIGATIONS**

**1.1. Service Capacity of the Network**

- 1.1.1. The **NETWORK** ensures the validity as Health Care Provider Network during the engagement period.
- 1.1.2. The **NETWORK** ensures comprehensive and continuous care, from primary to tertiary, through an integrated and coordinated service delivery. The **NETWORK** renders the delivery of the following benefits:

Services	Benefits	References
A. Primary care services	PhilHealth Konsulta integrated with Sustainable Development Goals Benefits (Konsulta+SDG)	PhilHealth Circular No. 2023-0019 (Subject: Implementing Guidelines for the PhilHealth Konsulta with Sustainable Development Goals-Related Benefits Package)
B. Secondary and tertiary care services	All Case Rates-based Global Budget (ACR-GB)	PhilHealth Circular No. 2024-0004 (Subject: Guidelines for the Implementation of an All-Case Rates-Based Global Budget in Health

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		Care Provider Network Demonstration Sites)
C. Specialized care services	Outpatient Drug Benefit (ODB)	PhilHealth Circular No. 2023-0029 (Subject: Implementing Guidelines for the Outpatient Drug Benefit Package)

1.1.3. The following facilities, called "**MEMBER FACILITIES**" as guaranteed by the facility heads, are capable of delivering the services expected from the **NETWORK**:

Name of Facility	Type of Facility	Services	License/ Certificate	Accreditation	Head of Facility

1.1.4. The **NETWORK**, through its **MEMBER FACILITIES**, shall provide PhilHealth beneficiaries with the necessary health services including but not limited to drugs, medicines, supplies, devices, diagnostic and treatment procedures.

1.1.5. The **NETWORK** ensures that all **MEMBER FACILITIES** are duly licensed by DOH or certified by a DOH-authorized certifying body, and accredited by PhilHealth during the engagement period.

1.1.6. When the minimum number of component health facilities are not met due to either of the: a) revocation of DOH license or applicable certification, or PhilHealth accreditation, b) non-renewal of DOH license or applicable certification, or PhilHealth accreditation, c) suspension of PhilHealth accreditation, and d) closure or cessation of business, the **NETWORK** shall execute a Memorandum of Agreement with relevant health facilities closest to its geographical jurisdiction for referral of patients. The **NETWORK** shall ensure that

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the unutilized funds, as well as the necessary documentary requirements, shall be retrieved from **MEMBER FACILITIES**.

1.1.7. The **NETWORK** maintains linkage with an apex hospital through a Memorandum of Agreement to refer patients for specialized care that is beyond the capacity of the Network.

**1.2. Targets and Cost-sharing Terms of the Network**

**1.2.1. Targets of Konsulta+SDG**

**1.2.1.1.** The **NETWORK** agrees that Konsulta+SDG are made available and accessible to a **maximum of \_\_\_\_\_ [number] Konsulta+SDG beneficiaries as the target population**, considering its maximum absorptive capacity of 20,000 per physician, as approved by PhilHealth.

Name of primary care facility	Number of physicians	Target population
Total		

**1.2.1.2.** **PHILHEALTH** shall not provide payment for the number of individuals who have completed Mandatory Health Risk Assessment (MHRA) in excess of the prescribed limits or target population. The **NETWORK** may add new certified primary care physicians and/or accredited Konsulta+SDG providers in its operations during the validity of this Agreement. The **NETWORK** may then renegotiate with the **PHILHEALTH** to modify its targets given the increase in absorptive capacity. An addendum to this Agreement may be executed to reflect the updated targets and contract amount up to the end of the 1<sup>st</sup> quarter.

**1.2.1.3.** The **NETWORK** agrees to conduct MHRA to **at least 30% of the target population**, which is equal to \_\_\_\_\_ [number] **Konsulta+SDG beneficiaries**. In the circumstance that more than 30% of the target population has completed the MHRA, additional capitation shall be dispensed for each additional individual. Case-based

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payments shall be reimbursed for services availed for the Malaria Packages from the commencement of engagement with PhilHealth. The **NETWORK** shall be paid based on the performance as indicated in the policy of Konsulta+SDG.

1.2.2. **Targets of ACR-GB**

1.2.2.1. The **NETWORK** agrees to reach the patient volume of \_\_\_\_\_ **[number]**, considering the historical patient volume of each hospital:

Name of hospital	Level	Target patient volume
Total		

1.2.2.2. The **NETWORK**, through its **MEMBER FACILITIES**, follows the cost-sharing for ACR-GB, provided for in a relevant PhilHealth Circular.

1.2.2.2.1. **MEMBER FACILITIES** shall not charge PhilHealth members for health services provided in basic or ward accommodation.

1.2.2.2.2. **PUBLIC MEMBER FACILITIES** shall only charge PhilHealth members an amount not exceeding \_\_\_\_\_ (percentage) of the value of case rate for health services provided in non-basic accommodation.

1.2.2.3. The **NETWORK** may request for additional 10% of their Global Budget as the supplementary budget for a **MEMBER FACILITY** that fulfills one of the conditions: a) high patient volume rate (>80%) by the end of 3<sup>rd</sup> quarter, b) change in case mix due to occurrence of a fortuitous event.

1.2.3. **Cost-sharing Terms of ODB**

1.2.3.1. The **NETWORK**, through its **MEMBER FACILITIES**, dispenses medications under the PhilHealth ODB (see

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Annex A.1: Basic Medication List and Annex A.2: Summary of Basic Medication List Molecules of PhilHealth Circular No. 2023-0029) for the first nine thousand pesos (PHP 9,000.00) per individual per calendar year.

1.2.3.2. After full utilization of the benefit coverage, the **NETWORK** shall charge to the beneficiaries the medications at prices following the fixed fee schedule or with store prices, whichever is lower or preferred by the beneficiary.

