

CORPORATE HEALTH PROGRAM AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

This AGREEMENT executed and entered into by and between:

MEDICARD PHILIPPINES, INC., a duly organized and registered corporation, with principal office address at 8th Floor, The World Centre Building, 330 Sen. Gil Puyat Avenue, Makati City 1200, and represented in this AGREEMENT by its Chairman and Chief Executive Officer, **NICANOR D. MONTOYA, M.D.**, (hereinafter referred to as MediCard);

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PHILIPPINE DEPOSIT INSURANCE CORPORATION, a government instrumentality created and existing by virtue of Republic Act 3591, as amended, with principal office address at SSS Building, 6782 Ayala Avenue corner Rufino Street, Makati City, represented in this AGREEMENT by its Senior Vice President for Corporate Services Sector, **ALMA TERESA R. MALANOG**, (hereinafter referred to as the PDIC);

WITNESSETH: That

WHEREAS, PDIC requires the services of a Health Maintenance Organization (HMO) to provide PDIC personnel with comprehensive medical program/protection via a network of healthcare providers;

WHEREAS, PDIC conducted public biddings to interested HMO service providers but the same failed;

WHEREAS, MediCard has offered its corporate health program to PDIC in a negotiation held on March 7, 2012;

WHEREAS, based on the negotiated criteria set by PDIC, MediCard met the eligibility requirements and offered the lowest calculated responsive bid;

WHEREAS, PDIC has accepted the offer of MediCard through a Notice of Award dated April 3, 2012;

NOW, THEREFORE, for and in consideration of the foregoing premises and in accordance with the following stipulations herein set forth, the parties have agreed as follows:

I. DEFINITION OF TERMS

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- A. **MEMBER** - An enrollee who has complied with all the requirements of membership under the MediCard HMO program and is hereby entitled to its medical benefits. Unless otherwise specified, all members are entitled to all benefits.
 - B. **MEDICAL BENEFITS** - The medical, surgical and dental services available as out-patient or in-patient benefits at no cost to MEMBERS, whenever the need for them arises, and when rendered by and in MediCard accredited doctors, hospitals and clinics.
 - C. **MEDICAL SERVICE UNITS/TEAMS** - A group of MediCard physicians and other allied health professionals, who will carry out the delivery of MediCard medical and hospital services to MediCard MEMBERS.
 - D. **PRIMARY PHYSICIAN/ACCREDITED PHYSICIAN/COORDINATOR** - The officer-in-charge physician who acts as the family physician of the MEMBERS in
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their MediCard accredited hospital. He directs the MEMBERS' medical care, examines, treats and/or refers members to specialists, orders x-ray and other laboratory tests, prescribes medicines and arranges for hospitalization, if needed.

- E. **MEDICARD ACCREDITED HOSPITALS/CLINICS** - Hospitals and clinics accredited by MediCard, where the designated physician assigns MediCard MEMBERS for hospitalization and check-up.
- F. **MEDICARD CORPORATE HEALTH PROGRAM AGREEMENT** - Refers to this Agreement. It contains the provisions of enrollment eligibility and effective date; benefits and coverages; claims and member satisfaction provisions; exclusions and limitations of benefits; payment of membership fees; termination of coverages; etc.
- G. **MEDICARD IDENTIFICATION CARD** - Issued to the MEMBERS for their identification. It contains the member's name, account number and validating signature.
- H. **IN-PATIENT** - A person who has been admitted to a hospital as a registered bed patient and is receiving services under the direction of a MediCard physician.
- I. **OUT-PATIENT** - A person receiving medical services under the direction of a MediCard physician, but not as an in-patient.
- J. **CONVALESCENT CARE OR REHABILITATION CARE** - The restoration of a person's ability to function as normally as possible after a disabling illness or injury.
- K. **CUSTODIAL OR MAINTENANCE CARE** - Care furnished primarily to provide room and board (which may or may not include nursing care, training in personal hygiene and other forms of self-care and/or supervisory care by a physician); or care furnished to a person who is mentally and physically disabled and:
 - 1. who is not under specific medical, surgical or psychiatric treatment so as to reduce the disability to such extent necessary as to enable them to live outside an institution providing such care; or
 - 2. when, despite such treatment, there is no reasonable likelihood that the disability will be so reduced.
- L. **DOMICILIARY CARE** - Care provided because care in the patient's home is not available or unsuitable.
- M. **COMPLEX DIAGNOSTIC EXAMINATIONS** - Procedures which may or may not be invasive in nature involving use of nuclear/radionuclide scans, digital imaging, fiberoptic/video endoscopy, markers/dyes and specific modalities listed in Article IV, subsection D.1.
- N. **HAZARDOUS JOB RELATED ILLNESSES/INJURIES** - Illnesses/injuries suffered on the occasion or as a consequence, of the performance of a job attended with a high risk of suffering of physical injury or illness, or those brought about by negligence or non-use of protective measures in jobs requiring the handling of biological agents, radioactive substances, toxic chemicals and high voltage equipment.
- O. **DISEASE** - Any illness, injury or adverse medical condition characterized by the abnormal functioning of a part, organ or system of the human body hallmarked by identifiable signs and symptoms, including all Disease Complications thereof.

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P. **DISEASE COMPLICATION** - Any illness, injury or adverse medical condition that is caused by or is a consequence of an identifiable disease process. A disease complication shares the same limit as the primary disease which caused it.

II. **MATERIAL MISREPRESENTATION OR NON-DISCLOSURE**

Failure to disclose or misrepresentation of any material information by PDIC or any applicant for membership under this Agreement, whether intentional or not, shall entitle MediCard to terminate this Agreement, and/or terminate the membership of the member concerned, respectively, at the option of MediCard, effective immediately upon receipt of PDIC and/or of such member of a notice of termination for this case. Information is deemed material if:

- a) it is among those required to be answered or supplied in the corporate and/or individual application and/or medical examination forms of MediCard at the time of application;
- b) it would have revealed the existence of a pre-existing condition under Article XI or of a "dreaded disease" as defined under Article XII;
- c) it would be determinative of an "exclusion" as defined under Article X, Section C; or
- d) it would have resulted in the disapproval of the application of PDIC and/or the member for membership, or the assessment of a higher membership fee for the benefit/s applied for with MediCard in accordance with the prevailing practice of MediCard at the time the misrepresentation or non-disclosure was discovered.

