



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
CENTRAL OFFICE
MANILA

897. 7024
01-08-2018

January 5, 2018

DEPARTMENT MEMORANDUM)

03)

CIRCULAR NO.)

Series of 2018)




α. DP. 17

FOR / TO : Undersecretaries
Assistant Secretaries
Service Directors
Bureau Directors
Regional Directors
Heads of UPMOs
District Engineers
This Department

For information and guidance, attached is a copy of **Philhealth Circular No. 2017-0024** "**Adjustment in the Premium Contributions of the Employed Sector to Sustain the National Health Insurance Program (NHIP).**"

A copy of said Memorandum may also be downloaded from the **DPWH website: <http://dpwhweb>**. If an office cannot access the DPWH website, a hard copy may be obtained from the Records Management Division, HRAS upon request.

For dissemination to all concerned.


B. ELIZABETH E. YAP, Ph.D., CESO III
Assistant Secretary for Support Services

Encl: Philhealth Circular No. 2017-0024

Cc: Office of the Secretary

8.1.2 JJC/MAP



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

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PHILHEALTH CIRCULAR

No. 2017-0024

TO : ALL MEMBERS AND EMPLOYERS UNDER THE EMPLOYED SECTOR PROGRAM AND ALL OTHERS CONCERNED

SUBJECT : Adjustment in the Premium Contributions of the Employed Sector to Sustain the National Health Insurance Program (NHIP)

I. LEGAL BASES AND RATIONALE

As enunciated in Section 11, Article XVIII (Social Justice and Human Rights) of the Philippine Constitution and reiterated in Article 1 of Republic Act No. 7875, as amended by RA 10606 otherwise known as the National Health Insurance (NHI) Act of 2013, "It is the policy of the State to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost and to provide free medical care to paupers. Towards this end, the State shall provide comprehensive health care services to all Filipinos through a socialized health insurance program that will prioritize the health care needs of the underprivileged, sick, elderly, persons with disabilities (PWDS), women and children and provide free health care services to indigents."

Section 35 of the Implementing Rules and Regulations of the same law states that the National Health Insurance Program (NHIP) "aims to provide its members with responsive benefit packages. In view of this, the Corporation shall continuously endeavor to improve its benefit package to meet the needs of its members."

For these reasons, PhilHealth is continuously evaluating its cost-sharing schedule to ensure that costs borne by the members are fair and equitable. Thus, Section 28 of the NHI Act of 2013 mandates that all members who can afford to pay shall contribute to the Fund in accordance with a reasonable, equitable and progressive contribution schedule based on sound actuarial studies and in accordance with existing policies that the monthly premium contributions of members in the formal economy and their employers shall not exceed five percent (5%) of the employee's basic monthly salary (Section 28[a]); and that the minimum contributions for the employed members shall not be lesser than the contributions made on behalf of indigent members (Section 28[c]).

II. OBJECTIVE

The adjustment in premium contributions to the NHIP is necessary to sustain the various enhancements to program benefits introduced in recent years and to further come up and sustain future benefits to effectively respond to the growing health care financing needs of all members.

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III. COVERAGE

This Circular covers all employed members in the Formal Economy, including Kasambahays, Family Drivers, and Sea-Based Overseas Filipino Workers, and all employers in the government and private sectors.

IV. REVISED PREMIUM CONTRIBUTIONS

Effective the applicable month of January 2018 and onwards, the monthly premium contributions shall be at the rate of 2.75% computed straight based on the monthly basic salary, with a salary floor of ₱10,000.00 and a ceiling of ₱40,000.00, to be equally shared by the employees and their employer. With the removal of the salary brackets, computation shall be based on the following table:

Monthly Basic Salary x 2.75%	Monthly Premium	Personal Share	Employer Share
₱ 10,000.00 and below	₱ 275.00	₱ 137.50	₱ 137.50
₱ 10,000.01 to ₱ 39,999.99	₱ 275.02 to ₱ 1,099.99	₱ 137.51 to ₱ 549.99	₱ 137.51 to ₱ 549.99
₱ 40,000.00 and above	₱ 1,100.00	₱ 550.00	₱ 550.00

In accordance with RA 10361, the premium contributions of the Kasambahay shall be shouldered solely by the household employer. However, if the Kasambahay is receiving a monthly salary of five thousand pesos (₱ 5,000.00) or above, the Kasambahay shall pay his/her proportionate share.

V. REPEALING CLAUSE

All issuances inconsistent with this Circular are hereby repealed or modified accordingly.

VI. EFFECTIVITY CLAUSE

This Circular shall take effect fifteen (15) days after its publication in a newspaper of general circulation and shall be deposited thereafter with the Office of National Administrative Register (ONAR) of the University of the Philippines Law Center.

for: PhilB
CELESTINA MA. JUDE P. DE LA SERNA, M.D.
Interim/OIC President and CEO

Date signed: 7-11-2017

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