UHC in the Philippines
Backgrounder: timeline and targets
2010-2011

Political commitment to UHC expressed:
  • Aquino Health Agenda (AHA)
  • Department of Health’s “Kalusugan Pangkalahatan” (KP)

AHA/KP Strategic thrusts:
  • Financial risk protection
  • Health facilities enhancement
  • Attainment of health-related MDGs
2011-2012
Membership: Expanding coverage and gaining larger market share
- Coverage: 77.03% of population (mainly based on actual headcount) included in the SHI Program during the first quarter alone (2012)
- Member empowerment to drive demand side approach

Benefits: Creating a better value proposition by expanding benefits; driving efficiency through provider payment reforms
- From fee for service (FFS), shift to case rates implemented for selected medical and surgical conditions (Sep 2011)
- No Balance Billing Policy (zero co-payment) implemented for Sponsored Members (Sep 2011)
- Primary Care Benefit 1 implemented (April 2012)
- Animal Bite Treatment Package implemented (May 2012)
- Improved implementation of MDG benefits (facility deliveries, new born care, TB-DOTS, malaria and HIV AIDS treatment)
- Other benefits/provider payment reforms in the pipeline (June-August 2012)
  1. Expanded case payment scheme
  2. Global budget payment
  3. Primary Care Benefit 2: outpatient medicines for hypertension and diabetes
  4. Case Type Z: packages for catastrophic illnesses
  5. PhilHealth Plus: supplemental health insurance
- Expect rapid increase in benefit payments
2011-2012

Healthcare providers: promoting access and shaping market behaviour

- Efforts to strengthen DOH’s regulatory power; harmonization of DOH’s licensing and PhilHealth’s accreditation
- PhilHealth shifts from accreditation to contracting (providers’ performance commitment)
- Proactive approach to contracting: search, map, contract

Organizational strengthening: increasing capacity to deliver better benefits and services

- Changing perspectives within PhilHealth
- Doing things more intelligently: development of executive information system
  1. Corporate dashboard and scorecards to track performance
  2. HTA and evidence-based policy development
  3. Health market analysis (provincial market profiles) and local strategy development
  4. Hospital and facility dossiers: harnessing and maximizing market leverage
- Adoption of innovative structures: member segments and product development teams
- Overhaul of IT system
PhilHealth and Financial Risk Protection

Provides the opportunity to claim benefits

Ensures access to facilities where healthcare is paid for

Realizes higher availment and utilization

Provides significant financial support
Reaching UHC for the Poor and Informal Sector
Strategies and Lessons Learned
1. Sponsored Program (SP) for the Poor

• 49% of enrolled members belong to SP
• Resource Generation
  **Public: Taxes diverted to SHI**
  - Poor identified through a national household targeting survey
  - National Government’s full subsidy for 5.2 million families in the bottom quintile (General Appropriations Law)
  - Local government’s partial subsidy for poor constituents (local government revenues)
  - Political commitment as an enabler/barrier

**Private**
- CSR of private organizations (Corporation Budgets)
- Involvement of NGOs and civil society (OOP)
2. Individually Paying Program for the Informal Sector

- 13% of enrolled members, but many still remain un-captured (more than 6 Million Filipinos)
  - Includes employees who are not construed as formal sector employees
- Resource Generation: Private Financing (self-payment of premiums)
- **Sector may be further segmented**
  - Low income vs. high income
  - Unique strategies needed for each sub-segment
Sponsored Program: Challenges and Strategies

1. Challenge: Sustaining enrolment given political dynamics
   - *Response*: Multi-year lock-in period; explaining “wins” of investing in SHI

2. Challenge: Given that there’s an external payer, how will enrollees know that they’re already covered?
   - *Response*: Policy dissemination and awareness campaigns
     1. Master list widely disseminated to local governments and providers
     2. Social marketing and IEC campaigns

3. Challenge: “Charity Mentality” of sponsored members
   - *Response*: Member empowerment
     1. Policy defining minimum set of entitlements (“NBB Bed”)
     2. Deployment of member support staff (PhilHealth CARES)
     3. Tapping community advocates for IEC

4. Challenge: Readiness of supply side to accommodate demand
   - Lack of drugs, medicines, supplies and equipment
   - *Response*: global budget and legally-binding performance commitments
5. Challenge: Providers’ response to new policies and payment schemes

- **Undesirable behaviours**
  1. Charging OOP over case rates (ex. patients shouldering costs of medicines)
  2. Gaming the system (ex. up-coding)
  3. Short-changing and refusing patients

- **Response**
  1. Right mix of policies: case rates with NBB for sponsored members
  2. Strengthen M&E and establish feedback mechanisms
     - PhilHealth: PhilHealth CARES, IT developments
     - Involvement of civil society and third parties in policing providers (PhilHealth Watch)
  3. Manage resistance and promote constructive relationships
     - Extensive consultations during policy development
     - Exchange of data (ex. need good cost data for case rates)
  4. Exercise leverage
     - Getting more private hospitals to implement NBB
Informal Sector: Challenges and Strategies

1. Challenge: Capturing the informal sector into the NHIP
   
   • **Strategy 1: Organized group enrolment (iGroup)**
     - Similar to the formal sector
     - Perks given to encourage participation
   
   • **Strategy 2: Minimize opportunity costs and sell convenience.**
     - More contact points – satellite offices, malls, roving vehicles
     - *Barangay PhilHealth* – town-to-town campaign
     - Online services – the eBay approach
     - Smart promotions
     - Flexible payment options coupled with policy contracts

2. Challenge: Increase in premium rates does not make enrolment favourable.
   
   • **Strategy: Increase value proposition through enhanced benefits and services.**
     - Make SHI a necessity (demand becomes income inelastic)
     - Deepening benefits, coupled with social marketing campaign
Lessons Learned

- **Create a game plan.**
  - Right mix of reforms given country’s context
  - Promote equity by exercising market leverage

- **At the end of the day, it’s about the people. Aim for customer delight.**
  - Consider members’ perspective when designing policies, strategies, and services.

- **Providers learn, but policy-makers and implementers should learn faster.**
  - Strengthen monitoring and evaluation.

- **Partnership is key.**
  - Political commitment is needed to cover the poor.
  - Civil and NGOs for feedback and ground presence
RACE to UHC
PhilHealth and Health Reforms in the Philippines

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