Upon termination for such cause, PDIC and/or the member, as the case may be, shall forfeit the refund of any corporate and/or individual membership fees which may already have been paid to MediCard, as well as any and all benefits which may be provided, under this Agreement before the termination.

III. **MEMBERSHIP ELIGIBILITY**

A. The following are eligible for Corporate Membership under this Agreement:

- a. All PDIC employees who are on board the Corporation as of execution or hired during the effectivity of the Agreement
- b. The President and Chief Executive Officer of the Corporation
- c. Retired PDIC employees who are entitled to one (1) year HPP coverage after retirement from service to PDIC under the PDIC PRAISE policy

B. Underwriting cut-off dates in assigning effectivity date:

Due to the nature of the account being a Third Party Administration, MediCard agrees to follow the effectivity date of membership of the additional enrollees specified in the transmittal provided by PDIC at anytime during the duration of the Agreement.

IV. **BENEFITS AND COVERAGES**

MediCard agrees to arrange for preventive, diagnostic and treatment services from MediCard Medical Service Units and within MediCard Accredited Hospitals or MediCard

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Medical Centers to all qualified and accepted members, subject to the following terms and conditions:

Care by MediCard Medical Service Units/Teams

A. The following Preventive Health Care Services will be provided to members by designated MediCard Medical Service Units:

- Annual Physical Examination (APE) to include:
 - Complete Blood Count
 - Urinalysis (urine examination)
 - Fecalysis (stool examination)
 - Chest X-ray
 - Electrocardiogram (for members 35 years old and above, or if prescribed)
 - Pap smear (for women 35 years old and above, or if prescribed)
 - Eye Refraction
 - Prostate cancer screening (Prostate Specific Antigen) for male age 40 and above, or if prescribed
 - Mammography (for female 40 years old and above, or if prescribed)
 - Blood Chemistry (FBS, HDL, LDL & VLDL) are covered
- Management of Health Problems
- Routine Immunization (except cost of vaccines)
- Counselling on health habits, diets and Family Planning
- Record Keeping of Medical History

Once a year APE shall be conducted at MediCard Lifestyle Clinic or at the PDIC premises through a MediCard Mobile Medical Team on a scheduled basis for a minimum of 50 Principal Members.

B. The following Out-Patient Services will be provided to members in any MediCard accredited hospital:

- Referral to specialists
- Regular Consultations and treatment (except prescribed medicines)
- Eye, Ear, Nose and Throat treatment
- Treatment of minor injuries and surgery not requiring confinement
- X-ray and laboratory examinations prescribed by MediCard physician
- Physical and speech therapy up to the annual benefit limit per member per year
- Laser treatment for all eye illnesses and injuries up to P30,000.00 per member per year
- Pre and post natal consultations excluding laboratory examinations
- First dose of anti-rabies, anti-tetanus and anti-venom as charged
- Cauterization of warts including facial warts up to P1,000.00 per member per year
- Computed Tomography (CT) scan or Magnetic Resonance Imaging (MRI) study on any part of the body
- Echocardiography with or without contrast study, Doppler, or esophageal probe
- Nuclear imaging of any body organ
- Electromyography with Nerve Conduction Velocity Study
- Treadmill Stress Test or 12-Lead Electrocardiogram (12-L ECG)
- Mammography, Breast Ultrasonography
- Endoscopic and bronchoscopic examinations
- Chemotherapy or radiation/linear acceleration therapy, up to the annual benefit limit per member per year

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- Dialysis up to the annual benefit limit
- Chest, abdominal or pelvic ultrasonography
- Endoscopic and bronchoscopic examinations

The member can go directly to the primary physician of any accredited hospital or at the Head Office clinic for out-patient consultation. The primary physician will request for laboratory or diagnostic examinations or refer the member to a specialist. The member may avail of services from any accredited hospital of his/her choice. All procedures or benefits are subject to the limitations on pre-existing conditions as stated in this Agreement.

C. Care in MediCard Accredited Dental Clinics

Members may avail of the following dental care services from any of the accredited dental clinics:

- Once a year oral prophylaxis
- Consultations and oral examinations
- Unlimited simple tooth extractions, except surgery for impacted tooth
- Unlimited temporary fillings
- Gum treatment and adjustment of dentures
- Recementation of loose jackets, crowns, in-lays and on-lays
- Treatment of mouth lesions, wounds and burns
- Permanent amalgam filling up to one (1) surface per member per year
- Light cure permanent filling up to two (2) surfaces per member per year

D. Care in MediCard Accredited Hospitals or MediCard Medical Centers

1. The following hospitalization (In-Patient) services will apply when MediCard physicians prescribe the hospitalization of members in any MediCard Hospitals or MediCard Centers:

- No deposit upon admission
- Room & Board according to type of enrollment
- Use of operating theatre and Recovery Room
- Services of MediCard specialist like anaesthesiologists, internists, surgeons, etc.
- Services and medications for general/spinal anaesthesia or other forms of anaesthesia deemed necessary for a surgical procedure
- Fresh whole blood transfusions and intravenous fluids
- X-ray and laboratory examinations
- Administered medicines
- Dressings, plaster casts, sutures and other items directly related to the medical management of the patient
- Human blood products (e.g. platelets, packed RBC) and its processing/screening except gamma globulin up to the annual benefit limit per member per year
- ICU confinements up to the annual benefit limit per member per year
- Modern therapeutic modalities and interventional surgical procedures such as, but not limited to laparoscopic cholecystectomy/adrenalectomy and lithotripsy/ESWL up to the annual benefit limit each per member per year (once a year)
- Percutaneous ultrasonic nephrolithotomy up to the annual benefit limit per member per year (once a year)
- CT Scan, MRI and ultrasound up to the annual benefit limit each per member per year

