

# Health Systems in Transition

## The Philippines Health System Review

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# Chapters

1. Introduction
2. Organization and Governance
3. Financing
4. Physical and Human Resources
5. Provision of Services
6. Principal Health Reforms
7. Assessment of the Health System
8. Conclusions



## 2. Organization and Governance

- Government (Devolved by Local Government Code of 1991)
  - Department of Health* provides national policy direction, technical supervision and guidance
  - Provincial Health Offices* provide secondary health care
  - City and Municipal Health Offices* provide primary services including MCH and Nutrition
- Private
  - Regulated through DOH licensing, PhilHealth accreditation, Local ordinances, CHED accreditation and issuances



# 2. Organization and Governance

- Patient Empowerment

1. *PhilHealth and Patient Information* - poor appreciation of entitlements and processes
2. *Patient Rights* - enshrined in Constitution but no specific issuances
3. *Patient Choice* - no gatekeeper mechanisms, limited only by ability to pay
4. *Patient Safety* - general provisions of the Code of Ethics of the Medical Profession
5. *Patient Participation/Involvement* - weak or non-existent formal mechanisms



# 3. Financing (summarized in Table 3-1 on page 39)

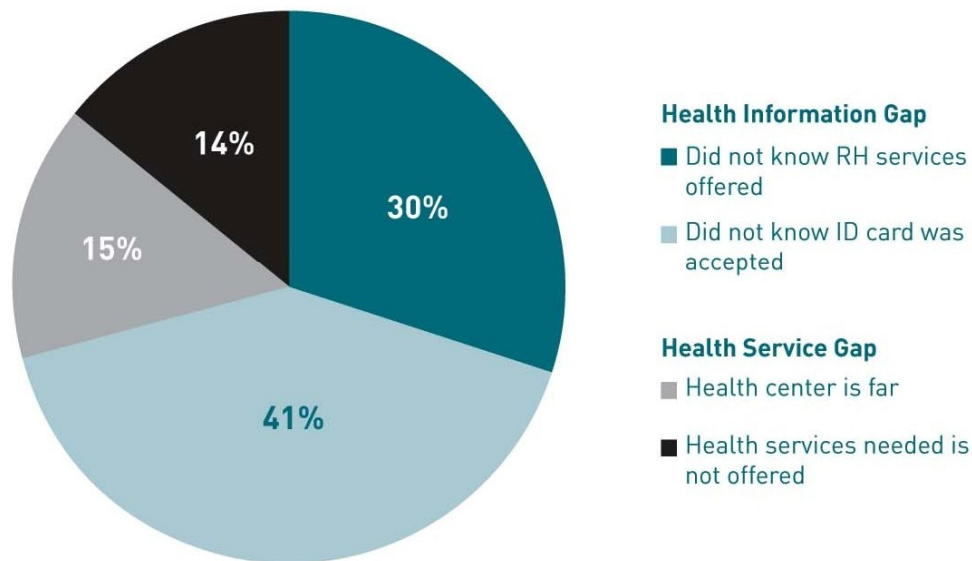
- Total health spending has slowly but steadily increased since 1995
- Inefficient government spending and low Philhealth utilization
- High and increasing proportion of out of pocket expenditures
- Low and decreasing proportion of government and shared-risk expenditures



# 3. Financing

- Figure 3-3 Households' out of pocket payments by expenditure item

**Figure 2-4 Sick Members not using PhilHealth ID card for Health Centre Services**



Source: PHIC, 2006.

# 4. Physical and Human Resources

## *Physical infrastructure :*

- Number of hospital beds - overall bed to population ratio follows DOH prescribed standard (1:1000)
- Distribution - concentration in developed areas except for DOH Regional Medical Centers
- Quality - range from most sophisticated to basic; private facilities perceived to be of higher quality than government institutions