**1.3. Acceptance of contract amount**

1.3.1. The **NETWORK** accepts the maximum contract amount of **[AMOUNT IN WORDS] (Php \_\_\_\_\_)** stipulated in this Agreement, including the corresponding schedule of payment and conditions for payment releases stated in PhilHealth Circular No. 2023-0019 (Subject: Implementing Guidelines for the PhilHealth Konsulta with Sustainable Development Goals-Related Benefits Package), PhilHealth Circular No. 2024-0004 (Subject: Guidelines for the Implementation of an All-Case Rates-Based Global Budget in Health Care Provider Network Demonstration Sites), and PhilHealth Circular No. 2023-0029 (Subject: Implementing Guidelines for the Outpatient Drug Benefit Package).

Services	Contract Amount
Konsulta+SDG	<b>[AMOUNT IN WORDS] (Php _____)</b>
ACR-GB	<b>[AMOUNT IN WORDS] (Php _____)</b>
ODB	<b>[AMOUNT IN WORDS] (Php _____)</b>
TOTAL	<b>[AMOUNT IN WORDS] (Php _____)</b>

1.3.2. The **NETWORK** only receives payment from PHILHEALTH once all necessary information systems to receive payment and benefit utilization are in place.

1.3.3. The **NETWORK** agrees to comply with the provisions of PhilHealth Circular No. 2024-\_\_\_\_ (Subject: Implementing Guidelines on PhilHealth Prospective Payment Mechanism for Health Care Provider Networks).

1.3.4. The **NETWORK** assumes full responsibility of the management of PhilHealth prospective payment, subject to pertinent budgeting, accounting and auditing rules and regulations.

1.3.5. The **NETWORK** agrees to consolidate and submit reports on the utilization of prospective payment to PhilHealth, following the predetermined rate outlined in the PhilHealth Circular No. 2023-0019

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for Konsulta+SDG, PhilHealth Circular No. 2024-0004 for All Case Rates-based Global Budget, and PhilHealth Circular No. 2023-0029 for Outpatient Drug Benefit.

1.3.6. The **NETWORK** agrees to fully comply with mechanisms set by **PHILHEALTH** to recover unutilized funds after due reconciliation and evaluation of targets and performance accomplishment.

**1.4. Assurance of payment to member facilities**

1.4.1. The **NETWORK** shall execute a service-level agreement (SLA) with member facilities to formalize engagement between them. That SLA shall specify the volume of services, corresponding contract amounts, and its payment arrangement and schedule.

1.4.2. The **NETWORK** shall ensure the timely frontloading of PhilHealth payment amounts to the **MEMBER FACILITIES**, following the payment arrangement and schedule stipulated in the SLA between the **NETWORK** and **MEMBER FACILITIES**, and subject to due reconciliation to determine unutilized funds and evaluation of targets and performance:

**A. Konsulta+SDG**

Name of the facility	Contract amount
	[AMOUNT IN WORDS] (Php _____)

**B. ACR-GB**

Name of the facility	Contract amount
	[AMOUNT IN WORDS] (Php _____)

**C. ODB**

Name of the facility	Contract amount
	[AMOUNT IN WORDS] (Php _____)

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1.4.3. The **NETWORK** may pool a proportion of income from the **MEMBER FACILITIES**, following the agreed-upon provisions of the SLA between the **NETWORK** and **MEMBER FACILITIES**.

1.4.4. The **NETWORK** ensures recovery of unutilized funds from **MEMBER FACILITIES** after due reconciliation and evaluation of targets and performance accomplishment.

**1.5. Maintenance of a management information system**

The **NETWORK** ensures that:

1.5.1. It maintains an updated registry of all its PhilHealth beneficiaries (including newborns) and a database of all services rendered (such as, but not limited to, drugs, labs, auxiliary, services, and professional fees), which shall be made available to the **PHILHEALTH** or any of its authorized personnel upon request.

1.5.2. It maintains an updated registry of all health workers (e.g., navigators, physicians, nurses, midwives, dentists) including their fields of practice, PRC license, DOH Certification, official email addresses, and mobile phone numbers, which shall be made available to **PHILHEALTH** upon request.

1.5.3. True and accurate data are electronically encoded to update patient records in the electronic medical records and within the information systems of all affiliate primary care providers, to include all health related information such as laboratory/diagnostic examinations, medications, drugs, and supplies used in the care of the patient, which shall be made available to **PHILHEALTH** through the Health Information Exchange.

1.5.4. It transmits only true and legitimate records and reports, complies with the period of submission, and follows the report format as prescribed in **PHILHEALTH** Circulars.

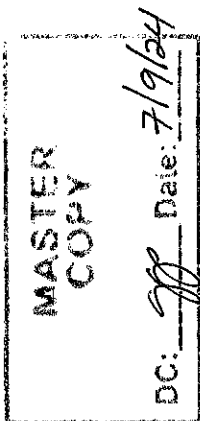
1.5.5. It transmits only true and legitimate claims, complying with the prescribed format and period of submission, to **PHILHEALTH**.

1.5.6. It submits utilization reports to **PHILHEALTH** as prescribed in **PHILHEALTH** Circulars.

1.5.7. It submits monitoring reports to **PHILHEALTH** regularly.

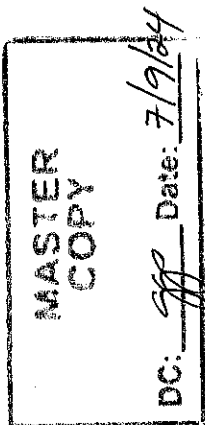
1.5.8. It submits annually to **PHILHEALTH** a copy of the audited financial statement/report, including the disposition of **PHILHEALTH** payment.

