

INCREASING BENEFITS AND MONTHLY CONTRIBUTIONS UNDER THE PHILIPPINE MEDICAL CARE PLAN AND PROVIDING FOR A HEALTH FINANCIAL ASSISTANCE PROGRAM

EXECUTIVE ORDER NO. 365, July 28, 1989

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WHEREAS, the support value of Medicare benefits has been dissipated over the years and the present benefit ceilings are insignificant given the current cost of hospitalization;

WHEREAS, while the rates of contribution are the same, the Medicare benefits ceilings are higher for Social Security System (SSS) Medicare beneficiaries than for Government Service Insurance System (GSIS) Medicare beneficiaries;

WHEREAS, the government desires to increase the Medicare benefits to a meaningful level;

WHEREAS, actuarial studies show that the Health Insurance Fund administered by the GSIS Medicare beneficiaries cannot fully provide for the needed funds to finance the increased benefits;

WHEREAS, actuarial studies also show that while the Health Insurance Fund administered by the SSS for the Medicare beneficiaries in the private sector can finance the increase in benefits until 1994;

WHEREAS, the present Medicare contributions rate of 2.50% of the monthly salaries shared equally by the employer and the employee has remained unchanged since 1972, and that the maximum contribution base of P1,000 is already unrealistic considering the present minimum salaries/wages received by employees;

WHEREAS, the current monthly contribution per Medicare member ranging from sixty centavos (P.60) to twenty five pesos (P25.00) which covers the members and his legal dependents, is no longer commensurate to the increased benefits the Program will provide;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. The Medicare benefits for GSIS and SSS Medicare beneficiaries are increased not to exceed the rates below:

BENEFIT LIMIT

(BY HOSPITAL CATEGORY)

ITEMS OF HOSPITALIZATION

PRIMARY

SECONDARY**TERTIARY****A. HOSPITAL CHARGES**

1.

ROOM AND BOARD NOT EXCEEDING 45 DAYS PER YEAR FOR EACH MEMBER OF PROGRAM I
AND ANOTHER 45 DAYS PER YEAR TO BE SHARED BY ALL HIS LEGAL DEPENDENTS

P30/DAY**P45/DAY****P50/DAY**

2.

MEDICAL EXPENSE BENEFIT (PER SINGLE PERIOD OF CONFINEMENT)**2.1 ORDINARY CASES**

DRUGS AND MEDICINE

X-RAY/LAB/OTHERS

P350

P265

P 85

P550

P350

P200

P725

P375

P350

2.2 INTENSIVE CARE

CASES

DRUGS AND MEDICINES

X-RAY/LAB/OTHERS

P680

P500

P180

P1,060

P 600

P 460

P1,780

P1,080

P 700

2.3 CATASTROPHIC CASES

DRUGS AND MEDICINES

X-RAY/LAB/OTHERS

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-

P2,250

P1,350

P 900

P3,675

P1,540

P2,135

3.

OPERATING ROOM FEE BASED ON COMMISSION'S RELATIVE UNIT VALUE (RUV) SCHEME

3.1 RUV 5 & below

P 90

P165

P260

3.2 RUV 5.1 to 10

-

P280

P333

3.3 RUV 10, 1 & above

-

P640

P860

B. PROFESSIONAL FEES

- MEDICAL/DENTAL PRACTITIONER'S FEE, PER DAY OF P35 FOR GENERAL PRACTITIONERS AND P50 FOR SPECIALIST.

NOT TO EXCEED PER SINGLE PERIOD OF CONFINEMENT, P200 FOR GENERAL PRACTITIONER AND P300 FOR SPECIALIST IN ORDINARY CASES, AND P300 FOR GENERAL PRACTITIONER AND P500 FOR SPECIALIST IN INTENSIVE CARE/CATASTROPHIC CASES.

- SURGEON'S FEE IN ACCORDANCE WITH THE RELATIVE UNIT VALUE SCHEME PRESCRIBED BY THE COMMISSION NOT TO EXCEED P4,700

- ANESTHESIOLOGIST'S FEE (30% OF ALLOWED SURGEON'S FEE) not to exceed P1,410

- FEES FOR SURGICAL FAMILY PLANNING PROCEDURES AS MAY BE DETERMINED BY THE COMMISSION

SEC. 2. (a) Medical and Dental Practitioners are urged to support the government's intention to provide a meaningful level of benefits by charging professional fees to Medicare beneficiaries confined in wards/Medicare rooms no more than the professional fee ceiling provided for by Medicare and to help preserve the Health Insurance Fund by avoiding unnecessary utilization of medical services.

(b) Hospitals are likewise urged to provide the same support by maintaining reasonable hospital rates for Medicare patients.

SEC. 3. The amount necessary to cover the increases in Medicare benefits for GSIS Medicare beneficiaries shall be funded through a Health Financial Assistance Program to be taken from budgetary savings of national government agencies, local government units, and government corporations, respectively. For this purpose, the Department of Budget and Management shall set aside from savings in the 1989 budget of the concerned agencies, local government units and government corporations, the amount necessary to fund the 1989 requirement of the said Program. Thereafter, the annual Health Financial Assistance requirements shall be included in the budgets of the concerned agencies local government units and government corporations. Provided, That the amount of financial assistance shall not exceed the deficit (which is the difference between the total projected GSIS Medicare revenues and the total projected GSIS Medicare disbursements) plus the amount required to gradually build up a reserve level equivalent to estimated benefit claims for one year; Provided, further, That the Department of Budget and Management, the Philippine Medical Care Commission and the Government Service Insurance System shall jointly promulgate the necessary rules and regulations to implement this Section.

SEC. 4. (a) The computation of the monthly contribution of members shall be in accordance with contribution billing procedures of SSS and GSIS as the case may be.

For GSIS members, the contribution shall be computed at 2.5%, to be shared equally by employers and employees, of the basic monthly salary subject to subsection (b) hereof.

For SSS members, monthly contribution shall be in accordance with the following schedule subject to sub-section (b) hereof.

SALARY
BRACKET

CONTRIBUTION
BASE

EMPLOYEE'S
SHARE

EMPLOYER'S
SHARE

P less than P 149.99

P 125.00

P 1.55

P 1.55

150 – 199.99

175.00

2.20

2.20

200 – 249.99

225.00

2.80

2.80

250 – 349.99

300.00

3.75

3.75

350 – 499.99

425.00

5.35

5.35

500 – 699.99

600.00

7.50

7.50

700 – 899.99

800.00

10.00

10.00

900 – 1,099.99

1,000.00

12.50

12.50

1,100 – 1,399.99

1,000.00

15.65

15.65

1,400 – 1,749.99

1,500.00

18.75

18.75

1,750 – 2,249.99

2,000.00

25.00

25.00

2,250 – 2,749.99

2,500.00

31.25

31.25

2,750 – over

3,000.00

37.50

37.50

(b) The maximum contribution base for all members shall continue to be limited to P1,000 per month until December 31, 1990; however, maximum contribution base shall be increased to P2,000 starting January 1, 1991;

to P2,500 starting January 1, 1992; and to P3,000 starting January 1, 1993.

(c) The SSS and GSIS shall continue conducting actuarial studies for the purpose of determining from time to time the contribution necessary to ensure long term viability of the Health Insurance Fund.

SEC. 5. All orders, issuances, rules and regulations or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly.

SEC. 6. This Executive Order shall take effect August 1, 1989.

Done in the City of Manila this 28th day of July, in the year of Our Lord, nineteen hundred and eighty-nine.

CORAZON C. AQUINO

President of the Philippines

By the President:

CATALINO MACARAIG, JR.

Executive Secretary

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