

**[PHIC PHILHEALTH CIRCULAR NO. 04, S. 2005,
February 11, 2005]**

**CLARIFICATIONS ON CERTAIN PROVISIONS OF PHILHEALTH
CIRCULARS 15 AND 29 S. OF 2004 (SUBMISSION OF FINANCIAL
STATEMENT)**

In order to facilitate compliance with PhilHealth Circulars No. 15 and 29, series of 2004 as to the submission of the healthcare provider's financial statement as an accreditation requirement, the following clarifications are hereby issued:

- A. The Corporation considers the submission of the required financial statement as necessary information needed for the promotion of quality health care services at all levels of the health care delivery system. The financial and administrative management capabilities of the hospital and the financial well-being of the health care providers must be assessed so as to ensure the responsiveness of the National Health Insurance Program (NHIP) to its members and all other stakeholders. It shall guide in the enhancement of NHIP benefits and the development of interventions that will increase investments in the health care sector. As such, the showing of net loss instead of net gain or profit shall not be the determinant for the denial of accreditation.
- B. The financial statement will be considered privileged and confidential information between the accredited institutional health care provider and the Corporation and shall not be released by PhilHealth to any party without the express approval of the concerned health care provider.
- C. The financial statement requirement applies to accreditation applications of all types by infirmaries, primary to tertiary care hospitals, ambulatory surgical clinics, and free-standing dialysis clinics.
- D. Private for-profit hospitals and other institutional health care providers; and non-stock, non-profit organizations providing health services registered with the Securities and Exchange Commission (SEC) or the Cooperative Development Authority (CDA), shall submit the LATEST audited income statements. However, the latest audited income statement should not be more than two calendar years behind the calendar year an application is submitted.

(For example, if the renewal of accreditation is for 2005-2006, the latest acceptable audited income statement shall be for calendar year 2003)

- E. Single proprietor hospitals; and all other institutional health care providers not mandated to be registered with the SEC or CDA, shall fill up and sign the PhilHealth Financial Statement Form (Annex A^{*}).
- F. Government hospitals with fiscal autonomy shall also be required to submit their latest audited income statement or the signed PhilHealth Statement Form