



Republic of the Philippines
Tanggapan ng Sangguniang Panlungsod
City of Naga



ORDINANCE NO. 2003-095

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 CITY OF NAGA UNDER THE INDIGENT SECTOR COMPONENT OF THE NATIONAL HEALTH INSURANCE PROGRAM (NHIP):-

Author: Hon. Jose C. Rañola, M.D.

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 (LGUs) shall be accompanied with provision for reasonably adequate resources to effectively carry out their functions.

WHEREAS, in pursuance of these constitutional mandates, 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 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 over-all 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 a Philhealth Capitation Fund (PCF) is necessary to attain the purpose and objectives of the Indigent Program;

NOW, THEREFORE, on motion of Hon. Jose C. Rañola, M.D., seconded by Hon. Allen L. Reondanga, Hon. Jose L. Grageda, and Hon. Cecilia V. de Asis;

BE IT RESOLVED, as it is hereby resolved, to create 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 City of Naga under the indigent sector component of the National Health Insurance Program (NHIP).

RESOLVED FURTHER, that the use, management and disposition of the PhilHealth Capitation Funds shall be governed by the following rules;

1. The capitation amount shall be released on a quarterly basis by the Corporation under the following conditions;
 - 1.1 Initial release shall be subject to prior accreditation of the city and Naga city Hospital and the payment of premium contribution by the city; and
 - 1.2 Succeeding release of quarterly capitation shall be subject to the submission of required monitoring/evaluation reports as provided for under the Implementing Guidelines of the Outpatient Consultation and Diagnostic Package and prior payment of premiums.
2. The disposition of the PCF shall be governed by the following rules;
 - 2.1. The disbursement and liquidation of the PCF shall be in accordance with pertinent government accounting and auditing rules and regulations;
 - 2.2. A separate book of accounts shall be maintained by the local government unit; and
 - 2.3. The capitation fund shall be used only for the specified purposes stipulated in the Outpatient Consultation and Diagnostic Package Guidelines.
3. The Corporation may withhold the release of the subsequent quarterly PCFs due to any of the following;
 - 3.1 Delay or non-payment of premium contribution;
 - 3.2 Violation of government accounting and auditing rules and regulations on the disbursement and liquidation of the PCF; and
 - 3.3 Non-submission of the required reports under item 1.2 hereof.

RESOLVED, FINALLY, to furnish copy of this Ordinance the President of the Philippines, Her Excellency Gloria Macapagal-Arroyo, the President and Chief Executive Officer of the Philippine Health Insurance Corporation, Mr. Francisco Duque III and His Honor, the City Mayor for their information.

ENACTED: September 3, 2003

WE HEREBY CERTIFY to the correctness of the foregoing ordinance.

ESTEBAN R. ABONAL
City Vice Mayor & Presiding Officer

GIL A. DE LA TORRE
Board Secretary II
& Secretary Designate

APPROVED:

JESSE M. ROBREDO
City Mayor