**1.6. Compliance to pertinent laws, policies, and miscellaneous provisions and full cooperation during regular surveys, administrative investigations, and domiciliary visitations**



The **NETWORK** commits that:

- 1.6.1. As responsible manager(s) and/or owner(s) of the **NETWORK** called the "**Managing Board**", they shall be jointly and severally liable for all violations committed against the provisions of R.A. No. 7875, as amended (National Health Insurance Act of 2013) and R.A. No. 11223 (Universal Health Care Act) including its Implementing Rules and Regulations (IRR) and **PHILHEALTH** policies issued pursuant thereto.
- 1.6.2. It shall promptly inform **PHILHEALTH** before any change in the ownership and/or management of the **NETWORK** or any of its member facilities with signed performance commitment with **PHILHEALTH**.
- 1.6.3. In case of a change in ownership and/or management of the **NETWORK** or any of its **MEMBER FACILITIES**, the **NETWORK** shall immediately notify **PHILHEALTH** within ten (10) working days, and shall not operate to exempt the owner and/or manager of a **MEMBER FACILITY** when an offense was committed. Both the owner and/or manager shall not be exempted from liabilities for violations of R.A. No. 7875, as amended, and its IRR and policies, and shall wait for the acknowledgment and approval prior to any changes of its ownership and/or management.
- 1.6.4. It shall maintain active membership of the Managing Board in the NHIP as an employer (as applicable) during the entire validity of its contract with **PHILHEALTH** as a **Health Care Provider Network**.
- 1.6.5. It shall abide by all the implementing rules and regulations, memorandum circulars, special orders, advisories, and other administrative issuances by **PHILHEALTH** affecting the totality or part of the functions of a **NETWORK**.
- 1.6.6. It shall abide by all administrative orders, circulars, relevant policies, and rules and regulations issued by the Department of Health and all other related government agencies and instrumentalities governing the operations of a **HEALTH CARE PROVIDER NETWORK** engaged by **PHILHEALTH**.
- 1.6.7. It shall adhere to pertinent statutory laws affecting the operations of a Health Care Provider Network including but not limited to the Senior Citizens Act (R.A. 10645), the Breastfeeding Act (R.A. 7600), the Newborn Screening Act (R.A. 9288), the Cheaper Medicines Act (R.A. 9502), the Pharmacy Law (R.A. 5921), the Magna Carta for Disabled Persons (R.A. 9442), and all other laws, rules and regulations that may hereafter be passed by the Congress of the Philippines or any other authorized instrumentalities of the government.



- 1.6.8. It shall promptly submit reports as may be required by the **PHILHEALTH**, DOH, and all other government agencies and instrumentalities governing the operations of the networks.
- 1.6.9. It shall extend full cooperation with duly recognized authorities of **PHILHEALTH** and any other authorized personnel and instrumentalities to provide access to patient records and submit to any orderly assessment conducted by the **NETWORK and/or PHILHEALTH** relative to any findings, adverse reports, pattern of utilization and/or any other acts indicative of any illegal, irregular and/or unethical practices in its operations as the contracted provider of the NHIP that may be prejudicial or tends to undermine the NHIP and make available all pertinent official records and documents including the provision of copies thereof; provided that the **NETWORK's** rights to private ownership, if applicable, and privacy are respected at all times.
- 1.6.10. It shall ensure that its officers, employees, and personnel extend full cooperation and due courtesy to all **PHILHEALTH** and Commission on Audit (COA) officers, employees, and staff during the conduct of assessment/visitation/investigation/monitoring of its operations as contracted **HEALTH CARE PROVIDER NETWORK** of the NHIP.
- 1.6.11. It shall take full responsibility for any inaccuracies and/or falsities entered into and/or reflected in its patients' records as well as in any omission, addition, inaccuracies and/or falsities entered into and/or reflected in claims it submitted to **PHILHEALTH**, unless proven to be a palpable mistake or excusable error.
- 1.6.12. It shall comply with **PHILHEALTH's** summons, subpoena, subpoena 'duces tecum' and other legal or quality assurance processes and requirements.
- 1.6.13. It shall recognize the authority of **PHILHEALTH**, their officers and personnel and/or their duly authorized representatives to conduct regular surveys, domiciliary visits, and/or conduct administrative assessments at any reasonable time relative to the exercise of its privilege and conduct of our operations as an accredited network of the NHIP.
- 1.6.14. It shall comply with **PHILHEALTH's** corrective actions given after monitoring activities within the prescribed period.
- 1.6.15. It shall agree to return 100% of the overpayment or unutilized funds through payment recovery mechanisms implemented by **PHILHEALTH**.
- 1.6.16. It shall protect the NHIP against abuse, violation and/or over-utilization of its funds and not allow itself or any of its member

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providers to be a party to any act, scheme, plan, or contract that may directly or indirectly be prejudicial or detrimental to the NHIP.

- 1.6.17. It shall not directly or indirectly engage in any form of unethical or improper practices as contracted service providers such as but not limited to solicitation of patients for purposes of compensability under the NHIP, the purpose and/or the end consideration of which tends to be unnecessary financial gain rather than promotion of the NHIP.
- 1.6.18. It shall immediately report to the **PHILHEALTH**, its officers and/or to any of its personnel, any act of illegal, improper and/or unethical practices of networks and health care institutions of the NHIP that may have come to its knowledge directly or indirectly.
- 1.6.19. It shall recognize **PHILHEALTH's** authority to suspend the release of payments under the following circumstances, but not limited to: (a) during the period of its non-contracted status as a result of the suspension of contract, etc.; (b) loss of license for certain services that results to lack of access to these services; and (c) when the cost-sharing terms implemented are not followed.
- 1.6.20. It shall recognize **PHILHEALTH's** authority, after due process and in accordance with the pertinent provisions of R.A. 7875 and its IRR, to suspend, shorten, pre-terminate and/or revoke the **NETWORK's** privilege of participating in the NHIP including the appurtenant benefits and opportunities at any time during the validity of the contract for any violation of any provision of this Agreement and of R.A. 7875, as amended, and its IRR.