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- Laboratory/ancillary services for conditions whose pathogenesis or subsequent clinical improvement is not yet fully established in Medical Science up to the annual benefit limit per member per year
- New modalities and/or diagnostic and treatment procedures for conditions with established etiologies and its use only as an alternative to the conventional methods up to the annual benefit limit per member per year
- Chemotherapy or radiation/linear acceleration therapy up to the annual benefit limit per member per year
- Radiotherapy up to the annual benefit limit per member per year
- Stereotactic brain biopsy up to the annual benefit limit per member per year
- Gamma knife surgery up to the annual benefit limit per member per year
- Congenital illnesses (e.g. AV malformation, Mitral Valve Prolapse, Indirect Inguinal Hernia) up to the annual benefit limit per member per year
- Slipped disc, scoliosis, spondylosis and spinal stenosis up to the annual benefit limit per member per year
- Hysteroscopic myoma resection up to the annual benefit limit per member per year
- Transurethral microwave therapy (TUMT) of prostate up to the annual benefit limit per member per year
- Cryosurgery up to P1,000.00 per area up to the annual benefit limit per member per year (once a year)
- Work related illnesses/accidents, except those listed in exclusions, up to the annual benefit limit per member per year (For Principal Members Only)
- Admission kit including wee bag
- Open heart surgery (except cost of pacemaker) up to the annual benefit limit per member per year
- Organ transplant excluding the cost of organ and donor's expense up to the annual benefit limit per member per year
- Dialysis, coronary or bypass surgery up to the annual benefit limit per member per year
- Psychiatric illness up to P50,000.00 per member per year on a reimbursement basis
- Echocardiography with or without contrast study, Doppler, or esophageal probe covered up to the annual benefit limit per member per year
- Nuclear imaging of any body organs covered up to the annual benefit limit per member per year
- Electromyography with Nerve conduction velocity study up to the annual benefit limit per member per year
- Treadmill stress test or 12-lead electrocardiogram up to the annual benefit limit per member per year
- Mammography, breast ultrasonography up to the annual benefit limit per member per year
- Endoscopic and bronchoscopic examinations up to the annual benefit limit per member per year
- Dialysis, up to the annual benefit limit per member per year
- Physiotherapy, speech therapy, or occupational therapy
- Radioactive Iodine Therapy up to the annual benefit limit per member per year
- The following complex diagnostic examinations up to the annual benefit limit each per member per year:
 - a. Angiography (e.g. coronary, cerebral, retinal, pulmonary, GI, etc.)
 - b. Serum chemistry panels (e.g. Chem 23, Spec M, etc.)
 - c. Pulmonary perfusion scan

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- d. Tests involving use of Nuclear Technologies (e.g. Radionuclide Ventriculography/Thallium stress testing/ Radionuclide (Isotope) Scanning, Pyrophosphate Scintigraphy, etc.)
 - e. 24-Hour Holter Monitoring, 2-D Echo and Doppler
 - f. Myelogram
 - g. Orthopedic Arthroscopy
 - h. Diagnostic Hysteroscopy
 - i. Adrenocortical Function, Plasma/Urinary Cortisol, Plasma Aldosterone, etc.
 - j. Bone densitometry scan (Dexascan)
 - k. Immunologic studies, Anti-nuclear antibody (ANA), C-Reactive Protein, Lupus cell exam
 - l. Genetic studies
- Professional fee of the assisting physician in surgical procedures
 - Assistance in administrative requirements through the liaison officers
 - All other items related to the management of the case
2. Above limits are inclusive of room and board, operating room charges, professional fees and other incidental expenses relative to the procedure. The maximum benefit limit shall be inclusive of consultations, diagnostic procedures and hospitalization. All procedures or benefits are subject to the limitations on pre-existing conditions as stated in this Agreement.
 3. Non-emergency confinement or surgery (elective cases) shall be subject to prior review and approval by the MediCard review board. MediCard reserves the right to direct the members to other physicians or specialists for further opinions as needed so as to protect the interest of both the member and MediCard.
 4. In case a member is simultaneously covered under more than one corporate or group health maintenance agreements with MediCard, the premiums for which are paid by the member's employer and/or principal, the member, on a per confinement basis, shall only avail of the benefits accruing from one agreement. The member must choose which agreement will apply and his/her confinement will be governed by the terms and conditions and the limits of the agreement of his/her choice. The provision is without prejudice to the other benefits availed of by the member under another agreement which may apply for other confinements.
 5. Hospitalization or in-patient coverage of a member will depend on his/her final diagnosis. All diagnostic procedures and miscellaneous charges directly related to the medical treatment and confinement such as but not limited to the following: Ice bag, hot water bag, thermometer, kidney basin, bed pan/urinal, medicine glass/cup/specimen cup, bed sheet, hospital gown, linen, pillow case, ID bracelet and distilled water for medicine dilution shall be covered. Compact Disk (CD), Digital Video Disk (DVD) for diagnostic results shall only be covered if results are within inclusions of this Agreement.

E. EMERGENCY CARE BENEFITS

1. In cases of emergency where the member avails of the services of MediCard Accredited Hospitals or MediCard Medical Centers, the following are provided free of charge up to the annual benefit limit:
 - Doctor's services
 - Medicines used during treatment or for immediate relief

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- Oxygen and intravenous fluids
- Dressings, casts, and sutures
- Laboratory, x-ray and other diagnostic examinations directly related to the emergency management of the patient.

