

Item No.: 39

Date: 09 2025 DEC



Republic of the Philippines  
PROVINCE OF LEYTE  
Provincial Capitol  
Tacloban City

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Province of Leyte  
Legal Office  
Released by: *[Signature]*  
Time: \_\_\_\_\_  
Date: 12.8.25

PROVINCIAL LEGAL OFFICE

Sangguniang Panlalawigan  
Province of Leyte

**RECEIVED**

Date: DEC 03 2025  
By: [Signature]

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2<sup>nd</sup> INDORSEMENT  
November 24, 2024

Respectfully returned to the Sangguniang Panlalawigan of Leyte, through SP Secretary, the attached Ordinance No. 2025-1 of the Sangguniang Bayan of Dulag, Leyte.

**Issues/concerns for review/recommendation/legal opinion is/are as follows:**

- Ordinance No. 2025-1 entitled: **“PhilHealth Capitation Fund Utilization Ordinance of Dulag, Leyte.”**

**REVIEW/RECOMMENDATION/LEGAL OPINION:**

This office is of the opinion that the subject Ordinance is generally in accordance with its power under Section 447(a)(2)(i)<sup>1</sup> of the Local Government Code of 1991 (R.A 7160) in consonance with PhilHealth Circular No. 2024-0013<sup>2</sup>. Hence, we recommend the declaration of its validity.

We hope to have assisted you with this request. Please note that the opinion rendered by this Office are based on the facts available and may vary or change when additional facts and documents are presented or changed. This opinion is likewise without prejudice to the opinions rendered by higher and competent authorities and/or the courts.

**ATTY. JOSE RAYMUND A. ACOL**  
*Provincial Legal Officer*

<sup>1</sup> (2) *Generate and maximize the use of resources and revenues for the development plans, program objectives and priorities of the municipality as provided for under Section 18 of this Code ;*

(i) *Approve the annual and supplemental budgets of the municipal government and appropriate funds for specific programs, projects, services and activities of the municipality, or for other purposes not contrary to law, in order to promote the general welfare of the municipality and its inhabitants;*

<sup>2</sup> *“Enhancement of the PhilHealth KonSulTa Benefit Package”*

Republic of the Philippines  
PROVINCE OF LEYTE  
Palo, Leyte

**OFFICE OF THE SANGGUNIANG PANLALAWIGAN**

1<sup>ST</sup> ENDORSEMENT  
20 November 2025

Province of Leyte  
Legal Office  
11-27-25

The Provincial Legal Office is respectfully requested to review and submit recommendations on the herein enclosed **Ordinance No. 2025-1**, of the **Municipality of Dulag, Leyte**, entitled: **An Ordinance providing the guidelines on the utilization of Philhealth Capitation from the "KONSULTASUONG SULIT AT TAMA" (KONSULTA) PACKAGE of the Municipal Health Office of Dulag, Leyte.**



**FLORINDA JILL S. UYVICÓ**  
Secretary to the Sanggunian



Republic of the Philippines  
Province of Leyte  
MUNICIPALITY OF DULAG

Sangguniang Panlalawigan  
Province of Leyte  
**RECEIVED**

Date: NOV 20 2025  
By: [Signature]

## Office of the 13<sup>th</sup> Sangguniang Bayan

19 November 2025

**TO THE HONORABLE MEMBERS**  
of the Sangguniang Panlalawigan  
Province of Leyte

Through: **HON. LEONARDO M. JAVIER, JR.**  
*Vice-Governor*  
*Province of Leyte*

**Subject: Endorsement of Municipal Ordinances for Review and Approval**

**Dear Honorable Members,**

Warm greetings from the Municipality of Dulag!

