

## Universal Health Care: the Philippine Dream

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#### Filipino Income Quintiles

	Monthly income	Families per quintile
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Q1	3,460	5,218,267
Q2	6,073	4,094,164
Q3	9,309	3,912,443
Q4	15,064	3,707,494
Q5	38,065	3,485,067

Source: National Health and Demographic Survey, 2008



#### Comprehensive Reforms in Health

Universal Health Care (2010 -2016)

Fourmula One for Health (2005 – 2010)

Kalusugan para sa Masa (1999- 2004)

#### **Generic Health Reforms 1990s**

\* 1991 – Devolution of Health Services

\* 1995 - National Health Insurance Reforms

#### CRITICAL FACTORS

- Local health facilities are poorly-equipped and poorly-staffed.
- Regional and national hospitals are congested.
- Health facilities in the public and private sectors are unevenly distributed.
- National-local and public-private networking and patient referral systems are inadequate.

#### Critical Reforms

- Dichotomous Health
   System
- Free Health Services
- Tax-based, Public
   Subsidized

- Singular health system
- Social Insurance main payor
- Fee for Service

#### PRINCIPLE

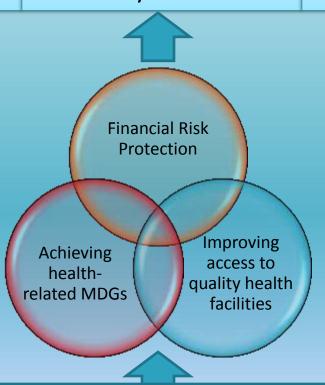
 "Health is a right of every Filipino citizen and the State is duty-bound to ensure that all Filipinos have equitable access to effective health care services" (Philippine 1987 Constitution)

#### Universal Health Care

Better health outcomes

Responsive health system

Equitable health financing



Health Financing

Service Delivery Policy, standards and regulation

Health Human Resource Health Information

Governance for Health



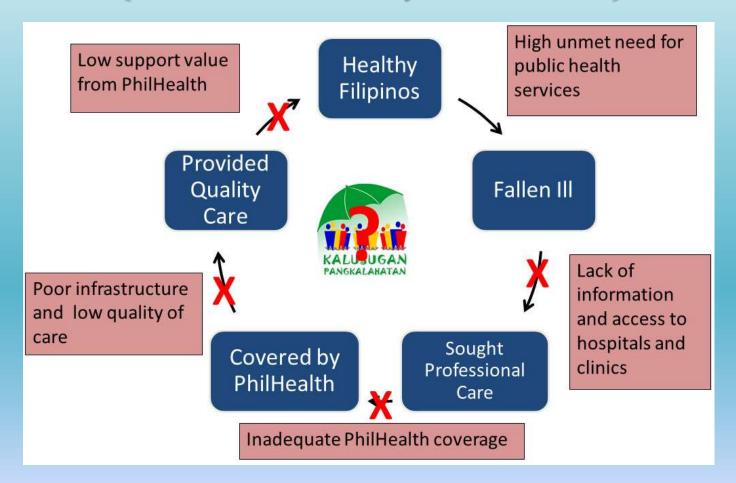
#### Investing in Kalusugan Pangkalahatan

Pursuant to the following provisions of the Social Contract\*:

- ✓ Investing in our people, reducing poverty and building national competitiveness
- ✓ Advancing and protecting public health
- ✓ Building of capacities and creation of opportunities among the poor
- ✓ Increasing social protection

#### How well are Filipino Families protected?

(at the start of the PNoy administration)



- 12.6M families (7.8M are NHTS-PR) are not covered by PhilHealth
- 6.8M families (4.3M are NHTS-PR) have limited access to clinic or hospital services
- 6.3M families (3.1M are NHTS-PR) have limited access to prenatal care, safe delivery, immunization, and family planning

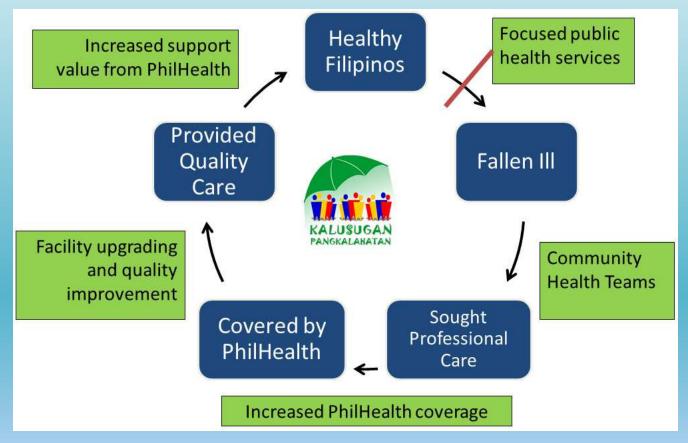


### Where are the problems concentrated?

- 1. Cebu
- 2. NCR
- 3. Pangasinan
- 4. Leyte
- NegrosOccidental
- 6. Iloilo

- 7. Davao del Sur
- 8. Bulacan
- 9. Quezon
- 10. Nueva Ecija
- 11.Laguna
- 12. Negros Oriental

#### What will Kalusugan Pangkalahatan deliver?



- Sustain enrolment of 15M families (10.9M are NHTS-PR) into PhilHealth; 5 M NHTS-PR families already given PhilHealth ID cards
- For 2011, upgrade 1,178 RHUs, 241 district hospitals, 34 provincial hospitals, 33 DOH hospitals; SARO released Nov 4, 877 projects bidded out
- Deploy 100,000 CHTs & 21,000 RNHeals along with sufficient public health commodities;
   nationwide TOT for CHTs done; 10,000 RNHeals already deployed



