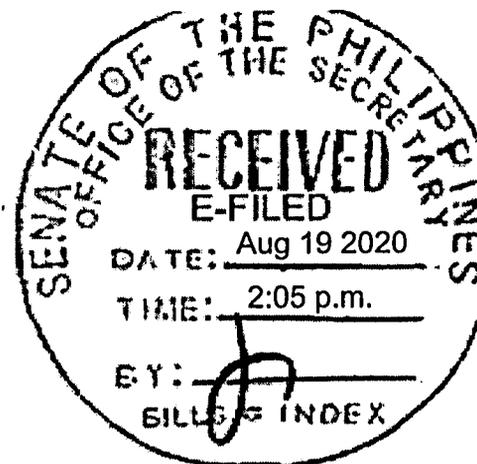


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

SENATE

P.S. Res. No. 502



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Introduced by Senator Juan Miguel F. Zubiri

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**RESOLUTION**

**URGING THE OFFICE OF THE PRESIDENT TO PREVENTIVELY SUSPEND IMMEDIATELY THE TOP MANAGEMENT OF THE PHILIPPINE HEALTH INSURANCE CORPORATION, THOSE INVOLVED IN THE ALLEGED CORRUPTION AND FRAUDULENT SCHEMES IN THE AGENCY AND THOSE RESPONSIBLE FOR THE DELAY OR REFUSAL TO SUBMIT DOCUMENTS PERTINENT TO INVESTIGATIONS CARRIED OUT BY THE NATIONAL BUREAU OF INVESTIGATION AND THE AUDIT BEING CONDUCTED BY THE COMMISSION ON AUDIT**

**WHEREAS**, it is the function of the National Bureau of Investigation (NBI) to carry out investigations of criminal acts and violations of the law, and in such function it holds the power to access all pertinent records relevant to their investigations, especially from government agencies including government-owned or controlled corporations (GOCCs);

**WHEREAS**, it is the function of the Commission on Audit (COA) to audit the revenue, expenditures, and properties of the Government, including government-owned or controlled corporations (GOCCs), and in such function it holds the power to access all pertinent records relevant to the scope of its audit and examination as embodied in Title I, Chapter 2 of the Presidential Decree 1445 or the Government Auditing Code of the Philippines;

**WHEREAS**, the Philippine Health Insurance Corporation (PhilHealth), a tax-exempt GOCC established to provide health insurance coverage for all Filipino citizens, has been embroiled in allegations of corruption and fraudulent schemes with PhilHealth Board Member Alejandro Cabading and former anti-fraud officer Thorrrsson Montes Keith claiming that a so-called "mafia" in PhilHealth has been orchestrating large-scale corruption within the corporation for years;

**WHEREAS**, throughout the course of the Senate Committee of the Whole hearings on the alleged corruption within PhilHealth, more whistleblowers have since approached the Senate to reveal various instances of corruption, through such schemes as ghost and non-existent patients, rebates, overpayments, upcasing of illnesses, and overpricing of information technology items for procurement, and the questionable program of Interim Reimbursement Mechanism leading to billions of pesos lost to corruption;

**WHEREAS**, during the Senate Committee of the Whole hearing on 18 August 2020, amid questions regarding PhilHealth's unwillingness to cooperate with the NBI in a timely manner as reported in the media the past days with regard to the submission of records requested by the Bureau, the Commission on Audit (COA)

representative, Director Cleotilde Tuazon revealed that a similar problem exists between COA and PhilHealth, with the latter refusing to submit documents in time for auditing, and also preventing COA from gaining full access to their records system including non-submission of contracts, supporting documents and bidding documents;

**WHEREAS**, PhilHealth's unwillingness to cooperate with regard to the submission of records could qualify as obstruction of justice that prevents the NBI from carrying out its responsibilities as an investigative agency, as well as PhilHealth's refusal or delay in the submission of pertinent documents and refusal to grant full access to its record system to the Commission on Audit is a blatant violation of the Government Auditing Code of the Philippines;

**WHEREAS**, the Executive Branch, with its exercise of supervisory powers over PhilHealth, must preventively suspend the officers of PhilHealth responsible for possible obstruction of justice and violations of the Government Auditing Code of the Philippines, in order to allow the NBI and COA to secure the pertinent records they need in order to perform their duties and properly investigate the alleged corruption within the insurance agency;

**WHEREAS**, allowing these PhilHealth officials to remain in office may give them time to tamper with, conceal or destroy important records, and further hamper the investigations of the NBI, COA, the Ombudsman and other investigative bodies conducting investigations on PhilHealth;

**NOW, THEREFORE, BE IT RESOLVED**, as it is hereby resolved by the Senate of the Philippines to urge the Office of the President to preventively suspend immediately the top management of the Philippine Health Insurance Corporation, those involved in the alleged corruption and fraudulent schemes in the agency and those responsible for delay or refusal to submit documents pertinent to investigations carried out by the National Bureau of Investigation and the audit being conducted by the Commission on Audit.

*Adopted,*

  
**JUAN MIGUEL F. ZUBIRI**