In accordance with the provisions of Republic Act No. 7160, otherwise known as the Local Government Code of 1991, and pursuant to the mandate of the Sangguniang Panlalawigan to review municipal ordinances for their consistency with existing laws and policies, we respectfully submit for your consideration and appropriate action the following municipal ordinances duly enacted by the Sangguniang Bayan of Dulag, Leyte:

- **Ordinance No. 2025 – I** – “An Ordinance Providing The Guidelines on the Utilization of the PhilHealth Capitation From The ‘Konsultasyong Sulit at Tama (KonSulTa) Package’ of the Municipal Health Office of Dulag”
- **Ordinance No. 2025 – II** – “An Ordinance Adopting The Implementing Rules and Regulations (IRR) of the Nutrition Code of Dulag, Leyte”
- **Ordinance No. 2025 – III** – “An Ordinance Enacting The Municipal Nutrition Code of Dulag, Leyte”
- **Ordinance No. 2025 – IV** – “An Ordinance Regulating The National Irrigation Administration (NIA) Water Supply and the Protection of Irrigation Infrastructures Within The Territorial Jurisdiction of the Municipality of Dulag, Leyte”
- **Ordinance No. 2025 – V** – “An Ordinance Declaring The Temporary Road Closure of Calle Kempis, Brgy. Serrano, Dulag, Leyte, From 7:00 o’clock In The Evening To 12:00 o’clock Midnight of May 16 – 25, 2025 For The Annual Celebration of Sta. Cruz de Mayo”
- **Ordinance No. 2025 – VI** – “An Ordinance Institutionalizing The ‘Katuwang sa Diwa at Gawa Para Sa Masaganang Ani at Mataas na Kita (KADIWA) ng Pangulo’ In The Municipality of Dulag, Leyte”
- **Ordinance No. 2025 – VII** – “An Ordinance Establishing The Integrated Pre-Emptive and Forced Evacuation System In Case of Emergencies Caused By Natural or Human Induced Hazards and Providing Penalties, Thereof”
- **Ordinance No. 2025 - VIII** - “An Ordinance Institutionalizing The Incident Command System As An On-Scene Disaster Response and Management Mechanism and Defining The Composition of the Dulag Incident Management Team, Defining Its Functions, Operational Framework and Providing Funds, Thereof”
- **Ordinance No. 2025 – IX** – “An Ordinance Declaring The Temporary Road Closure of Capitan Cidag, Capitan Tacio and Capitan Beroy Streets, Brgy. Buntay, Dulag, Leyte From 16 August 2025

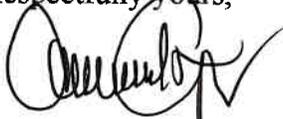
at 5:00 o'clock In The Morning Until 5:00 o'clock In The Morning of 08 September 2025 In Preparation For The 430<sup>th</sup> Araw Ng Dulag and Town Fiesta Celebrations”

- **Ordinance No. 2025 – X – “An Ordinance Declaring The Temporary Road Closure of Bautista/Yanuario Street, Brgy. Candao, Dulag, Leyte From 16 August 2025 At 5:00 o'clock In The Morning Until 5:00 o'clock In The Morning of 08 September 2025 For The Town Fiesta Celebration of Dulag, Leyte”**

These legislative measures were passed and deliberated by the Members of the Sangguniang Bayan. They are intended to promote public welfare, enhance local governance, and address specific needs and concerns of our constituents. We trust that the Sangguniang Panlalawigan will find these ordinances to be in order and consistent with national laws and policies.

Thank you for your continued support and partnership in advancing responsive and effective local legislation. We look forward to your favorable endorsement and approval.

Respectfully yours,



**ORLANDO L. CAGARA**  
*Secretary to the Sanggunian*



Republic of the Philippines  
Province of Leyte  
MUNICIPALITY OF DULAG



**Office of the Sangguniang Bayan**

**ORDINANCE NO. 2025-I**

**AUTHOR : COUN. ROMMEL D. CAPUNGCOL**  
*Chairperson, Committee on Health and Sanitation*

**CO-AUTHOR: COUN. NELSON M. LAUZON**  
*Member, Committee on Health and Sanitation*

**AN ORDINANCE PROVIDING THE  
GUIDELINES ON THE UTILIZATION OF  
THE PHILHEALTH CAPITATION FROM  
THE "KONSULTASYONG SULIT AT TAMA  
(KONSULTA) PACKAGE" OF THE  
MUNICIPAL HEALTH OFFICE OF DULAG**