# How will Kalusugan Pangkalahatan be implemented?

- ✓ Focus and engage vulnerable families, starting with provinces where most are found
- ✓ Partner with poverty alleviation programs like NHTS-PR and CCT
- ✓ Leverage LGU participation and performance through province-wide agreements
- ✓ Harness private sector participation especially in upgrading public clinics and hospitals (including PPP)
- ✓ Already re-structured DOH to implement this approach



#### What are the KP Performance Targets?

	2012	2013	2014	2015	2016
Families covered by PhilHealth	All NHTS-PR	NHTS-PR and informal sector *catastrophic care introduced	Universal Coverage	Universal Coverage	Universal Coverage
Facilities upgraded	1,377 RHUs 69 Dist Hosps 43 Prov Hosps 29 City Hosps 8 DOH Hosps	471 RHUs 243 Dist Hosps 47 Prov Hosps 8 City Hosps 22 DOH Hosps	190 Dist Hosps 6 City Hosps 33 DOH Hosps *Incentives to sustain delivery of quality care introduced	6 DOH Hosps	
CHTs deployed RNheals/	50,000	100,000	Same	Same	Same
others deployed	12,000	22,500			



## How will incremental KP investments be applied over time? (in billion Pesos)

KP Thrust	2012	2013	2014	2015	2016	TOTAL
PhilHealth coverage (NHTS-PR)	23.2	38.2*	38.2	38.2	38.2	176.0
Facilities upgrading	26.7	43.2	41.9	14.6	5.0	120.0
Public Health services	2.5	2.5	2.5 2.5 5.0	2.5	2.5	15.0
Total	52.4	83.9	89.7	45.3	40.7	321.0

<sup>\*</sup>increase in premium is due to additional PhP 15B to cover for catastrophic benefit package



#### How can facility upgrading be timed?

Facility Type	2012	2013	2014	2015	2016
RHUs (1,848; 1.5 B)	1,377 (1.1 B)	471 (0.4 B)	-	-	-
<b>District Hospitals</b> (502; 29.4 B)	69 (3.3 B)	243 (14.9 B)	190 (11.2 B)	-	-
Provincial Hospitals (90; 16 B)	43 (7.6 B)	47 (8.4 B)	-	-	-
City Hospitals (43; 11 B)	29 (7.9 B)	8 (1.3 B)	6 (1.7 B)	-	_
DOH Hospitals (69; 57.2 B)	8 (6.9 B)	22 (18.3 B)	33 (27.4 B)	6 (4.6 B)	-



## How will KP investment gaps be financed?

(Incremental requirements, in billion Pesos)

Proposed Financing Source	Average Annual	One-time
DOH	2.50	43.15
LGU	9.65	28.45
PhilHealth (NHTS-PR)	16.60	-
PPP (private contribution)	-	42.50
PCSO, etc	2.30*	-
Total	31.05	99.40

<sup>\*</sup>This amount represents only a portion of PCSO health expenditures totalling P 4.88 B in 2008 and P 6.20 B in 2009

#### Essential Health Care Package

- Maternal & Child Health (Developmental/Disability Screening)
- Nutrition
- Oral Health
- Mental Health (Autism, Depression/Suicide Prevention)
- Treatment of Infectious diseases (TB, Malaria, Rabies, NTDs)

- Medico-legal Services

   (Violence Against Women
   & Children)
- Advocacy for health lifestyle
- Laboratory Package & Screening for noncommunicable disease
- Essential Drug Package
- First Aid, Wound and Emergency Care



#### What legislation do we need?\*

- ✓ Amendment of the National Health Insurance Act IRR
- ✓ Laws for corporate governance of hospitals
- ✓ Restructuring of Sin Taxes (Alcohol and Tobacco)
- ✓ Law on Responsible Parenthood (or RH Bill)
- Amendment of selected laws governing practice of health professionals (MDs, RNs, RMs)

<sup>\*</sup> A specific law on universal health care can also be passed that shall contain specific provisions necessary to effect required laws or amendments to existing laws



#### What will KP achieve by 2016?

- Universal PhilHealth coverage
- Improved access to modern health facilities
- Meet MDG targets
- Increase savings from lower healthcare costs
- Increase productivity of future generations

#### Poor families are protected since they are:

- ✓ Enrolled in PhilHealth
- ✓ Assigned to a Community Health Team
- ✓ Linked to designated health facilities and providers
- ✓ Not charged for use of health services
- ✓ Provided with free public health services (e.g. vaccinations, TB DOTS, family planning)

#### INTERMEDIATE OUTCOMES

- ACCESS is met through reduction of physical and financial barriers to health access
- AFFORDABILTY is met through contestability principle that
  if government hospitals can offer lower prices, why should
  the private facilities charge so much higher
- QUALITY is met through licensure and accreditation, standards of practice, and provider payment mechanisms
- EFFICIENCY (allocative and technical) is met through allocation of resources to the most appropriate agent, organization of public health facilities into economic enterprises less dependent on budgetary subsidies

## FINAL OUTCOMES: The Bottomline!

- Improved overall health status of Filipinos (MDGs met)
- Reduced out of pocket expenditures (Financial Risk Protection through better coverage by social health insurance)
- Improved client satisfaction and responsiveness of the health system (Health Facility Enhancement to meet quality standards for public health facilities and institutionalized feedback mechanism)

#### Shift of the Health System

- Singular Health System with Quality as a common factor and main payor of health services for all is Social Health Insurance and lower out-of-pocket expenditure for health
- Better Access, Affordability, Availability of Quality Health Services for both Poor & Rich as well as Urban and Rural distribution

