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S E N A T E P. S. Res. No 1087



Introduced by Senator Joseph Victor G. Ejercito

## **RESOLUTION**

URGING THE COMMITTEE ON HEALTH AND DEMOGRAPHY TO CONDUCT ON INQUIRY, IN AID OF LEGISLATION, ON THE TRANSFER OF PHILHEALTH'S EXCESS FUNDS TO THE UNPROGRAMMED FUND UNDER REPUBLIC ACT NO. 11975 OR THE GENERAL APPROPRIATIONS ACT OF 2024

WHEREAS, Article 2, Section 15 of the Constitution provides that, "The State shall protect and promote the right to health of the people and instill health consciousness among them";

WHEREAS, the Universal Health Care (UHC) Act or Republic Act (RA) No. 11223 was enacted to ensure that all Filipinos have access to quality and affordable health care services;

WHEREAS, under Republic Act No. 11975 or the General Appropriations Act (GAA) of 2024, Section XLIII (1) (d) on Unprogrammed Appropriations (UA), the fund balance of the Government-owned and controlled corporations (GOCCs) from any remainder resulting from the review and reduction of their reserve funds to reasonable levels taking in to account the disbursement from prior years can be use as the funding source of the unprogrammed appropriations;

WHEREAS, the 2024 GAA directed the Department of Finance (DOF) to issue guidelines to implement the collection of Unprogrammed Appropriation as provided in Section XLIII (1) (d);

WHEREAS, the Philippine Health Insurance Corporation (PhilHealth) is a government-owned and -controlled corporation, tasked in providing health insurance to all Filipinos;

WHEREAS, according to the data from the Bureau of Treasury, the unutulized government subsidy of PhilHealth in 2021 is Php 27.1 billion, 2022, Php 24 billion, 2023 Php 38.8 billion, totaling to Php 89.9 billion;

WHEREAS, Section 11 of RA 11223 or the UHC Act provides that no portion of the reserve fund or income of PhilHealth shall accrue to the general fund of the national government or to any of its agencies or instrumentalities, including GOCCs;

WHEREAS, in February 2024, the Department of Finance issued Circular No. 003-2024 providing the guidelines in compliance with the 2024 GAA on the transfer of fund balance of GOCCs;

WHEREAS, the intention behind the provision under the 2024 GAA is to make use of the excess fund balances of GOCCs in order to support other government projects to further contribute to economic growth;

WHEREAS, to accelerate economic growth, the health and well-being of our countrymen who are also our workforce should be given utmost priority. The government should take into consideration investing more in healthcare services of our people;

WHEREAS, to ensure the success of the UHC, not only sufficient funding is required but most importantly, the proper formulation of programs and prioritization of funds of the PhilHealth are necessary;

WHEREAS, despite the P89.9 billion in supposed excess funds of PhilHealth, public healthcare funds have been inadequate which poses a challenge in the full implementation of the UHC Act and fully realizing its goals;

WHEREAS, for our people to maximize the benefits promised by the UHC Act, the reality is that it would need a great amount of money. It is then unacceptable that PhilHealth, the agency that is in the frontline of carrying out the provisions of the UHC Act has a huge amount of excess unspent funds that would have greatly help more indigent and poor patients;

WHEREAS, it is also critical to look into the absorptive capacity of PhilHealth in the management of its fund in order to enhance the delivery of health benefits to our people;

WHEREAS, the national government through PhilHealth should focus in the lowering of monthly contributions; rationalizing the health packages; and increasing the health benefits for all Filipinos;

WHEREAS, more than sixty (60) medical societies, led by the Philippines Medical Association (PMA), the Philippine College of Physicians and Asia Pacific Center for Evidence-Based Healthcare urged the issuance of a directive by President Bongbong Marcos to halt the transfer of the P89.9 billion PhilHealth funds;

WHEREAS, the Filipino People must be assured that the budget for healthcare will not be undermined in the transfer of funds from the PhilHealth;

NOW THEREFORE, BE IT RESOLVED BY THE SENATE OF THE PHILIPPINES, that the Senate Committee on Health and Demography to conduct an inquiry, in aid of legislation, on the transfer of Philippine Health Insurance Corporation's (PhilHealth) excess funds to the unprogrammed fund under Republic Act No. 11975 or the General Appropriations Act of 2024.

Adopted,

**JOSEPH VICTOR G. EJERCTIO**