2. EMERGENCY CARE IN NON-MEDICARD ACCREDITED HOSPITALS

- a. When a member is in immediate danger of losing a limb, eye or other parts of the body or is in severe pain that requires immediate relief and enters a non-MediCard accredited hospital for treatment, MediCard agrees to reimburse one hundred percent (100%) of the approved total hospital bills and of professional fees, based on MediCard relative values for accredited hospitals, up to the annual benefit limit.
- b. MediCard shall pay the said amount when it is verified that MediCard facilities were not used because to have done so would entail a delay resulting in death, serious disability or significant jeopardy to the member's condition or the choice of hospital was beyond the control of the member or the member's family. Other expenses not covered in using non-MediCard Accredited Hospitals for emergency care is follow up care.

3. Ambulance services are covered on a reimbursement basis up to P2,500.00 per member per year.

4. EMERGENCY CARE IN FOREIGN COUNTRIES

In cases of emergency where a member avails of services in a foreign territory, MediCard shall reimburse one hundred percent (100%) of the approved total hospital bills and of professional fees, based on the MediCard relative value and in Philippine currency, but not to exceed to the amount of P30,000.00.

5. EMERGENCY CARE IN AREAS WITHOUT ACCREDITED HOSPITALS

In cases of emergency where the member avails of services in areas without accredited hospitals, MediCard agrees to reimburse one hundred percent (100%) of the approved total hospital bills and of doctor's professional fees, based on MediCard relative value, up to the annual benefit limit.

F. MEMBERS' FINANCIAL ASSISTANCE INCLUDING ACCIDENTAL DEATH & DISMEMBERMENT

MediCard agrees to provide the heirs and/or assigns of such member who is enrolled in this health care program in the event of death or injuries through natural causes or accidental means, the following amounts by way of financial assistance.

SCHEDULE OF MEMBERS' FINANCIAL ASSISTANCE

Natural Death	P 10,000.00
Accidental Means	20,000.00
Loss of both hands	10,000.00
Loss of both feet	10,000.00
Loss of sight (both eyes)	10,000.00
Loss of one hand & one foot	10,000.00
Loss of one hand & sight of one eye	10,000.00
Loss of one foot and sight of one eye	10,000.00
Loss of one hand or one foot	5,000.00
Loss of sight of one eye	5,000.00

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Provided, that the death or injury results from causes that are covered and are not under the exclusions or uncovered pre-existing conditions as stated in this Agreement.

The request for members' financial assistance must be filed within sixty (60) days from the occurrence of death or accident.

V. MEMBERS SATISFACTION SERVICE

A. All questions or concerns of MEMBERS about the medical services and benefits shall be directed to MediCard Head Office. Members should give complete information so that the Members Assistance Personnel at MediCard Head Office and/or the appropriate staff or Administrative Personnel can work with the member to resolve the Member's concern in a timely manner.

B. An Emergency Assistance Response Service (E.A.R.S.) that operates on a 24 hour/day 365 day/year basis to respond to inquiries shall be available at the following telephone numbers:

- Tel. No. : 884-9999
- Toll Free Nos. : 1800-1888-9001
- Text MediCard : Key in specific information or request on your mobile phones and send to: (0917) 8512648 for Globe subscribers; (0908) 8841814 for Smart subscribers and (0923) 8388979 for Customer Management Group.

C. Open door policy. Direct access to a network of four hundred thirty six (436) accredited hospitals/clinics nationwide, fifteen (15) satellite medical clinics, one (1) mall-based clinic, five (5) referral desks and a Head Office Clinic.

VI. PHILHEALTH

It is hereby declared and agreed that hospitalization benefits due under the PHILHEALTH program are assigned to and integrated with the MediCard program such that any of the MediCard benefits due under this Agreement shall be net of the member's PHILHEALTH benefits.

VII. MOTOR VEHICLE LIABILITY

MediCard medical and hospital services are extended to a member if the member's bodily injuries and fractures are claimed to have been caused by any act or omission of a third party through a motor vehicle. MediCard agrees to waive the execution of subrogation form provided that the PDIC will pay MediCard the hospital expenses as well as the professional fees with an eighteen percent (18%) administrative fee and provided further, that the PDIC will not raise the defense of claiming the said expenses to the third party.

VIII. GENERAL PROVISIONS FOR ROOM ACCOMMODATION

If a member occupies a room higher than what he/she is entitled to, he/she shall share in the medical expenses according to the following formula:

a. If a member occupies a higher priced room of the same category, the member shall pay for the excess on room & board:

Computation:
(Rate of room occupied minus maximum room and board benefit) multiplied by
(No. of days confined)

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- b. If a member occupies a room one category higher than what he/she is entitled to, the member shall pay for the incremental cost on hospital expenses and professional fees and the excess on room & board.
- Incremental cost for hospital expenses:
(Total hospital bills minus total room and board charges minus disapproved charges) multiplied by 30%
 - Incremental cost for professional fees:
Medical case: Actual Charges - MediCard Rate
Surgical case:
Ward to Private Room: Actual Charges - MediCard Relative Value
Private Room to Suite: Actual Charges - MediCard Relative Value

IX. CLAIMS AND REIMBURSEMENTS

A. REIMBURSEMENT PROCEDURE

All claims for reimbursement must be submitted or forwarded to MediCard Head Office within thirty (30) calendar days after discharge from the hospital. Failure to do so shall invalidate the claim, except if it can be shown in writing that it was not reasonably possible to furnish such documents within thirty (30) calendar days. All reimbursable benefits must be paid fifteen (15) working days after filing and submission of all required documents.

In maternity-related cases/confinements, filing will be allowed for a maximum of sixty (60) calendar days.

