



PHILIPPINE MEDICAL ASSOCIATION

THEME: "BUILD, BUILD, BUILD PMA! BUILDING THE FUTURE TODAY."

Member : World Medical Association (WMA)
 Co-Founder : Confederation of Medical Association in Asia and Oceania (CMAAO)
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MEMORANDUM CIRCULAR NO: 2019-09-12-038

TO : ALL PRESIDENTS OF COMPONENT SOCIETIES, SPECIALTY DIVISIONS, SPECIALTY SOCIETIES AND AFFILIATE SOCIETIES

DATE : DECEMBER 9, 2019

SUBJECT : PMA POSITION ON THE PHIC INCREASE IN PREMIUM

Dear PMA members,

The PMA is very much aware of the serious concern of the PMA members in connection with the recent PhilHealth Circular No. 2019-0009 that took effect last December 7, 2019. This Circular is apparently in implementation by PhilHealth of the UHC Law (R.A. 11123) and its IRR the pertinent part of which is as follows –

Section 10. Premium Contributions Direct Contributors

10.1 Premium rates shall be in accordance with the schedule, and monthly income floor, upon effectivity of these Rules:

Year	Premium Rate	Income Floor	Income Ceiling
2019	2.75%	Php 10,000.00	Php 50,000.00
2020	3.00%	Php 10,000.00	Php 60,000.00
2021	3.50%	Php 10,000.00	Php 70,000.00
2022	4.0%	Php 10,000.00	Php 80,000.00
2023	4.5%	Php 10,000.00	Php 90,000.00
2024	5.00%	Php 10,000.00	Php 100,000.00
2025	5.00%	Php 10,000.00	Php 100,000.00

Direct contributors earning below the income floor shall pay their premium contribution based on the income floor, *Provided*, that those earning above the income ceiling shall pay their premium contribution based on the income ceiling, *Provided* further, That for any income from the income floor to the income ceiling, the premium contribution shall be computed based on the basic monthly income.

Following the provisions of the UHC and the IRR, in the case of professionals like doctors, PHIC will collect premiums based on the Income Tax Returns (ITR). As an illustration, this coming year of 2020, if a doctor earns more than Php 720,000 a year, the monthly income will be Php 60,000 and the monthly PhilHealth-premium contribution will be 3% of Php60,000 which is Php1,800.00 pesos. In 2021, if a doctor earns more than Php840,000 a year, the monthly premium contribution will be Php2,450 pesos and in the year 2022, if a doctor earns Php960,000 a year, the monthly premium contribution will be Php3,200 pesos until it reaches the final year 2025 where the PhilHealth monthly premium will be 5% of the monthly income of a doctor.

As per estimate of the PMA (which is currently being validated), the average monthly income of a doctor is Php60,000 to Php65,000 and thus an average-income-doctor will be paying a yearly premium as follows –

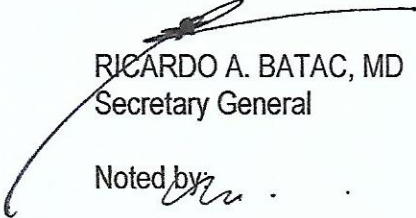
Year	Increment	X 60,000	Yearly Premium (x 12 months)
2020	3.00 %	1,800	21,600
2021	3.50 %	2,100	25,200
2022	4.00 %	2,400	28,800
2023	4.50 %	2,700	32,400
2024	5.00 %	3,000	36,000
2025	5.00 %	3,000*	36,000

* Assuming there is no increase in income

The PMA believes that this is too much burden on the majority of our doctors who are living only on average income especially those practicing in the rural areas. At present, the majority of PhilHealth-accredited doctors are not yet fully paid of their share in the PhilHealth reimbursements to hospitals, however, we understand that hospitals, public and private, are also clamoring that they be paid of their pending claims so that they can in turn pay the share of their respective doctors.

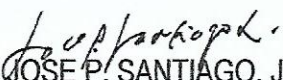
Rest assured that the PMA together with Specialty Societies will be bringing this matter immediately to the top management of PhilHealth and possibly jointly with the Philippine Hospital Association (PHA), the Private Hospitals Association of the Philippines (PHAPi), the Philippine College of Hospitals Administrators (PCHA) and other relevant organizations providing health services to PhilHealth patients. We will be releasing updates on this issue every now and then. Thank you for your support as always and GOD BLESS!

Respectfully yours,



RICARDO A. BATAc, MD
Secretary General

Noted by



JOSE P. SANTIAGO, JR., MD
President