

EXCERPTS from the minutes of the Special Session of the Sangguniang Bayan of Camaligan, Camarines Sur held at its session hall on March 12, 2010

PRESENT: Nathaniel F. Capucao - Municipal Vice Mayor/Presiding Officer
Marissa F. Trinidad - Municipal Councilor/Member
Diano SJ. Ibardaloza, Jr. - Municipal Councilor/Member
Eduardo C. Loriaga - Municipal Councilor/Member
Emmanuel K. Moll - Municipal Councilor/Member
Shiela A. Morico - Municipal Councilor/Member
Gaudencio A. Rabina - Municipal Councilor/Member
Benedicto B. Jacob - Municipal Councilor/Member
Arturo P. Almendral - Municipal Councilor/Member
Rodelio L. Punzalan - LMB President/Ex-Officio Member
James Bob M. Sambo - SKF President/Ex-Officio Member

ABSENT: None

MUNICIPAL ORDINANCE # 003-010
Series of 2010

AN ORDINANCE CREATING A PHILHEALTH CAPITATION FUND FROM THE PROCEEDS OF THE OUTPATIENT CONSULTATION AND DIAGNOSTIC BENEFIT PACKAGE TO BE PROVIDED BY THE PHILIPPINE HEALTH INSURANCE CORPORATION (PHILHEALTH) FOR QUALIFIED INDIGENT FAMILIES OF THE MUNICIPALITY OF CAMALIGAN, CAMARINES SUR UNDER THE INDIGENT SECTOR OF THE NATIONAL HEALTH INSURANCE PROGRAM (NHIP)

WHEREAS, the Philippine Constitution declares as a State policy to provide its territorial and political subdivisions genuine and meaningful local autonomy to enable them to attain their fullest development as self reliant communities and as effective partners in the attainment of national goals;

WHEREAS, the State likewise declares that the vesting of duty, responsibility and accountability in Local Government Units shall be accompanied with provision for reasonably adequate resources to effectively carry out their functions;

WHEREAS, in pursuit of this institutional mandates, the Congress has mandated the implementation of the Indigent Sector Component of the National Health Insurance Program (NHIP) or the Medicare Para sa Masa;

WHEREAS, this priority program is aimed at “setting into motion a meaningful health care financing and delivery mechanism anchored on local government”;

WHEREAS, the Indigent Program of the National Health Insurance Program (NHIP) provides a mechanism to identify the qualified indigent families and to grant them membership to NHIP through full or partial government subsidies. It will enable them access to medical service in all NHIP accredited providers;

WHEREAS, the body, considering the beneficent features of RA 7875 as it will vastly improve the overall health status of the population and ultimately, their general quality of life and rationalize the municipal Government’s expenditure for health, collectively agreed to adopt the National Health Insurance Program (NHIP) of the National Government;

WHEREAS, the creation of PhilHealth Capitation Fund (PCF) is necessary to attain the purpose and objectives of the Indigent Program;

BE IT ORDAINED by the Sangguniang Bayan of Camaligan, Camarines Sur in session assembled that:-

SECTION I. TITLE – This Ordinance shall be known as the “PhilHealth Capitation Fund Disposition and Management Ordinance”

SECTION II. DEFINITION OF TERMS – As used in this ordinance, the following words and words and phrases shall be construed as:-

- 2.1. **National Health Insurance Program (NHIP)** – refers to the compulsory health insurance program of the government instituted under Republic Act No. 7875 which aims to implement a universal health insurance system and provide universal access to affordable, acceptable, efficient and effective health care services for all citizens of the Philippines. NHIP is alternatively known as the Medicare Program, established under Republic Act 6111.
- 2.2. **Indigent Sector Component of NHIP** – It is the tool by which the State envisions to provide Medicare privileges to the indigent population, as a supplement to its Medicare Program for the employed and individually paying sectors.
- 2.3. **Health Center and/or Rural Health Unit (RHU)** - refers to the health unit/s or health center/s owned, administered, managed and financed by the local government unit, which is either attached to or directly supervised by the Office of the City/Municipal Health Officer. Health centers and rural health units are used alternatively and interchangeably in this Agreement.
- 2.4. **Outpatient Consultation and Diagnostic Package** – refers to the primary consultation and diagnostic services which are included in the Program’s benefit package and administered, managed and/or delivered by accredited RHUs/Health Centers.
- 2.5. **Capitation** - refers to the scheme or form of paying the RHU for specific services it provides for a particular period which is arrived at based on a pre-determined criteria under the condition that any savings from the agreed amount accrues to the benefit of the facility and that in case of insufficiency thereof, the particular services due to the covered beneficiaries shall be delivered at the cost of the RHU.
- 2.6. **Philippine National Drug Formulary (PNDF)** - refers to the essential drugs list for the Philippines which is prepared by the National Drug Committee of the Department of Health (DOH) in consultation with experts and specialists from organized professional medical societies, the academe and the pharmaceutical industry, and which is updated every year.

