



Additional Benefits to LGU Public Health Workers under the PhilHealth Konsulta Capitation

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Background

- ❖ PHALGA, Inc. request for clarification on **legality of PhilHealth Konsulta Benefits granted to primary care workers** on the basis of local *Sanggunian* Resolution or Ordinance and/or Local Health Board Resolution
- ❖ Several LGUs have passed *Sanggunian* Resolution/Ordinance/Local Health Board Resolution prescribing for **sharing of PhilHealth Konsulta capitation with professional fees** sharing, ranging from 20% to 80%



Issues Raised

- 1) Whether or not PhilHealth Circulars, as well as DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001, are sufficient basis to enact local ordinances and resolutions to grant additional benefits to primary care workers**
- 2) Whether or not the grant of additional benefits under PhilHealth Konsulta capitation is within the Total Compensation Framework under RA No. 11466 or the Salary Standardization Law of 2019 and Executive Order No. 64, s. 2024**
- 3) Whether or not the automatic determination of the sharing of Professional and Facility Fees thru a local enactment is proper**



General Position of the PHALGA, Inc.

- Subject PhilHealth Circulars and DOH-DBM-DOF-DILG-PHIC JMC No. 2021-0001 are **not sufficient basis** to enact local ordinances and resolutions to grant additional benefits to primary care workers.
- Grant of additional benefits under PhilHealth Konsulta capitation is **not within the Total Compensation Framework** under RA No. 11466 and EO No. 64, s. 2024.
- Automatic determination of sharing of Professional and Facility Fees thru a local enactment **is not proper**.



List of Legal Bases

Section 20 of RA No. 11223 (UHC Law). Special Health Fund.

The province-wide or city-wide health systems shall pool and manage, through special health fund, all resources intended for health services to finance population-based and individual-based health services, health system operating costs, capital investments, and remuneration of additional health workers and incentives for all health workers, Provided, that the DOH, in consultation with the DBM and the LGUs, shall develop guidelines for the use of the Special Health Fund.



List of Legal Bases

Section 21 of RA No. 11223 (UHC Law). Income Derived from PhilHealth Payments.

All income derived from PhilHealth payments shall accrue to the Special Health Fund to be allocated by the LGUs exclusively for the improvement of the LGU health system, Provided, that PhilHealth payments shall be credited to the annual regular income (ARI) of the LGU.



List of Legal Bases

Section F (Disposition and Allocation of the Capitation) of PHIC Circular No. 2024-0013

- 1. Capitation payments shall be utilized to cover all essential services, medicines provided for in this PhilHealth Circular and other operating expenses to support delivery of health care including but not limited to engagement of additional personnel (e.g. physician, dentist, nurses, pharmacist, midwives, etc., and also non-healthcare workers such as encoders, among others), internet subscription, IT service provider subscription fee and hardware. Any remaining fund may be utilized as performance incentives for primary care workers and shall be governed and determined by the internal guidelines of the Konsulta Package Providers (KPPs). PhilHealth shall not prescribe how performance incentives will be shared or disbursed. x x x x**
- 2. For public/government KPPs, the share of performance incentives shall be defined through an approved Sanggunian resolution or any similar issuance on internal guidelines of KPP. x x x**



List of Legal Bases

Item VI (C) – Allowable Expenses Chargeable Against the SHF, Item 5 and 6 of DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001 (Special Health Fund Guidelines)

- 5. Remuneration of additional health workers until such time that the LGUs have implemented incremental creation of plantilla positions to hire the required number of health care workers based on the standards determined by the DOH, subject to Personnel Services (PS) limitation pursuant to Section 325(a) or RA No. 7160. The salary schedule shall be based on prevailing Salary Standardization Laws and other relevant laws, rules, and regulations governing salaries and benefits of public health workers. Correspondingly salary shall not exceed the rates being implemented in the concerned LGU.**
- 6. Incentive for all health workers, including Barangay Health Workers (BHWs) and Barangay Nutrition Scholars (BNS), within the territorial jurisdiction of the Provincial/City Health Board. Allocation mechanisms shall be decided upon by the Health Board.**



List of Legal Bases

Item VI (C) – Allowable Expenses Chargeable Against the SHF, Item 5 and 6 of DOH-DBM-DOF-DILG-PHIC Joint Memorandum Circular No. 2021-0001 (Special Health Fund Guidelines)

A separate guideline shall be issued by DOH, DBM, DILG and other concerned agencies, in consultation with relevant councils, to determine the standard and competitive benefits and incentives for public health workers (PHWs) pursuant to RA 7305 (Magna Carta for PHWs), RA 7883 (BHW Benefits and Incentives Act), PD 1569 (Strengthening Barangay Nutrition Program), RA 11148 (Kalusugan at Nutrisyon ng Mag-Nanay Act) and other relevant laws.



General Comments of the DBM

- **Item 4 of Congress Joint Resolution (JR) No. 4, s. 2009** establishes a Total Compensation Framework (TCF) for government civilian personnel which rationalized and standardize the total payment given to an employee for services rendered, such that said Framework composes the following components:
 - Basic salaries, including step increments
 - Standard allowances and benefits
 - Specific-purpose allowances and benefits
 - Incentives

However, it should be noted that said arrangement of **sharing of the PHIC reimbursement for professional services is not part of the TCF for government civilian personnel.**

Accordingly, any compensation, benefits, and allowances provided to the government employee outside of the TCF **is not authorized.**



General Comments of the DBM

- As regards the issues, DBM **generally concurs** with the position of the Association that **PHIC Circulars and DOH-DBM-DOF-DILG-PHIC JMC could not serve as basis** for the local ordinances/resolutions authorizing the grant of additional benefits to PHWs outside of the TCF of government personnel.



Updates on the Matter

- **DOH, through its Legal Service, together with the PhilHealth, to conduct a study on the propriety of the grant of the incentives**
- **DBM to formally respond to PHALGA, Inc. request on matters within its jurisdiction**



Thank you!

For questions and/or concerns, you may contact the
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