## 2. PHILHEALTH'S OBLIGATIONS

- 2.1. For and in consideration of the health services rendered to its beneficiaries, **PHILHEALTH** shall pay the maximum contract amount to the **NETWORK** amounting to **[AMOUNT IN WORDS] (Php\_\_\_\_\_)**, inclusive of all applicable taxes, upon compliance to all requirements specified in the benefit packages of Konsulta+SDG, ACR-GB, and ODB.
- 2.2. **PHILHEALTH** shall only front load payment once the Network has all the necessary information systems facilitating benefit utilization and payment.
- 2.3. **PHILHEALTH** shall be responsible for computing the tranche amount and monitoring and evaluating targets and performance.
- 2.4. **PHILHEALTH** shall ensure the timely release of first tranche payments to the **NETWORK** not later than the first ten (10) calendar days from the official start of the engagement period.
- 2.5. **PHILHEALTH** shall address the concerns of the **NETWORK** and issue clarifications as needed to facilitate benefit implementation.

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2.6. **PHILHEALTH** shall provide the **NETWORK** with regular updates and orientation on **PHILHEALTH** policies and guidelines.

2.7. **PHILHEALTH** shall assist the **NETWORK** to ensure interoperability and connectivity with **PHILHEALTH** databases to support innovations and EMR initiatives.

2.8. **PHILHEALTH** shall conduct scheduled and/or random on-site or virtual validation visits to observe the actual implementation. **PHILHEALTH** shall provide the results of the monitoring and assessment to the **NETWORK** fifteen (15) days after the conduct of the assessment.

### 3. AMENDMENTS AND MODIFICATIONS

No amendment or modification of any of the terms and conditions of this Agreement shall be valid unless evidenced by a written agreement executed by the authorized representatives of both **Parties**.

### 4. EFFECTIVE DATE

This Agreement shall become effective upon the signing of all the **Parties** to the agreement. The Agreement shall remain binding until terminated pursuant to the termination provisions of this Agreement.

### 5. TERM AND TERMINATION

The Term of this Agreement shall be valid from \_\_\_\_\_ to \_\_\_\_\_. The **Parties** may agree to pre-terminate this Agreement prior to its expiration in the event of:

- Abuse in the operations of the **NETWORK**
- Fraud committed by the **NETWORK**
- Request from the **NETWORK** to pre-terminate the implementation due to unsustainable and/or unfeasible benefit implementation

All pre-terminations shall be subject to a 30-day prior notice, except when a shorter period is agreed upon by the **Parties**.

### 6. SEPARABILITY CLAUSE

If any part of this Agreement is declared unenforceable or void, the rest of the Agreement shall nevertheless remain in full force and effect.

### 7. ASSIGNABILITY

No assignment of rights, duties or obligations under this Agreement shall be made by either **Party** without the prior written approval of the other **Party**.

### 8. WAIVER

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Neither the failure nor any delay on the part of either **Party** to exercise any right, power, or privilege hereunder shall operate as a waiver.

**9. PROPRIETARY INFORMATION**

The **Parties** agree that the terms and conditions of this Agreement and its Attachments are proprietary, and agree to take all reasonable precautions to prevent the unauthorized disclosure of the terms.

**10. NON- DISCLOSURE AGREEMENT (NDA)**

The **NETWORK** shall comply with the submission of the NDA to the **PHILHEALTH** in compliance with the Data Privacy Law and rules.

**11. EXCLUSIVE AGREEMENT**

The **MEMBER FACILITIES** shall only engage in one **NETWORK**.

**12. GOVERNING LAW AND VENUE OF ACTION**

This Agreement shall be governed and construed in accordance with the laws of the Republic of the Philippines. All PhilHealth circulars and issuances on the PhilHealth Konsulta+SDG, ACR-GB, and ODB shall form an integral part of this Agreement. Venue of all actions arising from this Agreement shall be brought exclusively to the jurisdiction of the appropriate courts of the Philippines, without prejudice to the settlement of dispute through amicable settlement or alternative dispute resolution mechanisms under existing laws.

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**Annex C: Template of Memorandum of Agreement  
between the Network and Apex Hospital**

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**MEMORANDUM OF AGREEMENT**

**KNOW ALL MEN BY THESE PRESENTS:**

This Memorandum of Agreement entered into by and between the following parties:

**[PRIVATE OR MIXED HEALTH CARE PROVIDER NETWORK]**, a private network, organized and registered with the Securities and Exchange Commission under Company Reg. No. \_\_\_\_\_ and/or Joint Venture Agreement No. \_\_\_\_\_ issued on \_\_\_\_\_ and existing laws of the Republic of the Philippines, with principal address at [Address] represented herein by its Authorized Representative [NAME], hereinafter called "**Network**";

or

**[PUBLIC HEALTH CARE PROVIDER NETWORK]** an/a LGU/Province/City-owned network, authorized through a Sanggunian Resolution No. \_\_\_\_\_ issued on [Date] and existing under the laws of the Republic of the Philippines, with principal address at [Address] represented herein by its Authorized Representative [NAME], hereinafter called "**Network**";

and

**[HOSPITAL NAME]**, a health facility duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office address at [address], duly represented herein by [Name], its [Position of representative], hereinafter called "**Apex Hospital**"

(each a "**Party**", and collectively, the "**Parties**").

**WITNESSETH THAT:**

**WHEREAS**, Republic Act No. 11223, otherwise known as the Universal Health Care (UHC) Act, guarantees accessible access to quality health services;

**WHEREAS**, under Section 18(a) under Chapter IV of the same Act, Philippine Health Insurance Corporation (PhilHealth) shall endeavor to contract public, private, or mixed health care provider networks for the delivery of individual-based health services;

**WHEREAS**, Section 18.10 of the Implementing Rules and Regulations of the same Act mandates PhilHealth to individual based health services through a combination of closed-end, prospective provider payment mechanisms;

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cc: [Signature] Date: 7/9/24



**WHEREAS**, Section 18.2(d) of the Implementing Rules and Regulations of the UHC Act stipulates that Apex hospitals, as determined by the DOH, may be engaged as stand-alone health care providers by PhilHealth;

**WHEREAS**, Department Administrative Order No. 2020-0019 outlines the criteria for the determination of eligible Apex hospitals;

**WHEREAS**, PhilHealth Circular No. 2024-\_\_\_\_ or the "Guidelines on Contracting Health Care Provider Networks" provides that a health care provider network shall be linked to at least one (1) Apex hospital.