SECTION III. RELEASE OF CAPITATION FUND – to satisfy the conditions set by PhilHealth for the quarterly release of capitation fund, the Local Government, shall:-

- 3.1. Prior to the initial release, set-up, prepare and/or make necessary renovations/improvements for the Rural Health Unit to pass the standards for accreditation by the PhilHealth.
- 3.2. Pay the premium contribution due to PhilHealth;
- 3.3. Submit all required monitoring and evaluation reports as provided for under the implementing Guidelines of the Outpatient Consultation and Diagnostic Package.

SECTION IV. DISPOSITION OF THE PHILHEALTH CAPITATION FUND (PCF) – The PCF shall be used and managed as follows:-

- 4.1. The disbursement and liquidation of the PCF shall be in accordance with pertinent government accounting and auditing rules and regulations and to be audited accordingly by the local COA Auditors;
- 4.2. A separate book of accounts shall be maintained by the LGU for the purpose;
- 4.3. The PCF issued to the LGU shall be disbursed according to the following:-
 - 4.3.1 Eighty percent (80%) of the total capitation amount may be utilized for the following;
 - 4.3.1.1 All drugs listed in the Philippine National Drugs Formulary (PNDF)
 - 4.3.1.2 Equipment and supplies necessary /related to carry the delivery of required services including but not limited to medical equipment and supplies, furniture and fixtures, appliances, office equipment, consumables and supplies;
 - 4.3.1.3 Site improvement of health facility; and
 - 4.3.1.4 Referral fees for diagnostic services.
 - 4.3.2 Administrative cost not exceeding twenty percent (20%) of the total capitation amount shall be divided as follows:-
 - 4.3.2.1 Fifty percent (50%) shall accrue to the physician.
 - 4.3.2.2 Twenty-five percent (25%) shall accrue to other RHU personnel directly involved in the provision of services required hereof;
 - 4.3.2.3 The remaining twenty five percent (25%) shall be utilized for other administrative costs such as office supplies, transportation expenses, etc.
- 4.4. The acquisition and usage of new medical technological equipment, devices and modalities of treatment consistent with actual needs and current standards of medical practice and ethics with national health objectives shall be made only upon approval by PhilHealth Corporation through its Accreditation Department and after assessing the advantage and appropriateness of such purchase.

SECTION V. ENFORCEMENT – The Local Chief Executive, the Local Treasurer, the Local Health Officer and the Social Welfare Officer are hereby mandated to strictly enforce this ordinance.

SECTION VI. REPEALING CLAUSE – any ordinances, rules and regulations, contracts or parts thereof, which are inconsistent or in conflict with the provisions of this Ordinance are hereby repealed and/or modified accordingly.

SECTION VII. SEPARABILITY CLAUSE - If any section, sub-section, paragraph, sentence, clause or phrase of this Ordinance is declared unconstitutional or null and void for any reason, such decision shall not affect the validity of the remaining provisions of this Ordinance, which shall continue to be in force and in effect.

SECTION VIII. EFFECTIVITY CLAUSE – This ordinance shall take effect upon approval and after furnishing a copy of the same to the President of the Philippines, Her Excellency Gloria Macapagal-Arroyo, the president and CEO of Philippine Health Insurance Corporation, and the provincial Governor of Camarines Sur for their information and approval of application for accreditation of the Rural Health Unit of Camaligan to the PhilHealth.

ENACTED: March 12, 2010

WE HEREBY CERTIFY to the correctness and truthfulness of the foregoing.

JOY MARIE I. SAN BUENAVENTURA
Sangguniang Bayan Secretary

MARISSA F. TRINIDAD
Municipal Councilor

DIANO S.J. IBARDALOZA, JR.
Municipal Councilor

EDUARDO C. LORIAGA
Municipal Councilor

EMMANUEL K. MOLL
Municipal Councilor

SHIELA AGUID-MORICO
Municipal Councilor

GAUDENCIO A. RABINA
Municipal Councilor

BENEDICTO B. JACOB
Municipal Councilor

ARTURO P. ALMENDRAL
Municipal Councilor

RODELIO L. PUNZALAN
LMB President

JAMES BOB M. SAMBO
SKF President

Attested by:

NATHANIEL F. CAPUCAO
Municipal Vice-Mayor and Presiding Officer

Approved:

ROLANDO C. EDUARDO
Municipal Mayor