

**F.4. PHILIPPINE HEALTH INSURANCE CORPORATION**

For subsidy requirements in accordance with the program and project, as indicated hereunder . . . . . P 129,782,163,000

**New Appropriations, by Programs/Projects**

	Current Operating Expenditures			Total
	Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	
<b>A. REGULAR PROGRAMS</b>				
Operations	P	<u>129,654,603,000</u>		P <u>129,654,603,000</u>
<b>NATIONAL HEALTH INSURANCE PROGRAM</b>		<u>129,654,603,000</u>		<u>129,654,603,000</u>
Total, Regular Programs		<u>129,654,603,000</u>		<u>129,654,603,000</u>
<b>B. PROJECT(S)</b>				
Locally-Funded Project(s)		<u>127,560,000</u>		<u>127,560,000</u>
Total, Project(s)		<u>127,560,000</u>		<u>127,560,000</u>
<b>TOTAL NEW APPROPRIATIONS</b>	P	<u>129,782,163,000</u>		P <u>129,782,163,000</u>

**Special Provision(s)**

1. **Subsidy for the National Health Insurance Program.** The amount of Fifty Three Billion One Hundred Thirty Four Million Three Hundred Seventy Thousand Pesos (P53,134,370,000) appropriated herein under the subsidy for the National Health Insurance Program (NHIP) shall be used for the health insurance premiums of indirect contributors as defined under R.A. No. 11223. Accordingly, indirect contributors refer to all others not included as direct contributors, as well as their qualified dependents, whose premium shall be subsidized by the National Government, including those who are subsidized as a result of special laws, such as, but not limited to, the following: (i) indigents under the National Household Targeting System for Poverty Reduction as identified by the DSWD; (ii) senior citizens pursuant to R.A. No. 10645; (iii) unemployed persons with disability as jointly determined by the DOH and the National Council on Disability Affairs; and (iv) financially-incapable Point-of-Service patients as identified by the DOH: *Provided*, That in no case shall the subsidy be used for the payment of Personnel Services.

Release of funds shall be subject to the submission of the following: (i) Board-approved Corporate Operating Budget which shall be compliant with existing organization, staffing, and position classification, and compensation standards; and (ii) billing indicating the names of enrollees approved by the PhilHealth Board. The DOH and PhilHealth shall ensure the conduct of special audit on the implementation of the NHIP.

PhilHealth shall comply with budget accountability requirements and ensure judicious utilization of its budget.

The administrative cost of implementing the NHIP shall not exceed seven and one half percent (7.5%) of the actual total premium collected from direct and indirect contributory members during the immediately preceding year in accordance with Section 12 of R.A. No. 11223.

2. **Additional Appropriation in Compliance with the Supreme Court Decision.** The amount of Sixty Billion Pesos (P60,000,000,000) appropriated under the National Health Insurance Program constitutes the mandatory allocation required to ensure compliance with the Supreme Court decision in Aquilino Pimentel III, et al. vs. House of Representatives, et al. (G.R. No. 274778), Colmenares, et al. vs. Marcos, et al. (G.R. No. 275405), and 1Sambayan Coalition, et al. vs. House of Representatives, et al. (G.R. No. 276233), promulgated on December 3, 2025.

3. **Benefit Package Improvement Under Universal Health Care Law.** The amount of Sixteen Billion Five Hundred Twenty Million Two Hundred Thirty Three Thousand Pesos (P16,520,233,000) appropriated herein for the benefit package improvement under the Universal Health Care Law shall be used for the increase in benefit packages including, but not limited to, the expansion of dialysis coverage, mental health outpatient coverage, improvement of Z-Benefit packages, severe acute malnutrition, all case rate, rationalization of selected medical and surgical procedures; continuous implementation of the Zero Balance Billing (ZBB) Program; introduction and scale-up of benefit packages for catastrophic and high-cost conditions, including those under the Z-Benefits and related packages; expansion of coverage for outpatient and primary care services through the Yaman ng Kalusugan Program (YAKAP), including the Guaranteed Accessible Medications for Outpatient Treatment (GAMOT) program; implementation of Diagnosis-Related Group (DRG) payment system to ensure fair and responsive provider payments; and the implementation of the comprehensive outpatient benefit package, such as free consultation fees, laboratory tests, other diagnostic services, outpatient drug benefit, and emergency medical services.

4. **PAyapa at MAsaganang PamayaNAn Program.** The amount of One Hundred Twenty Seven Million Five Hundred Sixty Thousand Pesos (P127,560,000) appropriated herein shall be used for the health insurance premiums of the beneficiaries under the PAyapa at MAsaganang PamayaNAn (PAMANA) Program. The DOH, OPAPRU and PhilHealth shall ensure that there shall be no duplication of the enrolled beneficiaries with other indirect contributors covered by the above-mentioned subsidy under the immediately preceding Section, and with members of direct contributors.

Release of funds shall be subject to the submission of a Special Budget Request, and other relevant budgetary requirements in accordance with applicable laws, rules, and regulations.

5. **Submission of Reports and Documents.** The PhilHealth shall submit the following to the DBM, the Senate of the Philippines, the House of Representatives, the Senate Committee on Finance, and the House Committee on Appropriations on or before December 31, 2026, unless otherwise stated:

- (a) a Management Audit Report detailing policies and reforms to control fraudulent practices;
- (b) a Fund Viability Plan including policies and reforms to increase premium collection rates and minimize the risk of deficits;
- (c) an undertaking by PhilHealth to undergo a third-party review of its actuarial projections and benefit packages by the first quarter of 2026 to ensure PhilHealth's effective implementation of its mandate to reform benefit packages which may be underutilized or subject to fraud or abuse; and
- (d) a Comprehensive Report on all fund releases received from the DBM and the corresponding utilization thereof, including unutilized balances, not later than June 30 of the following fiscal year.

6. **Special Provisions Applicable to All Government Corporations.** In addition to the foregoing special provisions, the special provisions applicable to all government corporations enumerated under the Budgetary Support to Government Corporations-Others shall be observed by the PhilHealth.

New Appropriations, by Programs/Activities/Projects

	<u>Current Operating Expenditures</u>		
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>
			<u>Total</u>
<b>REGULAR PROGRAMS</b>			
Operations			
NATIONAL HEALTH INSURANCE PROGRAM	P	<u>129,654,603,000</u>	P <u>129,654,603,000</u>
Sub-total, Operations		<u>129,654,603,000</u>	<u>129,654,603,000</u>
Total, Regular Programs		<u>129,654,603,000</u>	<u>129,654,603,000</u>
<b>PROJECT(S)</b>			
Locally-Funded Project(s)			
Special Purpose Insurance Coverage		<u>127,560,000</u>	<u>127,560,000</u>
Sub-total, Locally-Funded Project(s)		<u>127,560,000</u>	<u>127,560,000</u>
Total, Project(s)		<u>127,560,000</u>	<u>127,560,000</u>
<b>TOTAL NEW APPROPRIATIONS</b>	P	<u><u>129,782,163,000</u></u>	P <u><u>129,782,163,000</u></u>

New Appropriations, by Object of Expenditures  
(In Thousand Pesos)

Current Operating Expenditures

Maintenance and Other Operating Expenses

Financial Assistance/Subsidy

129,782,163

Total Maintenance and Other Operating Expenses

129,782,163

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GENERAL APPROPRIATIONS ACT, FY 2026

**Total Current Operating Expenditures**

**129,782,163**

**TOTAL NEW APPROPRIATIONS**

**129,782,163**