**Whereas** the Rural Health Unit of Dulag is a PhilHealth Accredited Health Konsulta-provider Facility;

**Whereas** PhilHealth developed a comprehensive approach in delivering primary care benefit packages through PhilHealth Board Resolution No. 2479, called "PhilHealth Konsultasyong Sulit at Tama (KonSulTa) Package: Expansion of the Primary Care Benefit to cover all Filipinos". This establishes a responsive and sustainable financing mechanism for the delivery of quality primary care services and commodities to all Filipinos;

**Whereas** the Rural Health Unit of Dulag will receive capitation funds from the services included in the PhilHealth Accredited Service Delivery Package;

**Whereas** the Local Government Code of 1991 (Republic Act No. 7160) mandates local government units (LGUs) to provide efficient and effective health services to their constituents;

**Whereas** the Universal Health Care Act (Republic Act No. 11223) institutionalizes the Philippine Health Insurance Corporation (PhilHealth) Konsultasyong Sulit at Tama (Konsulta) Package to ensure equitable access to outpatient and preventive healthcare services;

**Whereas** PhilHealth Circular No. 16, series of 2004, and subsequent issuances provide guidelines for the utilization of PhilHealth Capitation Funds (PCF) by local government health units to improve the delivery of health services;

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**Whereas** the Municipality of Dulag is a recipient of PhilHealth Capitation Funds under the Konsulta Package and aims to establish clear guidelines for their effective and transparent utilization;

**NOW, THEREFORE,** on joint motion of Councilor Rommel D. Capungcol and Councilor Nelson M. Lauzon unanimously seconded:

Be it enacted by the Sangguniang Bayan of the Municipality of Dulag, session assembled, that:

**SECTION 1. TITLE**

This Ordinance shall be known as the **“PhilHealth Capitation Fund Utilization Ordinance of Dulag, Leyte.”**

**SECTION 2. DECLARATION OF POLICY.** Consistent with the national policy declared under Section 11, Article XIII of the 1987 Constitution of the Republic of the Philippines, it is the policy of the Municipal Government of Dulag to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the underprivileged, sick, elderly, persons with disabilities, women, and children, and other vulnerable populations.

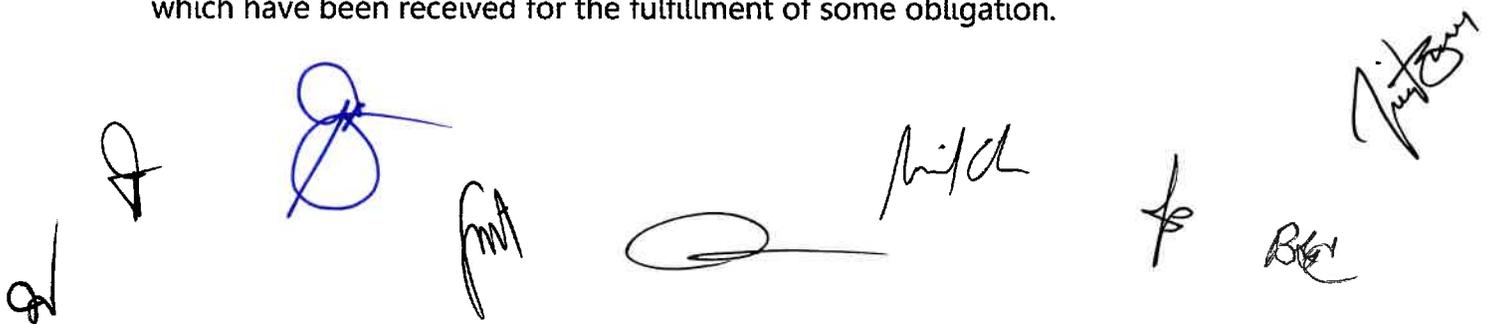
In furtherance of this policy, the Municipal Government of Dulag shall cooperate with the National Government in the enrolment of its constituents to the National Health Insurance under Republic Act No. 7875 as amended, otherwise known National Health Insurance Act of 1995.