**NOW THEREFORE**, for and in consideration of the foregoing premises, and of the mutual covenants and stipulations hereinafter set forth, the **Parties** hereby agree, and by these presents, bind themselves, to wit:

**I. AGREEMENT**

1. The **Network's** member hospitals shall refer patients to the **Apex Hospital** for case management that is beyond capacity of the **Network**;
2. The **Apex Hospital** shall receive patients from **Network's** member hospitals, and refer patients back to the **Network** for continuous case management;
3. The **Network** shall arrange the necessary transportation of the patient to the **Apex Hospital**, and vice versa for back referral of the patients;
4. The **Apex Hospital** shall ensure and maintain the validity of its Department of Health license, PhilHealth accreditation, and the status as an Apex Hospital, during the duration of this agreement;
5. The **Apex Hospital** shall the necessary services including but not limited to drugs, medicines, supplies, devices, diagnostic and treatment procedures; and
6. The **Network's** member hospitals and the **Apex Hospital** shall transmit the necessary medical information of patients with due consideration to data privacy.

**II. TERMS OF PAYMENT**

1. The **Network's** member hospital may charge to its Global Budget the allowable expenses of managing the case of patients prior to referral to the **Apex Hospital**.
2. The **Apex Hospital** may charge to its Global Budget the allowed expenses of managing the case of referred patients, e.g., case rate.
3. The **Network** shall shoulder the cost of transporting patients from a **Network** member hospital to the **Apex Hospital**. The prevailing referral

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package or allowable expenses for transporting patients shall be charged to the Global Budget of the **Network's** member hospital.

**III. DURATION AND EFFECTIVITY**

This Agreement shall be valid from \_\_\_\_\_ to \_\_\_\_\_ [Date]. This Agreement shall become effective upon the signing of all the **Parties** to the Agreement, and shall remain binding until terminated pursuant to the termination provisions of this Agreement.

**IV. AMENDMENTS**

No amendment or modification of any of the terms and conditions of this Agreement shall be valid unless evidenced by a written agreement executed by the authorized representatives of both **Parties**.

**V. TERMINATION**

This agreement may be terminated by either party upon 30 days written notice to the other party, except when a shorter period agreed upon by the Parties.

**VI. SEPARABILITY**

In the event that one or more provisions contained herein shall be held invalid, illegal or unenforceable in any respect and for any reason, the remaining provisions shall remain valid, legal and enforceable.

**VII. ENTIRE AGREEMENT**

Both **Parties** acknowledge that this Agreement constitute the entire agreement between them and shall completely supersede all other prior understandings, previous communications or contracts, oral or written, between the **Parties** relating to the subject matter hereof.

**IN WITNESS WHEREOF**, the parties hereunto have affixed their respective signatures this \_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, at \_\_\_\_\_, Philippines.

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DC: [Signature] Date: 7/9/24

[NAME OF THE HEALTH CARE PROVIDER NETWORK]

By:

\_\_\_\_\_  
Authorized Representative  
Health Care Provider Network

[NAME OF APEX HOSPITAL]

By:

\_\_\_\_\_  
Owner/Authorized Representative  
Apex Hospital

Signed in the Presence of:

\_\_\_\_\_

**ACKNOWLEDGMENT**

**REPUBLIC OF THE PHILIPPINES)**  
City of \_\_\_\_\_ ) S. S.

**BEFORE ME**, a Notary Public, for and in the City of \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, personally appeared:

	ID No.	Issued on/Issued at
<b>[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]</b>	_____	_____
<b>[NAME OF APEX HOSPITAL'S AUTHORIZED REPRESENTATIVE]</b>	_____	_____

Known to me and to me known to be the same person(s) who executed the foregoing instrument and who acknowledged to me that the same is their free and voluntary act and deed, and that of the institutions respectively represented.

The foregoing instrument refers to a Memorandum of Agreement (MOA) consisting of \_\_\_\_\_ [ ] pages, including the page in which this Acknowledgement is written, signed by the parties, including their instrumental witnesses on each and every page thereof and sealed with my notarial seal.