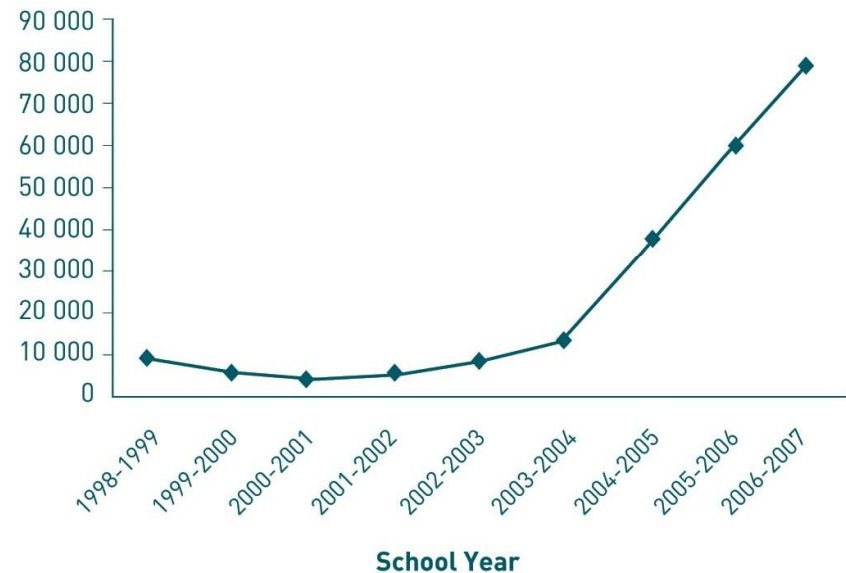


# 4. Physical and Human Resources

## Human resources for health :

- Health professional training programs dominated by private institutions responsive to market (overseas) demands

Figure 4-5 Trend in the number of BS Nursing graduates in the Philippines, 1998-2007



Source: CHED, 2009.





# 4. Physical and Human Resources

- Technology-driven overspecialization (Table 4-9 on page 85 showing 67% of physicians are specialists)
- Concentration in high income urban areas



# 5. Provision of Services

- **Public health and primary care services** - local service delivery supported by national programmes in disease control (TB, malaria, others), reproductive health (maternal and child health and family planning)
- **Hospital Services** - provided by district and provincial hospitals as well national tertiary and specialty hospitals with capabilities ranging from basic medical specialties to whole range of subspecialties
- **Other special services** - including mental health, dental care, care of older persons, and traditional and alternative health



# 6. Principal Health Reforms

- Summarized in Table 6-1 on page 103
- Health Service Delivery :
  - 1980 - Primary Health Care Approach and Integration of Health Services
  - 1987 - reorganization of the Ministry (later Department) of Health through EO 119
  - 1991 - devolution of health services (RA 7160 Local Government Code)
  - 1999 - Introduction of inter-local health zones under Health Sector Reform Agenda



# 6. Principal Health Reforms

- Regulatory Reforms
  - 1988 - Reforming pharmaceutical marketing practices and prescribing norms through RA 6675 the Generics Law
  - 2008 - Rationalizing patent protection and pricing of pharmaceutical products through RA 9502 the Universally Accessible , Cheaper, and Quality Medicines Law
  - 2009 - Strengthening FDA and expanding its powers to regulate health goods and services through the Food and Drug Administration Law



# Principal Health Reforms

- Health Financing Reforms
  - 1995 - National Health Insurance Law creates the Philippine Health Insurance Corporation with a mandate to expand health insurance coverage to all Filipinos
  - 2010 - Universal Health Care restructures premium payments for poorest income quintiles comprising 40 percent of population
  - 2011 - Universal Health Care restructures benefits through No Balance Billing Policy for defined diagnostic groups



# 7. Assessment of the Health System

- Major improvements in immunization coverage, TB DOTS, and childhood TB.
- Disparities in immunization rates and implementation of other programs persist between poor and well-to-do provinces
- Low utilization of government hospitals due to perceived low quality being addressed by facilities enhancement program
- Maldistribution of human resources for health



# 7. Assessment of the Health System

- High out-of-pocket expenditures are being addressed by expanded Philhealth coverage and increased DOH budget
- Absence of integrated curative and preventive services network; being addressed by developmental primary care networks
- Lack of quality assurance mechanisms and low utilization of existing one (e.g. Philhealth bench-book)



# 8. Conclusion

- Inequity persists as the Philippines' main health problem
- Present DOH KP or Universal Health Care can provide the appropriate responses
- The KP thrusts should include measures to specifically address persistent defects in the health system building blocks, particularly: out of pocket expenses and quality of services

