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COMMITTEE MEETINGS ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Public Accounts jt. w/ Good Government and Public Accountability	HRs 1066, 1068, 1069, 1073, 1074, 1113 & 1114	Reps. Tambunting, Barbers, Defensor (M.), Vargas, Zarate, Deputy Speakers Villafuerte and Villanueva (E.)	Investigation into the alleged corruption in the Philippine Health Insurance Corporation (PhilHealth)	<p>The Joint Committee, presided by Rep. Michael Defensor (Party-List, ANAKALUSUGAN), Chair of the Committee on Public Accounts, terminated its inquiry into the alleged corruption in PhilHealth.</p> <p>In today's meeting, the Joint Committee focused its discussion on PhilHealth's disbursements under the Interim Reimbursement Mechanism (IRM) and the alleged schemes employed by PhilHealth personnel, in collusion with private individuals or entities, in defrauding the state-run health insurance corporation.</p> <p>Department of Health Secretary Francisco Duque III denied allegations that he has a hand in the approval and implementation of the IRM. He stressed that he has neither signed nor seen any document or board resolution pertaining to the IRM and that he himself has zero tolerance for fraud and graft and corrupt practices. He apprised the Joint Committee of measures he initiated that would address the problems in PhilHealth.</p> <p>The Health Secretary recounted that when he first became PhilHealth chair in 2005, the agency entered into a memorandum of agreement with the National Bureau of Investigation for the creation of Task Force Kisap Mata to investigate certain health providers for questionable claims on cataract-related cases numbering to 3,000. However, upon his return as PhilHealth chair in 2017, he learned that these cases were archived. Nevertheless, Duque said that he exerted efforts to have those cases reinvestigated.</p> <p>Rep. Elpidio Barzaga, Jr. (4th District, Cavite) maintained that the implementation of the IRM had been questionable. He said that based on a PhilHealth circular, the IRM aims to aid healthcare institutions (HCIs) directly hit by fortuitous events, like the COVID-19 pandemic. However, PhilHealth released IRM funds to health facilities and dialysis centers which do not cater to COVID-19 cases.</p> <p>Based on PhilHealth Circular No. 2020-0007, the IRM is a "special privilege for the provision of substantial aid to an eligible Health Care Institution directly hit by fortuitous event with clear and apparent intent to continuously operate and/or rebuild the healthcare</p>

<p>Continuation... Public Accounts jt. w/ Good Government and Public Accountability</p>				<p>institutions (HCI) in order to provide continuous health care services to adversely affected Filipinos.”</p> <p>Rep. Defensor asked Duque if he is amenable to granting the President emergency powers to solve the problems in PhilHealth. Duque answered in the affirmative.</p> <p>Rep. Defensor added that the Joint Committee is discussing the possibility of passing a measure giving such powers to the President.</p> <p>Meanwhile, Department of Justice (DOJ) Undersecretary Adrian Sugay made a report on the status of the investigation being undertaken by the Task Force PhilHealth, which was created through the directive of President Rodrigo Duterte. The Task Force, which is headed by the Secretary of Justice, is tasked to investigate reports of corruption in PhilHealth.</p> <p>Sugay said that the Task Force has already conducted interviews with PhilHealth officials and other individuals who may have knowledge of the subject of the investigation. It is expected to submit its report to the President by the middle of September, and filing of appropriate cases against erring individuals will certainly follow, Sugay added.</p> <p>PhilHealth’s former auditing system specialist Ken Sarmiento revealed the modus operandi employed by unscrupulous individuals in defrauding PhilHealth through the non-remittance of premium contributions of overseas Filipino workers (OFWs). Sarmiento, who was then assigned at the Philippine Overseas Employment Administration, said that he discovered that the perpetrators used fake receipts as proof of payment given to the OFWs.</p> <p>Deputy Speaker Dan Fernandez (1st District, Laguna) cited a report of the Commission on Audit which stated that the discrepancy in the amount collected by PhilHealth-accredited collecting agents and the amount recorded in the PhilHealth treasury department could be attributed to the non-monitoring and non-accounting of used PhilHealth receipts.</p> <p>Rep. Robert Ace Barbers (2nd District, Surigao del Norte) brought up another questionable action of PhilHealth. He disclosed that the Board has decided to grant amnesty to HCIs with previously denied claims from 2011 to 2019 by allowing the payment of P600 million out of the rejected claims of P4 billion.</p> <p>PhilHealth Corporate Secretary Jonathan Mangaoang explained that the board resolution proposes a “management review” of the denied claims to purposely assist these HCIs during the pandemic. Mangaoang added that the</p>
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<p><i>Continuation...</i> Public Accounts jt. w/ Good Government and Public Accountability</p>				<p>resolution is in fact still being circulated for signature by the board members at the moment.</p> <p>The Joint Committee thus required PhilHealth to submit a copy of the particular board resolution as well as records and other information pertinent to the move to grant amnesty to these HCIs.</p> <p>Earlier in the meeting, Dr. Mark Dennis Menguita denied all accusations hurled against him by Rep. Argel Joseph Cabatbat (Party-List, MAGSASAKA) in a previous hearing of the Joint Committee. Menguita claimed that the lawmaker made the accusations to help the latter's friend get back at him because of a personal grudge.</p> <p>Rep. Cabatbat reiterated that Menguita was the mastermind of the ambush he survived two years ago. Rep. Cabatbat disclosed that the hitman himself admitted this before the latter died. He then showed a Powerpoint presentation comparing the number of recorded cases related to stroke, inflammatory disease of the nervous system, and hydrocephalus in Koronadal, South Cotabato and in the Philippine General Hospital versus the number of such cases that Menguita reported to have managed.</p> <p>According to Rep. Cabatbat, the number of cases managed by Menguita were highly questionable as they were disproportionate to the trends in the three diseases he mentioned. This is an indication that Menguita misdiagnosed his patients in Koronadal to get higher claims from PhilHealth.</p> <p>In the previous meeting of the Joint Committee, Rep. Cabatbat said that Menguita is a neurologist based in Region XII and is allegedly part of a "mafia" defrauding PhilHealth of multimillion pesos in false medical claims.</p>
<p>Public Information</p>	<p>Substitute Bill to HBs 3615 & 3976</p>	<p>Rep. Vargas and Deputy Speaker Villafuerte</p>	<p>Granting incentives to Filipino filmmakers who were granted honors in notable international film festivals and appropriating funds therefor</p>	<p>The Committee, chaired by Rep. Joseph "Jojo" Lara (3rd District, Cagayan), approved the Substitute Bill to HBs 3615 and 3976.</p>
	<p>HB 75</p>	<p>Rep. Barbers</p>	<p>Requiring all broadcast media networks to devote a total of 20 minutes of regular airtime a day for public service announcements, free of charge, and providing penalties for violations thereof</p>	<p>The Committee will deliberate further on the five measures in its next meeting.</p> <p>The Secretariat was directed to draft a substitute bill taking into consideration the suggestions of the resource persons. The draft substitute bill will be presented to the Committee for discussion in its next meeting.</p>
	<p>HBs 898 & 2342</p>	<p>Rep. Mariño and Deputy Speaker Escudero</p>	<p>Requiring all broadcast media to provide adequate free airtime for public service announcements and infomercials to enable the government to reach the population and educate the people on important public issues relative to laws, health, road and traffic discipline, public safety, good values, welfare rights and benefits, and disaster preparedness programs</p>	<p>Deputy Speaker Evelina Escudero (1st District, Sorsogon), author of HB 2342, said that her bill mandates broadcast companies to provide public service time of at least two minutes per hour per day. This, according to the Deputy</p>