Ultimately, in accordance with the Republic Act No. 11223 or the Universal Health Care (UHC) Act of 2019, the Municipal Government of Dulag shall abide in its implementing Rules and Regulations, especially under Section 2 or the Declaration of Principles and Policies, which states that it is the policy of the State to protect and promote the right to health of all Filipinos, instill health consciousness among them, and protect them from hazards and risks that could affect their health.

**SECTION 3. DEFINITION OF TERMS.** For the purposes of this Ordinance, the following terms shall be defined as follows:

*Capitation* – A payment mechanism where fixed rate, whether per person, family, household, or group, is negotiated with a health care provider who shall be responsible for delivering or arranging for the delivery of healthcare services required by the covered person under the conditions of a healthcare provider contract.

*Auditing Code* – Refers to funds which have come officially into the possession of any agency of the government or of a public officer as trustee, agent, or administrator, or which have been received for the fulfillment of some obligation.

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*Health Fund* – refers to a pool of resources of the Local Government intended to finance a population-based and individual-based health services, health system operating cost, capital investments, and remuneration of additional health workers and incentives for all health workers.

*Member* – Any person who is enrolled under the National Health Insurance Program. He may be regular premium paying members or Direct Contributors and Indirect Contributors who are beneficiaries of the Conditional Cash Transfer Program, and those identified in special groups, such as senior citizens, persons with disabilities, and Sangguniang Kabataan officers paid by the National Government.

*Essential health benefit package* – Refers to a set of individual-based entitlements covered by the PhilHealth which includes primary care; medicines, diagnostic and laboratory; and promotive, preventive, curative, and rehabilitative services.

*Health facility* – May be public or private, devoted primarily to the provision of services for health promotion, prevention, diagnosis, treatment, rehabilitation and palliation of individuals suffering from illness, disease, injury, disability, or deformity, or in need of obstetrical or other medical and nursing care.

*Health care professional* – May be a doctor of medicine, nurse, midwife, dentist, or other allied professional or practitioner duly licensed to practice in the Philippines.

*Primary care provider* – Refers to a health care worker, with defined competencies, who has received certification in primary care as determined by the Department of Health (DOH) or any health institution that is licensed and certified by the DOH.

*Primary care facility* – Refers to the institution that primarily delivers primary care services which shall be licensed or registered by the DOH.

*Primary care worker* – Refers to a health care worker, who may be a health professional or community health worker/volunteer, certified by DOH to provide primary care services.

**SECTION 4. UTILIZATION OF FUNDS.** The utilization of capitation funds shall be in accordance with the guidelines established by the Philippine Health Insurance Corporation, and as contained in any agreements entered into and between the Local Government Unit and the Philippine Health Insurance Corporation.

4.1. The Municipal Health Office, in coordination with the Municipal Treasurer's Office, shall pay to healthcare providers their share of the capitation from the receipt of funds for the Philippine Health Insurance Corporation.

4.2. The Municipal Health Officer is further mandated to ensure the continuous accreditation with the Philippine Health Insurance Corporation of health facilities and health providers under his/her supervision. To the extent allowed by applicable laws and regulations, the capitation funds may be used for the same.

4.3. The breakdown of the PhilHealth reimbursements will be defined by the Municipal Health Officer with respect to the laws and resolutions of the PHIC.

A collection of handwritten signatures and initials in various colors (black, blue, red) scattered across the bottom of the page. Some are clearly legible, while others are more stylized or scribbled.

## SECTION 5. ALLOCATION OF FUNDS

The allocation of the Capitation Funds will depend on the updated PhilHealth Circulars available for public consumption. The mandated source shall be:

### A. PhilHealth KonSulTa Package

A.1. The source of the allocation of PhilHealth Konsulta Package is PhilHealth Circular No. 2020-0022 otherwise known as the Implementing Guidelines for the Philhealth Konsultasyon Sulit at Tama (PhilHealth Konsulta) Package. It shall have a separate ledger to the PhilHealth Capitation Trust Fund.

A.2. As stated in the PhilHealth Circular No. 2020-0022, the Capitation reimbursements in government health care facilities shall be utilized to cover all essential services, medicines provided for in this Circular and other operating expenses to support delivery of care including, for example, hiring of additional health care professional or allied health workers, internet subscription, service provider subscription fee and IT hardware.