Required documents in availing reimbursement:

1. Emergency confinement in non-accredited hospital attended by a non-accredited doctor
 - Duly filled-up claim form
 - Clinical Abstract
 - Medical Certificate to include complete final diagnosis
 - Surgical/Operative report if an operation was done
 - Original Official Receipt paid to hospital and doctor
 - Hospital Statement of account and corresponding charge slips
 - Police report if due to accident or medico-legal case
 - Incident report why member was confined in a non-accredited hospital
2. Emergency confinement in an accredited hospital attended to by a non-accredited doctor
 - Duly filled-up claim form
 - Clinical Abstract
 - Medical Certificate to include complete final diagnosis
 - Original Official Receipt paid to the hospital and doctor
 - Hospital statement of account and corresponding charge slips
 - Police report if due to accident or medico-legal case
 - Incident report or proof that MediCard accredited doctor was not available during the time of confinement
3. Out-Patient emergency consultation/treatment by a non-accredited doctor in areas where there are accredited hospitals/clinics.
 - Medical Certificate to include complete final diagnosis
 - Original Official Receipt paid to the doctor
 - Incident report
 - Police report if due to accident or medico-legal case

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4. Out-Patient emergency or non-emergency consultation/treatment by a non-accredited doctor in areas where there is no accredited Hospital/Clinic.
 - Medical Certificate to include complete final diagnosis
 - Original Official Receipt
 - Incident report
 - Police report if due to accident or medico-legal case
5. For Members Financial Assistance
 - MediCard I.D.
 - Affidavit of next of kin or marriage agreement
 - Death Certificate (certified true copy)
 - Attending Physician's Statement (duly notarized)
 - Certificate of employment of principal member
 - Police report (in case of an accident)

B. RECONSIDERATION OF DENIED REQUEST FOR PAYMENT

If a request for payment is denied, the Member or the Member's authorized representative may appeal the decision by filing a written request with MediCard Head Office within thirty (30) days after receiving a negative decision. The request must set forth why the Member believes that the decision was in error. The Member may examine pertinent documents not subject to "privileged communication" or disclosure and may submit additional written statements for consideration of the appeal.

Upon completion of the procedure, the Member will receive a written notice stating the final MediCard decision and the reason for such decision.

X. EXCLUSIONS AND LIMITATIONS

A. HOSPITALIZATION

1. All confinement shall be upon recommendation of the corporate health program holder's MediCard accredited Physician, or the MediCard Medical Director or the Emergency Room Resident Physician of the MediCard Accredited Hospital who decides to admit MediCard patient-member in cases of life threatening emergencies.
2. Hospital bills for the following hospital services shall be charged to the account of the MediCard patient-member: services of a private nurse or doctor, use of extra food and/or bed, T.V., electric fan and VCD/DVD player.
3. Hospitalization and treatment outside the Philippines is not covered except during emergency cases as dated in Article IV Section E.4 of this Agreement.
4. MediCard is not responsible and will not recognize any hospital bills incurred by a corporate health program holder in hospitals not accredited by MediCard, except for emergency care services under the terms provided in this Agreement.
5. Cost of hospitalization, medical services, medicine and other expenses incurred as a result of a member's decision to avail of such hospitalization, medical services, treatment or procedure, not prescribed or contrary to what has been prescribed by the attending MediCard provider, or without MediCard's express written report shall not be shouldered by MediCard.

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B. OUT-PATIENT SERVICES

1. Prescribed medicines on an out-patient basis are not provided by MediCard Medical Center or Medical Service Units.
2. The absolutely no charge out-patient medical and health care services are provided only during clinic hours of Medical Service Units.
3. Second opinions and cost of treatment incurred in non-accredited hospital or clinic should the member unilaterally decide to seek such recourse.

C. EXCLUSIONS

1. Cosmetic surgery and dermatological procedures for purposes of beautification, except constructive surgery to treat a functional defect due to disease or accidental injury.
2. Drug addiction, substance abuse and acute or chronic alcoholism
3. Acquired Immune Deficiency Syndrome (AIDS) and AIDS related diseases
4. Treatment of self-inflicted injuries attributable to the member's own misconduct, gross negligence, use of alcohol or drugs, vicious or immoral habits, participation in act of crime, violation of a law or ordinance, unnecessary exposure to imminent danger or hazard to health, and hazardous sports related injuries.
5. Injuries or illnesses resulting from participation in war like or combat operations, riots, insurrection, rebellion, strikes, and other civil disturbances
6. Rest cures, custodial, domiciliary or convalescent care
7. Sterilization, circumcision, artificial insemination, sex transformation, diagnosis and treatment of infertility
8. Experimental medical procedures such as acupuncture, reflexology
9. Corrective appliances, artificial aids, prosthetic devices and durable equipment.
10. Sleep and eating disorders
11. Services of special nurse or doctor and extra food, bed, electric fan, television and other appliances
12. Hospitalization and treatment outside the Philippine territory except during emergency cases as provided for in the provisions under emergency care in foreign countries
13. Hospitalization and treatment in non-accredited hospital except during emergency cases as provided for in the provisions under emergency care benefits
14. Prescribed out-patient medicines, except when used for out-patient chemotherapy and for emergency room or hospitalization use
15. Corrective eye surgery for error of refraction

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16. Psoriasis and vitiligo
17. Hypersensitivity testing and desensitization treatment
18. Physical examination required for obtaining or continuing employment, insurance or government licensing

D. **LIMITATION IN SERVICES:** MediCard is not responsible for the following:

1. Delay or failure to render services due to major disasters, brownouts or epidemics affecting facilities or personnel.
2. Unusual circumstances such as complete or partial destruction of facilities, war, riots, disability of a significant number of MediCard personnel or similar events which result in delay to provide services.
3. Conditions for which a member has refused recommended treatment for personal reasons, for which MediCard physicians believe no professionally acceptable alternative treatment exists.
4. Sudden change of hospital policies.