Continuation... Public Information	HB 1519	Rep. Garbin	Granting tax incentives to broadcast and print media devoting airtime and space for gender equality, human rights, environmental protection, family values, patriotism and nationalism, health consciousness, transparency and accountability, national unity, peace and reconciliation, and other similar positive values and advocacies in order to heighten the awareness and increase responsiveness of the people	<p>Speaker, will allow the public to know more about what the government is doing, especially during this time of pandemic.</p> <p>Likewise, Rep. Mario Vittorio "Marvey" Mariño (5th District, Batangas), author of HB 898, explained that his bill requires broadcast companies to allot a minimum of five-minute airtime per day for public service announcements and infomercials, with a minimum two minutes a day of airtime to be allocated during primetime. He said that this will enable the government to educate and inform the people about laws, public health and safety measures, government processes, welfare rights and benefits, and disaster preparedness programs, among others.</p>
	HR 1079	Rep. Alfonso	Urging the Presidential Communications Operations Office (PCOO) to provide free airtime in all government-owned and affiliated radio stations in the country to the Department of Education (DepEd) for education enhancement teaching	<p>Rep. Samantha Louise Vargas Alfonso (2nd District, Cagayan), author of HR 1079, said that government-owned and affiliated radio stations across the country should allot free airtime to the DepEd that will be used for education enhancement.</p> <p>Rep. Alfonso stated that due to the pandemic, schools have to resort to blended learning to allow students to continue their education in the safety of their homes. However, in some parts of the country where there is no internet access or where students do not have the required gadgets, the use of radio stations is a viable alternative. Given their wider reach, radio stations will bring education to learners even in far flung areas.</p> <p>Expressing support for the legislative measures were resource persons from the PCOO, Philippine Information Agency (PIA), National Telecommunications Commission (NTC), and Kapisanan ng mga Broadkaster ng Pilipinas (KBP).</p> <p>PCOO Assistant Secretary Kris Ablan recommended that a mechanism be put in place to strictly monitor the compliance of broadcast companies with the required public service time.</p> <p>PIA Director General Ramon Cualoping III said that the public service announcements should be appropriate and relevant to the target audience for a particular timeslot to ensure the effective implementation of this proposed law.</p> <p>KBP Legal Counsel Rudolph Jularbal suggested that the broadcast media be allowed to produce on their own the public service announcements, consistent with the information requirements mentioned in the bills, instead of the PIA doing the same. He also suggested that tax incentives be given to broadcast stations that will air public service announcements in excess of the air time required under the proposed law.</p>