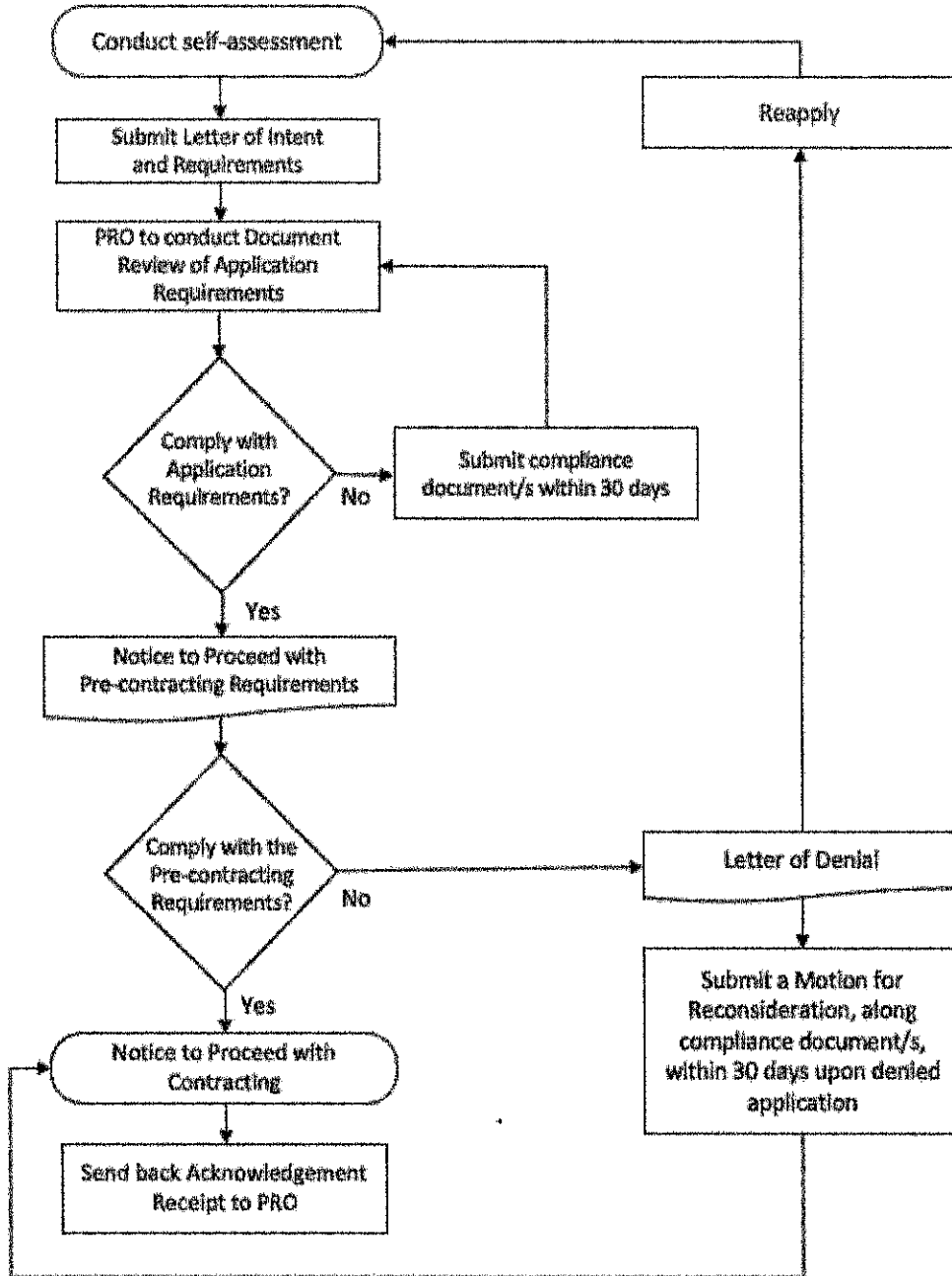
**WITNESS MY HAND AND SEAL**, on the date and place above written.

**NOTARY PUBLIC**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_

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## Annex D: Flowchart of the Application Process



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## Annex E: Self-Assessment Tool for Health Care Provider Network



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
 Citystate Centre, 709 Shaw Boulevard, Pasig City  
 ☎ (02) 8662-2588 🌐 www.philhealth.gov.ph  
 📱 PhilHealthOfficial 📧 teamphilhealth

### SELF-ASSESSMENT TOOL FOR HEALTH CARE PROVIDER NETWORK

*Instruction: Please fill-up the necessary information. Please check (✓) the box when facilities and its corresponding services are present. Indicate the number of facilities on the "Quantity".*

Name of the Network: \_\_\_\_\_  
 Date of Assessment (MM/DD/YY): \_\_\_\_\_

Services	Type of Health Facilities	Quantity		
<input type="checkbox"/> Konsulta+SDG (Integrated Konsulta and SDG benefits)	<input type="checkbox"/> Konsulta Provider <input type="checkbox"/> SDG Benefit Provider:	_____ _____		
	<input type="checkbox"/> Animal Bite Treatment <input type="checkbox"/> TB-DOTS <input type="checkbox"/> Outpatient HIV/AIDS Treatment <input type="checkbox"/> Outpatient Malaria Treatment	_____ _____ _____ _____		
	<input type="checkbox"/> All Case Rates-based Global Budget (Inpatient services)	<input type="checkbox"/> Infirmary <input type="checkbox"/> Level 1 Hospital <input type="checkbox"/> Level 2 Hospital <input type="checkbox"/> Level 3 Hospital	_____ _____ _____ _____	
		<input type="checkbox"/> PhilHealth Outpatient Drug Benefit	<input type="checkbox"/> Retail Drug Outlet	_____

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**Instruction:**

**For Applicant Network:** Please check (√) the box corresponding to your answer: Yes (when present) or No (when absent). Indicate the evidence provided: photos, videos, photocopy of documents, etc.

**For PhilHealth:** Please mark with check (√) when present or mark with X when absent.

REQUIREMENTS	Applicant		Remarks	PhilHealth	Remarks
	Yes	No			
<b>Application Requirements</b>					
1. Proof of equivalent DOH engagement with the Network					
2. Proof of Engagement with Providers to be part of the Network A. An Ordinance from the Sangguniang Panlalawigan/Panlungsod or Executive Order from the Local Chief Executive to engage public health facilities under the LGU supervision B. MOA for private health facilities outside the LGU supervision to be part of the Network C. Any equivalent instrument					
3. List of health facilities by type of services with appropriate facility license/certification and PhilHealth accreditation (Use PDR, See the Section on List of Health Facilities)					
A. Primary Care Facility B. Affiliate Primary Care Provider • Laboratory • Tuberculosis Service • Outpatient HIV/AIDS Service • Outpatient Malaria Service • Animal Bite Service					
C. Inpatient Facility Infirmery Level 1 Hospital Level 2 Hospital Level 3 Hospital					
D. Retail Drug Outlet					
4. Electronic medical record (EMR) system recognized by DOH and PhilHealth					
5. SHF Depository Bank Account (in the name of the Network/ Local Government Unit)					
<b>Pre-contracting Requirements</b>					
6. Certificate of compliance with PhilHealth IT requirements (e.g., eClaims, MHRA, Gamot App, ACR-GB)					
7. Evidence of SHF book of accounts and subsidiary ledgers					
8. MOA with an Apex Hospital (See Annex C for the template)					

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**Annex F: Template Letter of Intent**

**LETTER OF INTENT**

[Date]

**[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]**

[Address]

[Contact Details]

**[NAME OF RELEVANT PHILHEALTH REGIONAL VICE PRESIDENT]**

PhilHealth Regional Office – [Region]

[Address]

Dear [Salutation and Last Name of RVP]

This is to express the intent of [Name of Health Care Provider Network] to apply as [Public, Private, or Mixed] Health Care Provider Network. To initiate the application process, we agree with the following provisions:

1. Proof of equivalent DOH engagement with the Network is attached;
2. The accomplished self-assessment tool, attached herewith, is true and correct;
3. The accomplished data record for healthcare provider network is complete, true and correct; and
4. To allow the PhilHealth Regional Office to conduct document review of the submitted documents.