XI. **PRE-EXISTING CONDITIONS PROVISIONS**

1. Any illness, injury or any adverse medical condition shall be considered pre-existing if during the entire period prior and within the first twelve (12) months from the effectivity date of this Agreement:
 - a. Any professional advise or consultation and/or treatment was made given as a result of such illness, injury or adverse medical condition; or
 - b. The MEMBER was aware or should reasonably have been aware of the signs or symptoms of such illness, injury or adverse medical condition; or
 - c. The pathogenesis or onset of such illness, injury or adverse medical condition has started during the contestability period for membership in this Corporate Health Program as determined by MediCard's Medical Director or accredited physicians.
2. Without necessarily limiting the following enumeration, the following are automatically considered as pre-existing conditions if consultation or treatment is sought within the first twelve (12) months of coverage:
 - a. Any dreaded diseases as defined in this Agreement except letters k and l.
 - b. Hypertension
 - c. Goiter (Hypo/Hyperthyroidism)
 - d. Cataracts/Glaucoma
 - e. ENT conditions requiring surgery
 - f. Bronchial Asthma/Allergy/Urticaria
 - g. Tuberculosis
 - h. Chronic Cholecystitis/cholelithiasis (gall bladder stones)
 - i. Acquired Hernias
 - j. Prostate disorders
 - k. Hemorrhoids and Anal Fistulae
 - l. Benign Tumors
 - m. Uterine Myoma, ovarian cyst, Endometriosis
 - n. Buergher's Disease

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- o. Varicose Veins
 - p. Arthritis
 - q. Migraine headache
 - r. Gastritis/Duodenal or Gastric Ulcer
3. All "pre-existing conditions" shall be deemed covered by MediCard up to the annual benefit limit per member per year.
 4. It is understood that the foregoing benefits shall likewise be applicable to "dreaded diseases" as defined under Article XII of this Agreement.
 5. If there is a stipulated maximum limit on selected procedures or benefits, the coverage should be within both the pre-existing conditions coverage and the stated maximum limit.

XII. DREADED DISEASES

1. "Dreaded diseases" are potentially or actually life threatening conditions. They may also be illnesses that may require unusually or uncustomary prolonged or repeated hospitalization and may likewise require intensive care management. These are enumerated but not limited to the illnesses/conditions in Section 2 of this Article.
2. The following are considered dreaded diseases:
 - a. Cerebrovascular Accident (stroke)
 - b. Central Nervous System lesions (Poliomyelitis/Meningitis/Encephalitis/neurosurgical conditions)
 - c. Cardiovascular Disease (Coronary/Valvular/Hypertensive Heart Disease/Cardiomyopathy)
 - d. Chronic Obstructive Pulmonary Disease (Chronic Bronchitis/Emphysema), Restrictive Lung Disease
 - e. Liver Parenchymal Disease (Cirrhosis, Hepatitis (except Type A), New Growth)
 - f. Chronic Kidney/Urological disease (Urolithiasis, Obstructive uropathies, etc.)
 - g. Chronic Gastrointestinal Tract Disease requiring bowel resection and/or anastomosis
 - h. Collagen diseases (Rheumatoid Arthritis, Systemic Lupus Erythematosus)
 - i. Diabetes Mellitus and its complications
 - j. Malignancies and Blood dyscrasias (Cancer, Leukemias, Idiopathic Thrombocytopenic Purpura)
 - k. Injuries from accidents or assaults, frustrated homicide or frustrated murder; subject to police report
 - l. Complications of an apparent ordinary illness including MODS and SIRS (e.g. sepsis due to pneumonia, typhoid ileitis, kawasaki disease, cerebral malaria, etc.)
 - m. Single or multiple organ dysfunction and failure (MODS and MOF)
 - n. Conditions that may require dialysis
 - o. Chronic pain syndrome (greater than six weeks)
 - p. Any illness other than the above which would require Intensive Care Unit confinement
3. MediCard shall pay for the hospitalization services, as herein defined, of a member for "dreaded disease" up to the stated maximum amount or limit as specified in Annex "A" per illness per year.
4. "Dreaded diseases" which are pre-existing in accordance with this Agreement are to be governed by the provisions of Article XI.

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XIII. CORPORATE HEALTH PROGRAM MEMBERSHIP REQUIREMENT

A. PDIC undertakes to submit to MediCard the following:

1. List of its employees who will be enrolled as members to the Corporate Health Programs.
2. From time to time, a list of new employees at COMPANY's option, for inclusion to the list mentioned in Article XIII, Section (A), No. 1 above so that the corporate membership subject to this AGREEMENT will apply to them. The date of effectivity of membership of the new/additional enrollees stated in the new list shall apply.

B. MediCard undertakes to furnish PDIC the following:

1. Membership application forms to be filled by PDIC employees if required;
2. MediCard Identification Card
3. this Agreement

C. The Identification Cards merely provide information about the Member and do not constitute this Agreement and neither do they guarantee the delivery of the benefits herein contained.

XIV. AGREEMENT PRICE

Service Charge & Membership fee

In consideration of the services rendered by MediCard as herein provided, MediCard shall be paid an Administrative Service Fee of Eighteen Percent (18%) of the actual Utilization Cost of the Principal Members and the Annual Membership Fee of Employees: TWO HUNDRED FIFTY PESOS (P250.00) for each Member as specified in Annex "A".

XV. PAYMENT OF ACTUAL COST OF HEALTH BENEFITS AND SERVICES

PDIC shall pay MediCard the amount covered by the billing notice within the ten (10) working days from receipt thereof. Should certain amounts in the bill be contested in good faith, such dispute, controversy or claim arising out of or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with Republic Act Number 876, as amended by Republic Act Number 9285. The number of arbitrators shall be one (1).

It is understood, however, that any invoiced item shall be paid by PDIC within ten (10) working days from the receipt of billing.

XVI. SUSPENSION OF SERVICES AND BENEFITS

If the amount billed to PDIC, whether contested or not, remains unpaid within ten (10) working days from the date of receipt of the billing, MediCard shall have the option to suspend PDIC from receiving services and benefits that are entitled to them under this Agreement.

Likewise, if PDIC's outstanding unpaid balance reaches P3,400,000.00 in one (1) month, said amount must first be settled by PDIC. Otherwise, all services and benefits shall cease to be given to PDIC's enrolled members.