<i>Continuation...</i> Public Information				Under HBs 898 and 2342, the PIA is mandated to cause the production of public service commercials.
Ways and Means	Substitute Bill to HB 7483	Rep. Sy-Alvarado	Establishing the Bulacan Airport City Special Economic Zone and Freeport, Province of Bulacan and appropriating funds therefor	The Committee, chaired by Rep. Joey Sarte Salceda (2 nd District, Albay), approved the tax provision of the Substitute Bill to HB 7483.
	HBs 6653 & 6717	Rep. Garcia (J.E.) and Deputy Speaker Hernandez	Imposing sales tax in lieu of value-added tax (VAT), replacing for the purpose the entire provisions of Title IV and amending Section 116, Title V and Section 236, Title IX of the National Internal Revenue Code of 1997, as amended	<p>The Committee will deliberate further on HBs 6653 and 6717 in its next meeting.</p> <p>Rep. Jose Enrique "Joet" Garcia III (2nd District, Bataan), author of HB 6653, said that his bill seeks to replace the current VAT system with the sales tax system used in the past in order to simplify taxation and improve the tax collection efficiency of the government. He explained that the current VAT system has many loopholes due to the complexity of the system which makes it hard to be properly administered and monitored by the Bureau of Internal Revenue (BIR). Furthermore, he said that the effective collection rate of the 12% VAT for the past 12 years ranged from 2.8% to 3.1% which translates to only 25% collection efficiency rate.</p> <p>Department of Finance (DOF) Assistant Secretary for Domestic Finance Group Maria Teresa Habitan maintained that the DOF prefers the use of the VAT system. She pointed out that the reason why the government transitioned from the sales tax system to the VAT system was because the former has more administrative issues. She recommended instead to improve the administration of the VAT by implementing an electronic system of tax collection and lessening VAT exemptions.</p> <p>DOF Deputy Executive Director Jayson Lopez of the One-stop-shop Tax Credit and Duty Drawback Center added that under the sales tax system, sellers are more likely to under-report their sales.</p> <p>The Bureau of the Treasury said that it will adopt the position of the DOF on the matter. Likewise, the Bureau of Customs stated that reverting to the sales tax system would significantly lower its revenue collection.</p>

TECHNICAL WORKING GROUP MEETING ON HOUSE MEASURES

COMMITTEE	MEASURES		SUBJECT MATTER	ACTION TAKEN/ DISCUSSION
	NO.	PRINCIPAL AUTHOR		
Energy jt. w/ Ecology and Transportation (Technical Working Group)	HBs 444, 738, 1432, 2020, 4075, 4179, 4356, 4366, 4391, 4962, 6604,	Reps. Revilla, Biazon, Campos, Vargas, Bernos, Cabochan, Deputy Speaker	Providing for the national energy policy and regulatory framework for the use of electric, hybrid, and alternative fuel vehicles	The joint technical working group (TWG), co-chaired by Rep. Jose Enrique "Joet" Garcia III (2 nd District, Bataan), Vice Chair of the Committee on Energy, and Rep. Edgar Mary Sarmiento (1 st District, Western Samar), Chair of the Committee on Transportation, agreed to

<p>Continuation... Energy jt. w/ Ecology and Transportation (Technical Working Group)</p>	<p>7298, 7299 & 7317</p>	<p>Santos-Recto, Reps. Go (E.), Garcia (J.E.), Deputy Speakers Legarda and Romero, and Rep. Garin (S.)</p>		<p>consolidate the 14 bills and come up with a substitute bill.</p> <p>Rep. Garcia, author of HB 4962, said that his bill and the other bills, all seek to create a national policy to encourage the use of electric, hybrid, and alternative fuel vehicles by mandating the provision of parking areas and charging stations for these vehicles, establishing accrediting mechanisms for all charging station service providers, and providing incentives for owners, manufacturers/assemblers, and importers of such vehicles.</p> <p>Expressing their support for the bills were the Departments of Transportation (DOTr), Energy (DOE), the Interior and Local Government (DILG), Environment and Natural Resources (DENR), Trade and Industry (DTI), and Public Works and Highways (DPWH), the Energy Regulatory Commission, Land Transportation Office (LTO), and Metropolitan Manila Development Authority. Likewise, the Agusan del Sur Electric Cooperative and the Electric Vehicle Association of the Philippines gave their support for the bills.</p> <p>The DENR recommended that the proposed law should conform to the safety regulations on air quality and the management of hazardous waste and greenhouse gases.</p> <p>Meanwhile, the DPWH suggested that safety standards such as the maximum weight of electric vehicles that will be allowed on the road should be included in the proposed law as well as standards in setting up charging station facilities for electric vehicles.</p> <p>The Bureau of the Treasury objected to the creation of a trust fund as proposed in HB 6604 and agreed with the proposal that the funds needed for the implementation of this proposed law shall be included in the annual appropriations of the implementing agencies.</p> <p>Rep. Jericho Jonas Nograles (Party-List, PBA) requested the LTO to present in the next meeting the updated data on the number of electric vehicles that are already registered with the LTO.</p> <p>LTO Chief of Technical Evaluation and Planning Section Danilo Encela said that he will present the requested data in the next meeting.</p>
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