Any remaining fund may be utilized as performance incentives for primary care workers and shall be governed and determined by the internal guidelines of the PhilHealth Konsulta Provider. PhilHealth shall not prescribe how performance incentives will be disbursed. If applicable, the share of performance incentives can be defined through an approved Sangguniang Bayan resolution or any similar issuance.

A.3. The disposition of the capitation are as follows:

#### A.3.1 **Sixty percent (60%) is for operational cost** and shall cover:

- a. Minimum of thirty-five percent (35%) for drugs and medicines listed under the Philippine National Drug Formulary (PNDF) and to be dispensed at the facility including but not totally limited to the benefit basket of PhilHealth Konsulta.
- b. Maximum of sixty-five percent (65%) for reagents, medical supply equipment (i.e. ambulance, bag valve mask, stretcher, etc.), information technology (IT equipment specific to the needs of facility for it to facilitate reporting and building up of its database), capacity enhancement for staff, infrastructure or any other resources necessary for the delivery of required health services.

The bottom of the page contains several handwritten signatures and initials in blue ink. From left to right, there is a small 'a', a signature that looks like 'D', a large blue signature, a signature that looks like 'fma', a signature that looks like 'Q', a signature that looks like 'mich', a signature that looks like 'f', and a signature that looks like 'B'. There is also a signature on the far right that is partially cut off.

Expenses	Allocation
Medicines	35%
Reagents, Lab Test kits	15%
Medical supplies and equipment	10%
Computers, printers, and other IT equipment	10%
Fuel expenses	10%
Meals and Travel expenses related to Konsulta	5%
Konsulta System software, internet expenses	3%
Trainings and other human resource capacity enhancement activities	3%
Repairs and maintenance of Equipment	3%
Repairs and maintenance of Building	3%
Office Supplies	3%
<b>Total</b>	<b>100 %</b>

A.3.2 The remaining **40 percent (40%) shall be utilized as honoraria** of the health care and non-health care professionals, primary care workers and other additional manpower of the health facility and the improvement of their capabilities to be able to provide better health services. Included also is the remuneration of additional human resources for health if there is a need thereof.

1) Municipal Health Officer/ Rural Health Physician or Designated Doctor who performed the Encounter in equal sharing	30%
2) Other Healthcare Professional Staff Nurses Midwives Medtech Rural Sanitation Inspector Nutrition Officer Pharmacist Dentist	25%
3) PhilHealth Processing Personnel /Unit	15%
4) Barangay Health Workers	15%
5) Non-Health Professionals and Ancillary	15%

*[Handwritten signature]*

Pharmacy staff	
Laboratory staff	
Dental staff	
RHU Utility workers	
Ambulance Drivers	
Municipal Mayor's Office	
Municipal Accountant's Office	
Municipal Treasurer's Office	
Municipal Civil Registrar's Office	
Municipal Budget Office	
Municipal Social Welfare and Development Office	
General Services Office	
Sangguniang Bayan Office	
BLGU	

*Note: For items no. 2, 3, 4 and 5, benefits computation will be based on the Personnel's performance and through the commendation and assessment of the Municipal Health Officer / Rural Health Physician / Designated Doctor and the Municipal Mayor.*

## **SECTION 6. GUIDELINES FOR UTILIZATION**

### *a. Compliance with PhilHealth Circulars:*

- i. All fund utilization shall strictly adhere to guidelines set forth in PhilHealth Circular No. 16, series of 2004, and subsequent circulars or issuances.
- ii. If circumstances warrant and necessitate adjustments for operational expenditures under the Capitation Fund, the allocation of funds shall be determined by the Local Chief Executive, the Vice Mayor, the Chairperson of the Committee on Health in the Sangguniang Bayan, the Municipal Health Officer, and the Rural Health Physician, ensuring alignment with the Municipality's Healthcare priorities and compliance with relevant laws and regulations.

### *b. Prioritization of Health Needs:*

Allocation shall be based on the health priorities identified by the Municipal Health Office in consultation with the Local Health Board (LHB).