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XVII. NON-TRANSFERABILITY PROVISIONS

This Corporate Health Program can neither be transferred nor assigned by the member to any other person, nor can the PDIC assign or transfer this corporate membership to any PDIC.

XVIII. DELINQUENCY, GRACE PERIOD AND LAPSATION PROVISIONS

1. This Agreement shall automatically lapse and be void, without need of any notice, if the Corporate membership fee remains unpaid after thirty (30) calendar days from the due date, which is the grace period for payment of membership fees.
2. If the Corporate membership fee remains unpaid after thirty (30) calendar days from the due date of payment, the Corporate members shall no longer be entitled to MediCard HMO benefits. As such, the Corporate membership shall be considered lapsed.
3. During the 30-day grace period within which PDIC and/or its members are given time to update their account, all benefits will still be covered, except for emergency care and hospital confinement which will cease to be covered after fifteen (15) calendar days from the date the payment of the membership fees is due.

XIX. OTHER BENEFITS

1. The parties have agreed that the application forms and medical evaluations for covered members are deemed waived.
2. **LIFELINE ARROWS MEDICAL SPECIALISTS, INC.**

Access to LIFELINE: Eight (8) ambulances and four (4) emergency motorbikes complement the Lifeline Quick Response Services. The schedules of benefits are as follows:

- a. Access to Lifeline's 24-hour Emergency Hotline 16-911 for health, medical and first-aid advisories.*
- b. Emergency Quick Response (EQR) Service*
 - use of ambulance
 - use of life-saving equipment, medicines and supplies until properly endorsed to receiving emergency room hospital personnel
- c. Inter-Facility Transfer (IFT) Service*
 - use of ambulance from hospital to hospital only

Examples:

- Member needs to be brought to another hospital for a diagnostic examination not available in the hospital where he is currently confined.
- Member is initially confined in a non-accredited hospital (emergency case) and is requesting to be transferred to an accredited hospital.

Note: MediCard will initially accommodate cost of EQR and IFT Services and later on bill member if there is any difference or excess over the coverage given by MediCard for ambulance services, or if the case is not covered (e.g. self-inflicted injuries, alcoholic intoxication, attempted suicide, etc.). Member shall give his name, company name and account number, and sign the MediCard-Lifeline form.

- d. 20% discount on regular rate of Air Medical Evacuation & Airlift Services
- e. 20% discount on regular rate of Provincial Land Conduction

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f. 15% discount on regular rate of Home Care Services*

Note: *Outright payment of discounted fees should be made to Lifeline Arrows for letters d to f.*

***COVERAGE AREA:** Metro Manila and adjacent provinces: Antipolo, Cainta & Taytay, Rizal; Bacoor, Cavite; Meycauayan, Obando & San Jose del Monte, Bulacan; San Pedro, Laguna.

The foregoing benefit is subject to the continuance of the memorandum of agreement between the MediCard and Lifeline Arrows Medical Specialists, Inc.

3. MediCard agrees to accommodate the annual executive check-up of the Vice President and up, including Board Members from private sectors, to be arranged by MediCard at any accredited hospital, on a fee for service basis.

The Executive Package includes:

- Complete Blood Count
- Urinalysis
- Stool Examination
- Blood typing
- Eye Refraction
- Chest X-ray (PA-L View)
- Electrocardiogram (ECG)
- Pap smear (for members 35 years old and above, or if prescribed)
- Prostate cancer screening (Prostate Specific Antigen) for male 40 years old and above, or if prescribed
- Mammography (for female 40 years old and above, or if prescribed)
- Fasting blood sugar
- Lipid profile: HDL, LDL, VLDL, Total Cholesterol, Triglycerides
- SGOT, SGPT
- BUN, Creatinine, Uric Acid
- Serum Electrolytes (Na⁺, K⁺, Cl⁻, Ca⁺⁺)
- Thyroid Function Test (TSH, FT3, FT4)
- Treadmill Stress Test
- Gastroscopy
- Proctosigmoidoscopy
- Ultrasound of the whole abdomen (Liver, Gall Bladder, Pancreas, Spleen and Kidney)

4. In cases of non-availability of room according to plan during confinements, member may avail of the next higher room available up to small suite room until a room according to plan is available, provided a certification from the hospital admitting section must be secured before the date of discharge to that effect.

5. MATERNITY ASSISTANCE PROGRAM

MediCard agrees to provide maternity assistance for all female principal members, subject to the reimbursable limits on the table below:

Type of Delivery	Rate of Reimbursement
Caesarean Delivery	P8,000.00
Normal Delivery	P4,000.00
Miscarriage/Abortion	P2,000.00

*Above benefit is not subject to administrative fee

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The above benefits are subject to the provisions on room accommodation, claims and reimbursement provision of this Agreement and may be availed once during the contract period.

6. MediCard agrees to provide fast relief medicines worth P2,000.00 per month for the whole PDIC.
7. MediCard agrees to provide two (2) physicians to be assigned at the PDIC clinic, each to report alternately three (3) times a week (except on Wednesdays when both of them shall be present), for eight (8) hours. MediCard shall advance the salaries of physicians and no administrative fee shall be charged for the services of the physicians.

MediCard agrees to allow the said PDIC physicians to issue referral forms, with assigned control numbers for monitoring purposes, for diagnostic and laboratory examinations. In case a member will avail of out-patient services in accredited hospitals, he/she does not need to pass through the Coordinator and can directly avail of the prescribed diagnostic and laboratory examination.

8. MediCard agrees to provide two (2) Physical Fitness Programs for PDIC including the engagement of physical fitness instructor, for two (2) hours per program, twice a week.
9. POINT OF SERVICE PROGRAM

Point of service benefit allows members to avail of services from non-accredited doctors and hospitals subject to the reimbursement limits on the table below:

Type of Availed Services	Rate of Reimbursement
In-patient	
Approved hospital bills**	100% based on MRV* up to the annual benefit limit
Professional Fees	
Out-patient	
Consultation	100% based on MRV* up to the annual benefit limit
Approved laboratory examinations**	

*MRV-MediCard Relative Value - based on what it would have cost MediCard if an accredited physician rendered the service in an accredited hospital.

