



REPUBLIC OF THE PHILIPPINES
PROVINCE OF PANGASINAN
LINGAYEN
—oOo—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

CERTIFICATION

TO WHOM IT MAY CONCERN:

THIS IS TO CERTIFY that at the regular session duly constituted of the Sangguniang Panlalawigan, Province of Pangasinan, held on April 12, 2002 at Lingayen, Pangasinan, the following provincial ordinance was approved:

Introduced by SP Member Romeo H. Dadacay

PROVINCIAL ORDINANCE NO. 97-2002

WHEREAS, the Philippine Constitution declares as a State policy to provide its territorial a 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) of the *Medicare para sa Masa*;

WHEREAS, this priority program 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;



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LINGAYEN
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OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 97-2002
Page 2

NOW, THEREFORE, on motion of SP Member Romeo H. Dadacay, be it enacted by the Sangguniang Panlalawigan of Pangasinan in session assembled, that:

ARTICLE I. Title – This Ordinance shall be known as:

AN ORDINANCE CREATING A PHILHEALTH CAPITATION FUND FOR QUALIFIED INDIGENT FAMILIES OF THE PROVINCE UNDER THE INDIGENT SECTOR COMPONENT OF THE NATIONAL HEALTH INSURANCE PROGRAM (NHIP)

ARTICLE II. CREATION/PRINCIPLES

Section 1. The creation of a PhilHealth Capitation Fund (PCF) is necessary to attain the purpose and objectives of the Indigent Program;

Section 2. The PhilHealth Capitation Fund shall be released to the Municipalities and Cities under the jurisdiction of the province for the delivery of the Philippine Health Insurance Corporation's outpatient consultation and diagnostic package;

Section 3. In the event Rural Health Units and Health Centers owned and managed by Cities and Municipalities fail to comply with PhilHealth's accreditation standards, accredited hospitals owned and managed by the Province shall be authorized to provide PhilHealth's outpatient consultation and diagnostic package on a temporary basis;

Section 4. A PhilHealth Capitation Fund is hereby created 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 Pangasinan under the indigent sector component of the NHIP.



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PROVINCE OF PANGASINAN
LINGAYEN
—oOo—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 97-2002
Page 3

ARTICLE III. The use, management and disposition of the PhilHealth Capitation Fund shall be governed by the following rules:

Section 1. The capitation amount shall be released on a quarterly basis by the Philippine Health Insurance Corporation under the following conditions:

- a. Initial release shall be subject to prior authorization of the province-owned and managed Hospital/s and the payment of premium contribution by the Province and/or City and/or Municipality under the Province's jurisdiction; and
- b. Succeeding release of quarterly capitation shall be subject to the authorization of province-owned and managed Hospitals, 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.
- c. The Philippine Health Insurance Corporation shall cease releasing the capitation amount to the Province the transitory provisions of the Outpatient Consultation and Diagnostic Package has become inapplicable.

ARTICLE IV. The disposition of the PCF shall be governed by the following rules:

- a. The disbursement and liquidation of the PCH shall be in accordance with pertinent government accounting and auditing rules and regulations;



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LINGAYEN
—oOo—

OFFICE OF THE SANGGUNIANG PANLALAWIGAN SECRETARY

Provincial Ordinance No. 97-2002
Page 4

- b. A separate book of accounts shall be maintained by the local government unit; and
- c. 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.

Section 4. The Corporation may withhold the release of the subsequent quarterly PCFs due to any of the following:

- a. Delay of non-payment of premium contribution;
- b. Violation of government accounting and auditing rules and regulations on the disbursement and liquidation of the PCF; and
- c. Non-submission of the required reports under item 1.2 hereof.

ARTICLE V. Applicability of this ordinance to municipalities entering into the Memorandum of Agreement with PhilHealth together with the Provincial Government of Pangasinan.

- Section 1.** This Ordinance shall apply to all municipalities joining the Provincial Government in the execution of a Memorandum of Agreement with PhilHealth without need of said municipalities to enact a similar ordinance constituting the PhilHealth Trust Fund.



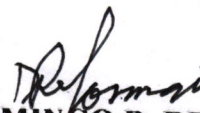
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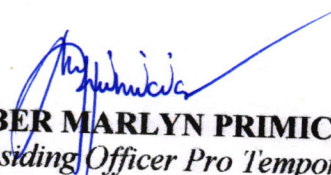
Provincial Ordinance No. 97-2002
Page 5

ARTICLE VI. EFFECTIVITY – This Ordinance shall take effect upon its approval.


Section 1. Copy of this Ordinance shall be furnished the President of the Philippines, **HER EXCELLENCY GLORIA MACAPAGAL-ARROYO**, the President and Chief Executive Officer of the Philippine Health Insurance Corporation, **DR. FRANCISCO DUQUE III** and the **HONORABLE GOVERNOR VICTOR E. AGBAYANI**, for their information.


DOMINGO D. REFORMADO
Secretary to the Sanggunian

ATTESTED:


SP MEMBER MARLYN PRIMICIAS-AGABAS
Presiding Officer Pro Tempore

APPROVED:


VICTOR E. AGBAYANI
Governor