[Insert contact person / communication channels]

\_\_\_\_\_  
Signature over Printed Name of the  
Network's Authorized Representative

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DC: *JP* Date: 7/9/24

**Annex G: Provider Data Record for  
Health Care Provider Network**



**PROVIDER DATA RECORD FOR  
HEALTH CARE PROVIDER NETWORK**

**INSTRUCTIONS**

1. All information should be written in UPPERCASE / CAPITAL LETTERS. Please print legibly and provide appropriate spaces.
2. All fields are mandatory unless indicated otherwise. If the information is not available, write "N/A."

**TYPE OF APPLICATION**

- Initial Application  
 Re-application  
 Structure Change

**THE PRESIDENT & CEO**

Philippine Health Insurance Corporation  
Pasig City, Philippines

Sir/Madam:

I, \_\_\_\_\_, of legal age, \_\_\_\_\_ with address at  
Name of the Authorized Representative Position/Designation of the Authorized Representative  
 \_\_\_\_\_ and the duly authorized representative to  
Address of the Authorized Representative  
 act for and in behalf of \_\_\_\_\_, hereby submit the following  
Name of the Health Care Provider Network  
 pertinent information and documentary requirements under Section 58 of the Revised Implementing Rules and Regulations of the National Health Insurance Act of 2013 (RA No. 7875 as amended by RA No. 9241 and RA No. 10606).

Name of Health Care Provider Network					
Mailing/Billing Address					
Contact Number		Email Address		Fax Number	
Name of Authorized Representative of Health Care Provider Network		<small>Last Name</small>	<small>First Name</small>	<small>Extension</small>	<small>Middle Name</small>
				<input type="checkbox"/> No Middle Name	<input type="checkbox"/> Mononym
Contact Number		Email Address		Fax Number	
<b>TYPE OF NETWORK</b>					
<input type="checkbox"/> Public Network		<input type="checkbox"/> Private Network		<input type="checkbox"/> Mixed Network	

*Instruction: Please provide the necessary and appropriate information. Use the table below as a guide in filling up this form.*

LIST OF HEALTH FACILITIES				
Name of Health Facility	Type of Health Facility	Service	License/Certification Accreditation*	Validity
1				
2				
3				
4				
5				

*Continue in a separate sheet if necessary*

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 CC: *JP* Date *7/9/14*



DETAILS OF STRUCTURE CHANGE			
<input type="checkbox"/> Withdrawn health facility	Name of Health Facility		<b>Reason</b> <input type="checkbox"/> Revocation of appropriate license/certification <input type="checkbox"/> Revocation/Non-renewal of PhilHealth accreditation <input type="checkbox"/> Suspension of PhilHealth accreditation <input type="checkbox"/> Cessation of business
	<hr/> <hr/>		
	Accreditation Number		
<input type="checkbox"/> Additional health facility	Name of Health Facility		
	Type of Facility		Accreditation Number

Under penalty of law, I hereby attest that the information provided, including the documents I have attached to this form, are true and accurate to the best of my knowledge. I agree and authorize PhilHealth for the subsequent validation, verification and for other data sharing purposes only under the following circumstances:

- As necessary for the proper execution of processes related to the legitimate and declared purpose;
- The use or disclosure is reasonably necessary, required or authorized by or under the law; and
- Adequate security measures are employed to protect my information.

\_\_\_\_\_  
Authorized Representative's Signature over Printed Name

\_\_\_\_\_  
Date

FOR PHILHEALTH USE ONLY			
Remarks:			
_____			
Date Received:	LHIO	By:	LHIO
	PRO		PRO
Date Evaluated:	LHIO	By:	LHIO
	PRO		PRO
Date Encoded:	LHIO/PRO (Receiving Module)	By:	LHIO
	PRO (Data Entry)		PRO
			<b>Control No.</b>
			OR No.
			Date Paid
			Amount

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*\*Guide:* Health facilities, their respective services, and appropriate license/certification and PhilHealth accreditation

Service	Health Facility	License or Certification	PhilHealth Accreditation
Konsulta+SDG (Integrated Konsulta and SDG benefits)	Primary Care Facility	Department of Health (DOH) License to operate (LTO) as primary care facility	As Konsulta+SDG Provider
	Animal Bite Treatment	DOH Certification	
	TB-DOTS	DOH Certification	
	Outpatient HIV/AIDS Treatment	DOH Certification	
	Outpatient malaria treatment	Certificate of Training in Malaria Management of health facility staff issued by DOH or DOH-Center for Health Development	
All Case Rates-based Global Budget (Inpatient services)	Infirmery	DOH LTO to operate as infirmery	For inpatient services (Case Rates)
	Level 1 Hospital	DOH LTO to operate as L1 Hospital	
	Level 2 Hospital	DOH LTO to operate as L2 Hospital	Approved application for ACR-GB
	Level 3 Hospital	DOH LTO to operate as L3 Hospital	
PhilHealth Outpatient Drug Benefit	Retail Drug Outlet	Food and Drug Administration License as a retail drug outlet	As Outpatient Drug Benefit Provider

MASTER COPY  
 DC: *JR* Date: *7/9/24*

**Annex H: Template Notice to Proceed  
with Pre-contracting Requirements**



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
☎ (02) 8862-2588 🌐 www.philhealth.gov.ph  
📱 PhilHealthOfficial! 📧 teamphilhealth

**NOTICE TO PROCEED WITH  
PRE-CONTRACTING REQUIREMENTS**

[Date]

[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]  
[Address]

Dear [Salutation and last name];

Upon review of the submitted documents as required by PhilHealth Circular No. \_\_\_\_\_ (Subject: Contracting Health Care Provider Networks), please be informed that the said review yields satisfactory results. Kindly proceed to the accomplishment of pre-contracting requirements:

1. Certificate of Compliance with PhilHealth IT requirements (e.g., eClaims, MHRA, GAMOT App, ACR-GB)
2. Evidence of SHF book of accounts and its subsidiary ledgers
3. Memorandum of Agreement with Apex Hospital

Our partnership with you is vital in the achievement of the goals of the National Health Insurance Program.