** As if prescribed by the MediCard physician.

10. MediCard shall provide the Human Resource Department of PDIC monthly and quarterly utilization reports and top utilizers on or before the 15th day after the referred month or quarter.

XX. OTHERS

1. Any services availed in excess of the prescribed limit shall be billed to the MEMBER through PDIC. In order to assure payment, an appropriate form shall be provided by MediCard and signed by the MEMBER stating that the excess bill shall be paid by him/her.
2. Reimbursement forms shall be provided by MediCard at PDIC clinic, distribution of which shall be facilitated by PDIC nurse, or any person designated by the Human Resources Department of PDIC who shall also be tasked to coordinate regularly with MediCard.

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3. All billings shall be forwarded through PDIC Human Resources Department or PDIC nurse upon reaching the P280,000.00 limit.
4. Reimbursement for laboratory and diagnostic examinations, if any, shall be paid within ten (10) working days from the submission of complete documents.
5. Orientation shall be conducted by MediCard based on a pre-agreed schedule.
6. MediCard must be willing to accredit clinics and/or doctors subject to its standard requirements and procedures on accreditation of clinics or doctors.

XXI. PERFORMANCE SECURITY

The form of Performance Security and the amount thereof shall be in accordance with any of the following schedules:

Form of Security	Minimum Amount in Percentage of the Total Contract Price
Cash, manager's/cashier's check issued by a Universal or Commercial Bank.	Five percent (5%)
Bank draft/guarantee or irrevocable letter of credit issued by a Universal or Commercial Bank: Provided, however, that it shall be confirmed of authenticated by a Universal or Commercial Bank, if issued by a foreign bank.	Five percent (5%)
Surety Bond callable on demand issued by a surety or insurance company duly certified by the Insurance Commission as authorized to issue such security.	Thirty percent (30%)
Any combination of the foregoing	Proportionate to share of form with respect to the total amount of security.

XXII. CONSTRUCTION

This CORPORATE Membership Agreement together with any addendums, annexes and the Applications for Membership altogether constitute the entire agreement between MediCard and PDIC, and no statement, promise or inducement made by or through any other party not contained herein shall be binding or valid. All services and benefits arising out of this Agreement are valid only in the Philippines. It is hereby agreed that the venue for actions arising out of this Agreement shall be in Makati City, Philippines.

XXIII. EFFECTIVITY AND DURATION OF THIS AGREEMENT

1. This Agreement shall take effect on May 1, 2012 upon signing by the parties thereof and upon receipt by MediCard of the first periodic corporate membership fee, and will be in force and effect for a period of one (1) year.

The Health Protection Program (HPP) of PDIC shall provide each PDIC employee health benefits/services, including dental services, out-patient and hospitalization benefits/services up to a maximum amount of SIX HUNDRED THOUSAND PESOS (P600,000.00), Philippine Currency, for the period covering of one (1) year starting May 1, 2012 up to April 30, 2013. Thus, all eligible members are entitled to fresh full coverage of P600,000.00 starting May 1, 2012.

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2. This Agreement terminates upon expiration of the one-year period unless the same is renewed and/or extended on the day immediately upon its expiration under such terms as may be agreed upon by both parties. Such agreements to be signified in writing as an amendment and/or extension to this Agreement, or a new Agreement may be issued to replace the expired agreement. However, any aggrieved party may pre-terminate this Agreement for cause (i.e. any act of bad faith, breach of agreement, etc.) upon service of thirty (30) days notice to the other.
3. Membership of the individual shall automatically cease upon termination of employment with the PDIC. The provision of Article XVIII, section 3 on grace period shall no longer apply.
4. The termination of this Agreement will not hold MediCard responsible to provide the medical and health care services described herein to such enrolled member of PDIC, who are still confined in any of the MediCard Accredited Hospitals or undergoing emergency treatment in non-accredited hospitals at the time of the termination of this Agreement. However, only the hospital charges applicable up to the time of termination of the Agreement will be paid by MediCard.
5. All MediCard patients are considered to be patients of the MediCard Medical Director handled by his authorized designates. As such, coverage or non-coverage of certain illness not listed herein shall be upon his discretion after proper consultation with concerned medical specialist.


MEDICARD PHILIPPINES, INC.
BY:

PHILIPPINE DEPOSIT INSURANCE
CORPORATION
BY:

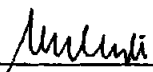

NICANOR D. MONTOYA, M.D.
Chairman and
Chief Executive Officer


ALMA TERESA R. MALANOG
Senior Vice President for Corporate
Services Sector

Signed in the Presence of:



NICANOR S. MONTOYA, M.D.
President



name:
designation:

TIN: 159-592-779
SSS #: 33-6018404-5

TIN: _____
Government Issued ID: _____

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ANNEX "A"

SCHEDULE OF MEMBERSHIP FEES

Annual Membership Fee : P250 per head (inclusive of VAT)
 Administrative Service Fee : Eighteen Percent (18%)

With MMC, TMC, AHMC, SLMC-QC and CSMC but without SLMC-Global

Room & Board	Annual Benefit Limit (for all benefits availed per member per year)
Large Private	P600,000.00

MMC	Makati Medical Center	SLMC-QC	St. Luke's Medical Center -Quezon City
TMC	The Medical City	SLMC-Global	St. Luke's Medical Center -Global City
AHMC	Asian Hospital & Medical Center	CSMC	Cardinal Santos Medical Center

Notes: Non-Philhealth members must pay initially an additional P1,500.00 per head or shall pay the corresponding portion during confinements and out-patient surgical procedures.

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