

RACE to UHC

PhilHealth and Health Reforms in the Philippines

Dr. Eduardo P. Banzon, 2 May 2012



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

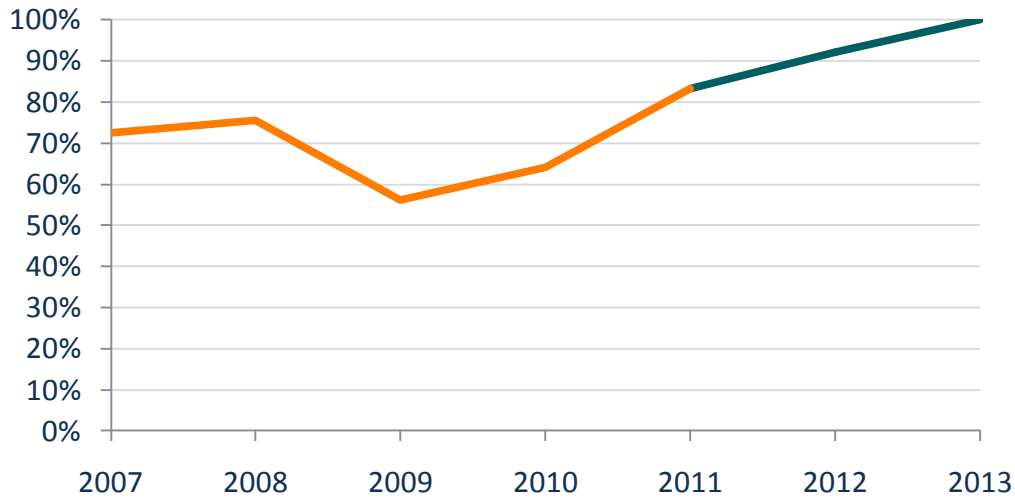
- **Coverage: 77.03% of population (mainly based on actual headcount)** included in the SHI Program during the first quarter alone (2012)
- Member empowerment to drive demand side approach

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**

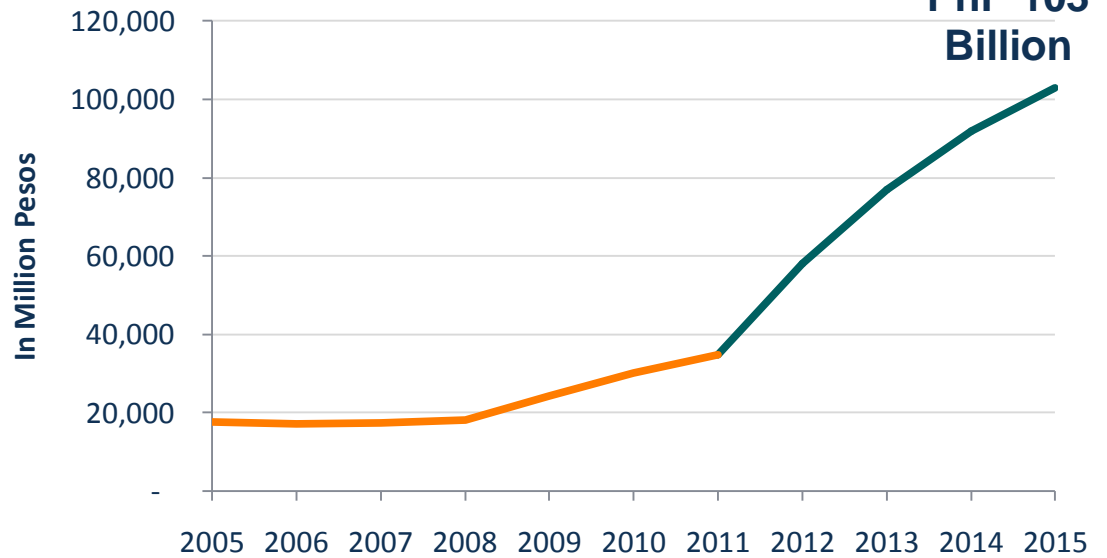
Population Coverage

100%



Benefit Payments

PhP 103
Billion





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



Bawat Pilipino **MIYEMBRO**
Bawat miyembro **PROTEKTADO**
Kalusugan natin **SEGURADO**





Reaching UHC for the Poor and Informal Sector

Strategies and Lessons Learned





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 enrolees 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

Sponsored Program: Challenges and Strategies

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

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