

CREATING THE PROJECT MANAGEMENT GROUP FOR THE DIGITAL TRANSFORMATION OF THE PHILIPPINE HEALTH INSURANCE CORPORATION

ADMINISTRATIVE ORDER NO. 42, March 06, 2026

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WHEREAS, Section 11, Article XIII of the Constitution mandates the State to adopt an integrated and comprehensive approach to health development that makes essential goods, health, and other social services available to all people at affordable cost;

WHEREAS, Republic Act No. 11223 or the "Universal Health Care Act" mandates the Department of Health (DOH) and the Philippine Health Insurance Corporation (PhilHealth) to ensure that Filipinos have access to comprehensive, affordable, and high-quality health care services;

WHEREAS, a modern interoperable, and secure Information and Communications Technology (ICT) system is indispensable for PhilHealth and DOH to effectively implement RA No. 11223, ensuring efficient claims processing, accurate management of health and member data, and proper collection and utilization of contributions;

WHEREAS, RA No. 12254 or the "E-Governance Act" mandates the development of a Philippine Digital Health System that shall provide wide access to quality health information and services that ensures delivery of digital health services for every Filipino;

WHEREAS, the Department of Information and Communications Technology (DICT), as the primary entity of the Executive Branch responsible for policy, planning, coordination, and implementation of the national ICT development agenda, is the lead agency tasked with ensuring coherence and technical excellence across all government digital transformation programs;

WHEREAS, according to DICT, DOH, and PhilHealth, there is a need to institutionalize an inter-agency management group to ensure strategic alignment, technical assurance, and decisive execution of PhilHealth's Digital Transformation Program that shall deliver faster, corruption-free, and citizen-centered services benchmarked against international healthcare best practice;

NOW, THEREFORE, I, FERDINAND R. MARCOS, JR., President of the Philippines, by virtue of the powers vested in me by law and the Constitution, do hereby order:

Section 1. Creation of the Project Management Group (PMG). There is hereby created a PMG to manage, direct, and oversee the end-to-end implementation of the Digital Transformation Program of PhilHealth towards a comprehensive, integrated, interoperable, progressive, secure, and sustainable Philippine Digital Health System.

Section 2. Composition. The PMG shall be composed of the heads of the following:

Co-Chairpersons

:

DICT

PhilHealth

Members

:

DOH; and

Department of Budget and Management

The Co-Chairpersons, and Members of the PMG may designate their respective alternates, with ranks not lower Assistant Secretary or its equivalent, who shall be fully authorized to decide for or on their behalf.

PhilHealth shall serve as Secretariat of the PMG, and shall be tasked to provide the necessary technical, administrative and operational support to the PMG.

Section 3. Duties and Functions. The PMG shall have the following functions, subject to existing laws, rules and regulations:

a.

Set the strategic vision, scope, priorities, and sequencing of PhilHealth's digital transformation through a comprehensive, multi-year roadmap with clear targets, timelines, and success indicators;

b.

Exercise centralized oversight over the design, development, integration, deployment, and operationalization of PhilHealth's digital systems, ensuring coherence across membership, eligibility, claims, provider management, and payment platforms;

c.

Institutionalize automated, auditable, and traceable digital processes that prevent fraud, eliminate discretion, strengthen internal controls, and enable real-time monitoring and post-audit capabilities;

d.

Ensure that all digital initiatives comply with national policies and standards on ICT architecture, cybersecurity, data privacy, and interoperability, and are fully interoperable with government and health sector information systems;

e.

Ensure that digital transformation results in concrete and measurable outcomes, including faster claims processing, automated eligibility and claims verification, improved provider payments, and enhanced citizen and provider experience;

f.

Adopt and institutionalize relevant local and international best practices in digital health financing, health insurance administration, and electronic governance as benchmarks for performance and continuous

improvement;

g.

Identify, align, and facilitate the mobilization of financial, technical, and human resources necessary for the implementation and sustainability of the digital transformation program;

h.

Identify, assess, and mitigate technical, operational, financial, legal and cybersecurity risks to ensure system resilience, data protection ,and continuity of operations;

i.

As may be necessary, constitute a Technical Working Group composed of technical experts, to provide operational and technical support, conduct system assessments, develop implementation plans, and ensure alignment with national data interoperability standards;

j.

Engage the services of technical experts, academic institutions, industry consortia, and international partners to support systems design, benchmarking, and capacity-building, as necessary; and

k.

Submit to the President, through the Office of the Executive Secretary, a quarterly report of the status of implementation of this Order that shall include, among others, a summary of achievement, challenges, risks, and recommend policy or operational interventions.

Section 4. Alignment with National Frameworks. The PMG shall ensure that the PhilHealth Digital transformation Program is implemented in alignment with the Philippine Development Plan 2023-2033. All policies, systems, and activities under this initiative shall conform to national standards on data governance, data privacy, cybersecurity, interoperability, and citizen-centric digital transformation.

Section 5. Funding. The funding requirements necessary for the implementation of this Order shall be charged against available appropriations of the member-agencies of the PMG, subject to pertinent budgeting, accounting, and auditing laws, rules and regulations. Thereafter, the funding requirements necessary for the continued implementation of this Order shall be included in the budget proposals of the member-agencies, subject to the usual budget preparation process.

Section 6. Implementation Timeline. Within thirty (30) days from effectivity, the PMG shall convene and adopt a detailed 2026-2027 Roadmap with measurable milestones.

Section 7. Sunset Clause. The PMG shall be rendered functus officio upon the attainment of the objectives for which it was created, unless sooner abolished or dissolved by the President.

Section 8. Separability. If any section or part of this Order is declared unconstitutional or invalid, the other sections or provisions not otherwise affected shall remain in full force and effect.

Section 9. Repeal. All orders, rules and regulations, and other issuances or parts thereof which are inconsistent with the provisions of this Order, are hereby repealed or modified accordingly.

Section 10. Effectivity. This Order shall take effect immediately upon its publication in the Official Gazette or a newspaper of general circulation.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the Republic of the President to be affixed.

DONE, in the City of Manila, this 6[th] day of March, in the year of Our Lord, Two Thousand and Twenty-Six.

(SGD.) FERDINAND R. MARCOS, JR.

By the President:

(SGD.) RALPH G. RECTO
Acting Executive Secretary

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