

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement ("MOA") is made and entered into by and between:

The **PHILIPPINE COLLEGE OF SURGEONS (PCS)**, an institution duly organized and existing under and by virtue of laws of the Republic of the Philippines, with office address at 4th Floor PCS Building, 992 EDSA Quezon City, represented by its President, **RAMON S. INSO, MD, FPCS** (hereafter referred to as "PCS")

and

The **PHILIPPINE ASSOCIATION OF HMO COMPANIES (PAHMOC)**, an institution duly organized and existing under and by virtue of laws of the Republic of the Philippines, with office address at 8/F Maxicare Tower, 203 Salcedo St., Legaspi Village, Makati City represented by its President, **CHRISTIAN S. ARGOS** (hereafter referred to as "PAHMOC")

Collectively, they shall be known as the **Parties**.

BACKGROUND:

- (A) **PCS** is an organization of surgical specialists in the Philippines;
- (B) **PAHMOC** is an association of health maintenance organizations (HMOs) in the Philippines with patients across the country; and
- (C) **PCS** and **PAHMOC** recognize each other as partner institutions and desire to work together in order to render and extend professional medical/surgical assistance to the planholder-patients enrolled under PAHMOC's HMO program (hereafter referred to as "PAHMOC patients").

AGREEMENT:

1. **Scope**

This MOA shall provide for the right of **PAHMOC** patients to obtain the services of **PCS**-affiliated Fellows or Diplomates, except in circumstances where there are no available Fellows or Diplomates, regardless of the latter's accreditation status with the PAHMOC-member HMO, but nevertheless affiliated with the accredited hospital or clinic where the member is to be confined or the surgery is to be performed. Under this MOA, a Fellow shall be understood to be member-surgeons of PCS who have passed the oral and written exam, while a Diplomate shall be understood to mean as a surgeon who may or may not be a Fellow of PCS.

For a Diplomate to continue enjoying the privileges under this MOA, such Diplomate is obliged to become a Fellow of PCS within three (3) to four (4) years from the signing and execution of this MOA, otherwise, such privileges shall be rescinded.

In addition:

- 1.1 PAHMOC patients shall only secure the services of these PCS-credentialed surgeons, provided that these surgeons consented to and are issued a Unified Service Agreement;
- 1.2 PCS shall put measures in place to ensure that PCS-credentialed surgeons cannot decline to attend to PAHMOC patients, and

- 1.3 PAHMOC shall put measures in place to ensure that member-HMOs cannot decline the application of PCS-surgeons to attend to PAHMOC patients under the Unified Service Agreement and this MOA.

2. Implementation Arrangements

2.1 Concurrence of surgical specialty societies and HMO company-members

2.1.1 **PCS** and **PAHMOC** agree to secure the concurrence of their affiliated surgical specialty societies and HMO company-members, respectively, so that this MOA is binding and enforceable against them.

2.1.2 This MOA applies to all PCS-affiliated Surgeons and PAHMOC-member HMOs who submit themselves to and recognize its provisions through a signed consent with their respective Parties.

2.1.3 The specialty societies under the **PCS** include, but are not limited to, the following:

1. Academy of Filipino Neurosurgeons
2. Association of Women Surgeons of the Philippines
3. Philippine Academy for Head and Neck Surgery, Inc.
4. Philippine Academy of Ophthalmology
5. Philippine Association of Laparoscopic and Endoscopic Surgeons
6. Philippine Association of Plastic Reconstructive and Aesthetic Surgeons
7. Philippine Association of Thoracic and Cardiovascular Surgeons, Inc.
8. Philippine Association of Training Officers in Surgery, Inc.
9. Philippine Hip and Knee Society
10. Philippine Orthopedic Association
11. Philippine Society for the Surgery of Trauma
12. Philippine Society of Colon and Rectal Surgeons
13. Philippine Society of General Surgeons
14. Philippine Society of Otolaryngology - Head and Neck Surgery
15. Philippine Society of Pediatric Surgeons
16. Philippine Society of Transplant Surgeons
17. Philippine Society of Ultrasound in Surgery
18. Philippine Society of Vascular Surgeons
19. Philippine Spine Society
20. Philippine Urological Association
21. Surgical Oncology Society of the Philippines

2.1.4 The HMO companies under **PAHMOC** include, but not limited to, the following:

1. Asiancare Health Systems, Inc.
2. Carehealth Plus Systems International, Inc.
3. Carewell Health Systems, Inc.
4. Eastwest Healthcare, Inc.
5. IMS Wellth Care, Inc.
6. Kaiser International Health Group
7. Life & Health HMP, Inc.
8. Maxicare Healthcare Corporation
9. Medocare Health Systems, Inc.
10. Optimum Medical & Health Services, Inc.
11. Philhealth Care, Inc.
12. WellCare Health Maintenance

3. **Fees**

The Parties agree on the following arrangement for **Professional Fees** compensation:

3.1 The **Outpatient Consultation Fee** of the PCS Surgeons shall be Six Hundred Pesos (Php600.00) regardless of their place of practice whether for tele-consultation. For HMOs engaging in Telemedicine, the maximum PF rate for Telemedicine consult would be Four Hundred Pesos (Php400.00).