### *c. Transparency and Reporting:*

- i. All fund disbursements must be properly documented and reported.
- ii. Quarterly financial and operational reports must be submitted to the Sangguniang Bayan and made available to the public.

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*d. Prohibited Uses:*

- i. Funds shall not be used for non-health-related purposes.
- ii. Funds shall not be diverted for personal gain or activities unrelated to the Konsulta Package.

*e. Monitoring and Evaluation:*

The Local Health Board (LHB) shall oversee fund utilization, ensuring compliance with guidelines and conducting regular audits.

**SECTION 7. RESPONSIBILITIES**

*a. Municipal Health Officer (MHO):*

- i. The MHO shall prepare and implement a utilization plan for the PhilHealth Capitation Funds.
- ii. The MHO shall ensure that funds are used efficiently and in accordance with the guidelines set forth in this Ordinance.

*b. Local Health Board (LHB):*

- i. The LHB shall review and approve fund utilization plans.
- ii. The LHB shall conduct monitoring and evaluation activities to ensure transparency and accountability.

*c. Sangguniang Bayan:*

- i. The Sangguniang Bayan shall approve any resolutions or actions necessary to support fund utilization.
- ii. The Sangguniang Bayan shall exercise oversight to ensure compliance with this Ordinance.

**SECTION 8. PENALTIES**

Any official or personnel found misusing PhilHealth Capitation Funds shall be subject to:

- a. Administrative penalties under the Local Government Code and Civil Service Commission rules; and
- b. Criminal charges under existing laws, including Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act).

**SECTION 9. SEPARABILITY CLAUSE.** In the event any provisions of this ordinance of the application of such provisions to any person or circumstances is declared invalid, the remainder of this Ordinance or the application of said provisions to other persons or circumstances shall not be affected by such declaration.

**SECTION 10. REPEALING CLAUSE.** All previous local ordinances, resolutions, executive orders and administrative rules and regulations or parts thereof which are inconsistent with the provisions of this Ordinance are hereby amended, modified, or repealed accordingly.

**SECTION 11. EFFECTIVITY.** This Ordinance shall take effect immediately upon its approval and proper publication as required by law.

**ENACTED** by the Sangguniang Bayan on their 103<sup>rd</sup> Regular Session on **22 January 2025.**

**CONCURRED:**

  
**COUN. ROMMEL D. CAPUNGCOL**  
*SB Member*

  
**COUN. JERSON SIMON P. VELOSO**  
*SB Member*

  
**COUN. VICENTE Q. PETILOS, JR.**  
*SB Member*

  
**COUN. ROUBEL P. DUGOS**  
*SB Member*

  
**COUN. BENVINEDO Y. CAMPOSANO**  
*SB Member*

  
**COUN. VICTOR B. CADAYONG**  
*SB Member*

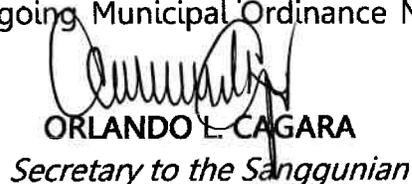
  
**COUN. MIGUEL O. CASTRO**  
*SB Member*

  
**PRES. JERIC M. TUMANDAO**  
*Rambayang Pederasyon ng mga Sangguniang Kabataan*

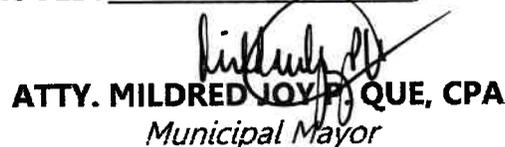
CERTIFIED TO BE DULY ENACTED:

  
**COUN. NELSON M. LAUZON**  
*SB Member & Temporary Presiding Officer*

I **HEREBY CERTIFY** to the correctness of the foregoing Municipal Ordinance No. 2025-I.

  
**ORLANDO L. CAGARA**  
*Secretary to the Sanggunian*

APPROVED: 21 MAY 2025, 2025 \*

  
**ATTY. MILDRED JOY P. QUE, CPA**  
*Municipal Mayor*

\* DUE TO CORRECTIONS