CLARIFICATION/AMENDMENT ON ISSUANCES RELATED TO THE ENGAGEMENT OF INSTITUTIONAL HEALTH CARE PROVIDERS (IHCPS) AND OTHER APPLICABLE ISSUANCES

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In the adoption of the Department of Health's Administrative Order 2012- 0012 re: "Rules and Regulations Governing the New Classification of Hospitals and Other Health Facilities in the Philippines" and with the implementation of PhilHealth Circular 54 s. 2012, "Provider Engagement Through Accreditation and Contracting of Health Services", the following issues concerning engagement of institutional health care providers are hereby clarified and amended:

- PhilHealth Circular (PC) 21 s. 2009, "Amendment to PC 30 s-2004 on Conditions to Qualify a Hospital for Initial Accreditation which has not Operated for at Least 3 Years", states that hospitals, ambulatory surgical clinics and freestanding dialysis clinics may qualify for initial application provided that its medical director/ administrator/Chief of Facility has a 3-year work experience in a similar, analogous or at least the same level of institution it is applying for. As an additional qualifier, a managing health care professional who does not fulfill the 3-year work experience but has finished Master on Hospital Administration is acceptable to qualify these facilities to apply for initial participation.
Further, all Level 2 and 3 hospitals based on the new DOH classification, that apply for initial participation are exempted from the 3-year rule requirement. All conditions to qualify a hospital, ambulatory surgical clinics and freestanding dialysis clinic for initial participation which has not operated for at least 3 years (PC 21 s,2009) shall remain.

- The Corporation has already adopted automatic accreditation. One of the basis for granting such to all government facilities is the General Appropriations Act (GAA) of 2012; however, GAA 2013 does not specifically mention the automatic accreditation of these facilities thus, rendering all government facilities not requiring license like health centers/ rural health units, which are the primary providers of the Primary Care Benefit (PCB) 1 package, not automatically accredited. As such, PCB 1 that shall apply for initial participation shall undergo pre-accreditation survey following the requirements provided in Annex C1 "Standards of Accreditation of PhiIHealth Primary Care Package Providers" of PhilHealth Circular 10 series 2012 until such time that the DOH has implemented licensing of RHUs and health centers. The effectivity of engagement shall be on the date of full compliance to the standards of accreditation of the facility.

- PCB providers and Animal Bite Package Providers which are already granted engagement with PhilHealth for CY 2013 shall no longer undergo pre-accreditation survey; however, they shall be monitored by PhilHealth to ensure compliance to standards/ requirements of the Corporation.

- The following are provider profile updates that shall require submission of appropriate document/s and payment of corresponding participation fee:

Table 1. Provider Profile Updates requiring appropriate documents per type of IHCP

Provider Profile Update

Applicability

Documentary Requirements

1. Previous engagement has lapsed regardless of the length of gap

For all types of IHCPs

Refer to PC 54 series of 2012 “Requirements for Basic Participation”

2. Previous continuous participation was withdrawn

3. Transfer of location

4. Additional service

5. Resumption of operation after closure/cease of operation

6. Upgrading of Level

For hospitals only

7. Change in Classification (e.g. general hospital to specialty hospital)

8. Increase in beds

License only

9. Change of Ownership

For ASC, FDC and Hospitals only

Letter request Proof of change in ownership e.g. SEC, Deed of Sale, DTI certificate

For private MCP, TB
DOTS, ABPP

Mayor’s permit

Relative to this, a pre-accreditation survey shall be conducted only with PCB providers, uncertified MCPs, ABPP and TB DOTS providers in the following situation:

- Transfer of location

- Resumption of continuous participation after it was withdrawn

- Resumption of operation after closure/cease of operation

- As an amendment to PhilHealth Circular No. 31 s. 2012, all IHCPs which apply for initial participation or for updating of its Provider profile within the last quarter of the current year shall sign the Statement of Intent (Annex A) as to when the effectivity of its application shall start. All applications filed prior to October need not sign the statement of intent.

- Beginning 2014 and every year thereafter, all MCP providers applying for initial and continuous participation are required to submit an updated license-to-operate.

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Otherwise, the application shall either be returned for completion or a ground for withdrawal of Basic participation.

- Outpatient clinics located in a Geographically Isolated and Depressed Areas (GIDA) as certified by the DOH, which could not comply with the licensing/certification requirements, are qualified for Basic participation and shall undergo pre-accreditation survey. Deliberation of applications shall be at the level of the Regional Vice-Presidents.

- The audited financial statement as one of the requirements for participation aims to determine the financial impact of PhilHealth reimbursement to the over-all operations of the facility. Thus, it shall not be required for facilities applying for initial participation.

- The following are clarifications on the application of Senior Citizen's Discount Relative to PhilHealth Reimbursement (PhilHealth Circular 56 s. 2012):

- Proper application of VAT exemption (12%) and Senior Citizens Discount (20%) shall follow the guidelines set forth by the Bureau of Internal Revenue (BIR) in their Revenue Memorandum Circular 38-2012 among others and DOH Administrative Order No. 2012-0007: Guidelines on the grant of Twenty Percent (20%) Discount to Senior Citizens on Health Related Goods and Services.

- The VAT exemption of 12% shall only be deducted when applicable.

All other existing issuances inconsistent with this circular are hereby repealed and/or amended accordingly.

This circular shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

(SGD.) ENRIQUE T. ONA, M.D.
Secretary of Health/ Chairman of the Board and
OIC-President and CEO

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