3.2 Professional fee for **Surgical Procedures** shall be based on the current Relative Value Scale (RVS) of the Philippine Health Insurance Corporation (PHIC).

3.2.1 This shall be computed following a 4-tiered multiplier, to wit:

a. Ward/Outpatient	- 140
b. Semi-Private	- 145
c. Private	- 150
d. Suite	- 155

3.2.2 This Professional Fee computation includes (2) days pre-operative and five (5) days post-operative visits. Professional Fees for subsequent daily visits during the same confinement, either for complications arising from the pertinent surgery or for new, unrelated condition/s, shall be paid based on the Daily Visits compensation scheme, as provided for in Section 3.3.

3.3 Professional fees compensation scheme for **Daily Visits** of surgical cases admitted into the hospital but are not operated on are as follows:

a) Ward	-	Php 700
b) Semi-private	-	Php 850
c) Private	-	Php1,000
d) Suite	-	Php1,300
e) ICU	-	Php1,500

3.4 The Professional Fee of the **first Assistant Surgeon** – who should be a PCS-affiliated Diplomate or Fellow, except in circumstances where a Diplomate or Fellow is not available, regardless of accreditation status with the PAHMOC-member HMO – shall be covered/paid based on the following:

3.4.1 Surgeries with a Relative Unit Value of at least 250 units, based on the PHIC RVS as provided for in Section 3.2.1.

3.4.2 Open and laparoscopic procedures specifically identified and agreed upon by the PCS-PAHMOC Liaison Committee, or for cases specifically arranged as covered by the involved PAHMOC-member HMO.

3.4.3 Compensation scheme for the first Assistant Surgeon is as follows:

3.4.3.1 Fellow/Diplomate
25% of the attending/main surgeon's professional fees

3.4.3.2 Non-Fellow/Diplomate
10% of the attending/main surgeon's professional fees

3.4.4 Surgeons-in-training and second assistant surgeons are not included in this compensation scheme, unless specifically arranged and pre-approved as covered by the PAHMOC member concerned.

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3.5 Other fees, as part of this MOA's Implementing Rules and Regulations:

- 3.5.1 Fees for the Philippine Society of Otolaryngology-Head and Neck Surgery
- 3.5.2 Multiple Surgeries
- 3.5.3 Instrument Fees
- 3.5.4 Surgical Clearance. If referrals were made to Surgeons for Surgical Clearance whether in the Emergency Room or inpatient, and no surgery ensued from the referral, the professional fee shall be P1,200.00 and is inclusive of the day's visit fee

3.6 Balance-billing is not allowed. The membership status of PAHMOC patients does not change when their benefit limits are exceeded. PCS-affiliated surgeons, therefore, shall undertake not to charge professional fees more than the foregoing schedule of fees, regardless of whether the benefit limit is exhausted or not.

3.7 Incremental costs

3.7.1 The incremental increase in room rate and the resulting adjustment in professional fees should the member upgrade his room accommodation to a level higher than that to which he is entitled under his membership benefits shall be for the PAHMOC **patient's** account, depending on the healthcare Service Agreement with the HMO.

3.8 The foregoing compensation scheme shall take effect on March 01, 2022. Changes in the PHIC Relative Value Scale, if any, shall be adopted in the computation of professional fee compensation for surgical cases six (6) months after the effective date of the change.

4. **PHIC**

The professional fees under Section 3 above shall be exclusive of the PHIC payment.

5. **Other Provisions.**

- 5.1 PCS shall provide assistance in cases of grievance (cartelization, balance-billing, etc) reported by PAHMOC.
- 5.2 If applicable, PCS members who have agreed to the MOA are urged to pay a courtesy call to the HMO Coordinators of each HMO in their locality. To prevent miscommunication, PAHMOC members are also urged to provide the HMO Coordinators list of the PCS members who have agreed to the MOA.
- 5.3 Issuance of official receipt. PCS member physicians shall issue official receipts to the appropriate PAHMOC Member HMO once payment has been made.
- 5.4 The Surgeon shall comply with requests such as, but not limited to, providing medical records, discharge summaries, whenever these shall be needed. This shall be in accordance with the Data Privacy Law.
- 5.5 The Surgeon shall accept Outpatient results of tests done in laboratories/clinics affiliated by the PAHMOC member.
- 5.6 The Surgeon agrees to hold PAHMOC Members free and harmless from any claim or liability arising out of any act of commission, omission or negligence on the part of the Surgeon.
- 5.7 Each party may pre terminate this MOA by giving the other party a thirty (30) day written notice prior to pre termination.

6. **Payment Deadlines**

The PAHMOC-member HMO shall be liable for the payment of the PCS surgeon's professional fees within **forty-five (45) days** from receipt of outpatient bills, and within **thirty (30) days** from receipt of inpatient hospital bills, granting that the same is filed and

submitted with full and appropriate documentation. All Claims submitted for processing beyond ninety (90) days from date of out-patient and in-patient availment will be considered void and non-payable. If said claim is not settled by the HMO within the specified time, a penalty of three percent (3%) per month may be imposed until full payment of appropriate charges has been made.

