



Republic of the Philippines  
Province of Cavite  
**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**  
Trece Martires City



**EXCERPTS FROM THE MINUTES OF THE 21<sup>st</sup> REGULAR SESSION OF THE SANGGUNIANG PANLALAWIGAN, PROVINCE OF CAVITE, HELD ON 22 JULY 2002 AT THE NEW SESSION HALL, CAPITOL BUILDING, TRECE MARTIRES CTY**

**PRESENT:**

Hon. Juanito Victor C. Remulla Jr.	Vice Governor/Presiding Officer
Hon. Dominic R. Tolentino	Majority Floor Leader
Hon. Hermogenes C. Arayata III	Minority Floor Leader
Hon. Hilda P Mendoza	President Pro-Tempore
Hon. Cesario R. Del Rosario, Jr.	Asst. Majority Floor Leader
Hon. Iluminada F. Silao	Asst. Majority Floor Leader
Hon. Bernard Michael I. Bautista	Asst. Minority Floor Leader
Hon. Rafael S. Rodriguez	Sanggunian Member
Hon. Strike B. Revilla	Sanggunian Member
Hon. Alex L. Advincula	Sanggunian Member
Hon. Teodoro S. Sanchez	Sanggunian Member
Hon. Arleen C. Arayata	ABC Prov'l. Fed. Pres.
Hon. Jose Rozel E. Hernandez	SB Prov'l. Fed. Pres.

**ABSENT:**

Hon. Francisco T. Mendoza Jr.	SK Prov'l. Fed. Pres.
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**PROVINCIAL ORDINANCE NO. 02-S-2002**

**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 PROVINCE OF CAVITE UNDER THE INDIGENT SECTOR COMPONENT 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 (LGUs) shall be accompanied with provision for reasonably adequate resources to effectively carry out their functions;

**WHEREAS,** in pursuit 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 program is aimed as "setting into motion a meaningful health care financing and delivery mechanism anchored on local government";



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**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 Provincial 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, 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 Province of Cavite under the indigent sector component of the NHIP;

**RESOLVED THAT**, the use, management and disposition of the PhilHealth Capitation Fund 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 municipality/province-owned and managed Rural Health Units and the payment of premium contribution by the Province; and
  - 1.2 Succeeding release of quarterly capitation shall be subject to the submission of required monitoring/evaluation reports, research and program development as provided for under the Implementing Guidelines of the outpatient Consultation and Diagnostic Package and prior payment of premiums in case of quarterly mode of remittance.
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;



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- 2.2 A separate book of accounts shall be maintained by the local Government unit; and
  - 2.3 Only drugs listed in the Primary Medical Care Drugs of the Philippine National Drug Formulary, medical supplies and equipment necessary to carry out the delivery of the required services including referral fees and administrative cost not to exceed twenty percent (20%) of the capitation fund shall be charged to the PCF. The twenty percent administrative cost shall be divided among health personnel of the RHU, fifty percent (50%) of which shall accrue to the physician/s while the remaining fifty percent (50%) to the other personnel.
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 1.2 hereof.

**RESOLVED FURTHER THAT**, the Sangguniang Panlalawigan of Cavite will authorize the Hon. Governor Erineo Ayong S. Maliksi to enter into and sign a Memorandum of Agreement with the Philippine Health Insurance Corporation, represented by the president and CEO, Mr. Francisco T. Duque III, M.D. M.Sc. in accordance with the rules set forth under this Ordinance;

**RESOLVED, FINALLY** to furnish copy of this Ordinance to 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 the **HONORABLE PROVINCIAL GOVERNOR ERINEO AYONG S. MALIKSI**, for their information.

**UNANIMOUSLY APPROVED.**

I hereby certify to the correctness of the foregoing.

  
**ROMEO C. MENDOZA**  
 Provincial Secretary

ATTESTED:

  
**JUANITO VICTOR C. REMULLA, JR.**  
 Vice-Governor/Presiding Officer

APPROVED:

  
**AYONG S. MALIKSI**  
 Provincial Governor