By authority of the President and CEO:

[NAME OF RVP]  
Regional Vice-President  
PhilHealth Regional Office – [Region]

MASTER  
COPY  
DC: *gg* Date: *7/9/24*

## Annex I: Template Notice of Deficiency



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
(02) 8682-2588 @ www.philhealth.gov.ph  
PhilHealthOfficial X teamphilhealth

### NOTICE OF DEFICIENCY

[Date]

[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]  
[Address]

Dear [Salutation and Last Name];

Upon assessment and review of the submitted documents as required by PhilHealth Circular No. \_\_\_\_\_ (Subject: Contracting Health Care Provider Networks), please be informed that the said assessment and review yield unsatisfactory results, by reason of the absence or irregularity of hereinbelow document/s, to wit,

Lacking Document/s	Remarks

Henceforth, please submit the lacking documents to your nearest Local Health Insurance Office for compliance therewith. Failure to comply with the requirement within the 30-day grace period will lead to the denial of the application.

[NAME OF RVP]  
Regional Vice President  
PhilHealth Regional Office – [Region]

MASTER COPY  
DC: *JP* Date: 7/9/24

## Annex J: Template Notice to Proceed with Contracting



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
☎ (02) 8862-2588 🌐 www.philhealth.gov.ph  
📘 PhilHealthOfficial 📧 teamphilhealth

### NOTICE TO PROCEED WITH CONTRACTING

[Date]

**[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]**  
[Address]

Dear [Salutation and last name];

We are pleased to inform you that the application of [Name of Health care Provider Network] as [type of health care provider network] effective [start date] to [end date], (applicable year) has been approved.

Please download the following PhilHealth Circulars (PC) at [www.philhealth.gov.ph](http://www.philhealth.gov.ph) for your information and guidance:

- A. PhilHealth Circular No. 2024-\_\_\_\_ (Subject: Guidelines for Contracting Health Care Provider Network)
- B. PhilHealth Circular No. 2024-\_\_\_\_ (Subject: Implementing Guidelines on PhilHealth Prospective Payment Mechanisms for Health care Provider Networks)

The following facilities deemed qualified for accreditation are recognized members of the [Name of Health Care Provider Address]:

Name of Facility	Type of Facility	Benefits

Please contact us to schedule the negotiation at your most convenient time. \*

Our partnership with you is vital in the achievement of the goals of the National Health Insurance Program.

By authority of the President and CEO:

**[NAME OF RVP]**  
Regional Vice-President  
PhilHealth Regional Office – [Region]

MASTER  
COPY

DC: *gfp* Date: *7/9/24*

**Annex K: Template Notice of Denial**



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
☎ (02) 8662-2588 🌐 www.philhealth.gov.ph  
📱 PhilHealthOfficial 📧 teamphilhealth

**NOTICE OF DENIAL  
FOR HEALTH CARE PROVIDER NETWORK**

[Date]

[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]  
[Address]

Dear [Salutation and last name];

We regret to inform you that the application of [Name of Health Care Provider Network] as [Type of Health Care Provider Network] has been denied due to non-compliance of the following deficiencies within the 30-day grace period:

[List down the deficiencies]

A Health Care Provider Network who will not be in agreement with the action on the application may file a motion for reconsideration of the decision and submit the compliance document/s within 30 days from receipt of this decision or you may re-file another application. Regardless of your chosen option, the validity shall take effect on the date of full compliance.

By authority of the President and CEO:

[NAME OF RVP]  
Regional Vice-President  
PhilHealth Regional Office – [Region]

MASTER COPY  
DC: [Signature] Date: 7/9/24

**Annex L: Template Notice for Approved Motion for Reconsideration**



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
☎ (02) 8662-2586 🌐 www.philhealth.gov.ph  
📱 PhilHealthOfficial 📧 teamphilhealth

**NOTICE FOR APPROVED  
MOTION FOR RECONSIDERATION**

[Date]

**[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]**  
[Address]

Dear [Salutation and last name];

We are pleased to inform you that the motion for reconsideration for the denied application of [Name of Health Care Provider Network] as [Type of Health Care Provider Network] has been approved.

Attached herewith is the Notice to Proceed with Contracting.

Our partnership with you is vital in the achievement of the goals of the National Health Insurance Program.

By authority of the President and CEO:

**[NAME OF RVP]**  
Regional Vice-President  
PhilHealth Regional Office – [Region]

MASTER  
COPY  
DC: *JP* Date: 7/9/24

**Annex M: Template Notice of Denied Motion for Reconsideration**



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**  
Citystate Centre, 709 Shaw Boulevard, Pasig City  
(02) 8862-2568 www.philhealth.gov.ph  
PhilHealthOfficial teamphilhealth

**NOTICE OF DENIED  
MOTION FOR RECONSIDERATION**

[Date]

**[NAME OF NETWORK'S AUTHORIZED REPRESENTATIVE]**  
[Address]

Dear [Salutation and Last Name];

We regret to inform you that the motion for reconsideration for the denied application of [Name of Health Care Provider Network] as [Type of Health Care Provider Network] has been denied due to (state the reason/s).

You may file an appeal with the concerned PhilHealth Regional Office.

Our partnership with you is vital in the achievement of the goals of the National Health Insurance Program.

By authority of the President and CEO:

**[NAME OF RVP]**  
Regional Vice-President  
PhilHealth Regional Office – [Region]

MASTER COPY  
DC: *JG* Date: 7/9/24