7. Liaison Committee

A five (5)-member PCS-PAHMOC Liaison Committee shall be formed.

7.1 It shall comprise four (4) members – two (2) from PCS and two (2) from PAHMOC – and one (1) Chairman to be elected alternately from each Party per year.

7.2 It shall oversee the execution of this MOA and its pertinent Implementing Rules and Regulations (IRR), and shall undertake to exert their best efforts in amicably settling among themselves any dispute or differences arising from or relating to this MOA.

8. Amendment and Modification

The Parties may, by mutual written agreement, (i) extend the time for the performance of any of the obligations or other acts of the parties hereto; or, (ii) waive any compliance with or modify, amend, or supplement any of the agreements contained in this Agreement or waive or modify performance of any of the obligations of any of the Parties hereto.

9. Entire Agreement

This MOA constitutes the entire agreement among the Parties hereto and supersede all prior agreements and understanding, oral and written, among the Parties hereto with respect to the subject matter hereof.

10. Governing Law


This MOA shall be governed by and construed in accordance with the laws of the Republic of the Philippines.

11. Notices


All communications and notices provided for hereunder shall be in writing and shall be personally delivered or transmitted by postage prepaid registered mail (airmail if international) or by fax, or electronic mail as follows:

For PCS:

For PAHMOC:



RAMON S. INSO, MD, FPCS
President
4th Floor PCS Building
992 EDSA, Quezon City



CHRISTIAN S. ARGOS
President
8/F Maxicare Tower, 203 Salcedo St.
Legaspi Village, Makati City

Except as otherwise specified herein, all notices shall be deemed duly given on the date of receipt, if personally delivered or transmitted by telefax or email, and the date five (5) days after posting if mailed.

12. Section and Other Headings

Sections and other headings contained in this Agreement are for reference only and shall not affect the meaning or interpretation of this Agreement.

13. Dispute Resolution

Any dispute arising out or relating to this MOA (including, but not limited to, the validity, enforceability, interpretation, performance, breach or termination thereof), shall be finally resolved by arbitration. Arbitration proceedings shall be in accordance with the rules of the Philippine Dispute Resolution Center (PDRC). The venue of arbitration shall be in Metro Manila, Philippines.

14. Separability of Provisions

If any one or more of the provisions contained in this Agreement or any documents executed in connections herewith shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.

15 Effective Date and Duration

This MOA shall take effect on January 1, 2022 and shall expire on December 31, 2024. However, Section 3 shall be subject to a review every year by the Parties starting January 01, 2023 - on the anniversary month of the MOA.

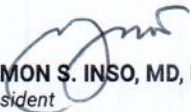
IN WITNESS WHEREOF, the parties have caused this MOA to be signed by their duly authorized representatives this _____, at Makati, Philippines.

PHILIPPINE COLLEGE OF SURGEONS (PCS)

**PHILIPPINE ASSOCIATION OF HEALTH
MAINTENANCE ORGANIZATION COMPANIES
(PAHMOC)**

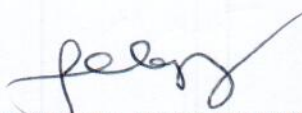
By:


By:

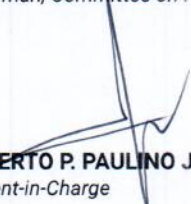

RAMON S. INSO, MD, FPCS
President

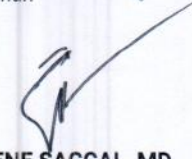

CHRISTIAN S. ARGOS
President

Signed in the presence of:


FERNANDO L. LOPEZ, MD, FPCS
Chairman, Committee on HMO and RVS


ATTY. ANDREW PATRICK A. FORNIER
Chairman


ALBERTO P. PAULINO JR., MD, FPCS
Regent-in-Charge


EUGENE SAGCAL, MD
Chair, Medical Services Committee



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
CITY OF MAKATI)

APR 20 2022

BEFORE ME, a Notary Public for and in this _____ day of March 2022 in Makati City, personally appeared the following persons with their respective legal documents:

NAME	LEGAL DOCUMENT	DATE/PLACE ISSUED
RAMON S. INSO, MD, FPCS		
CHRISTIAN S. ARGOS	Passport PC6541856A	March 18, 2018/Manila

known to me and to me know to be the same persons who executed the foregoing Memorandum of Agreement consisting of seven (7) pages including this page and they acknowledged to me that the same is their own free and voluntary act and deed and the free and volunteer act and deed of the institutions they respectively represent.

IN WITNESS WHEREOF, I have hereunto set my hand on the date and place first above written.

DOC. NO. 463
PAGE NO. 94
BOOK NO. 107
SERIES NO. 2022

ATTY. JOSHUA P. LAPUZ
Notary Public Makati City
Until Dec. 31, 2023
Appointment No. M-019-(2022-2023)
PTR No. 8952510 Jan. 3, 2022 / Makati
IBP Lifetime No. 04997 Roll No. 45790
MCLE Compliance No. VI-0016565
G/F Fedman Bldg., 199 Saicedo St.
Legaspi Village, Makati City