

THE  
**PHILHEALTH BOARD**  
ASSESSMENT

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2023

*FINAL REPORT*

# 2023 PhilHealth Board Assessment

FINAL REPORT



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## ACRONYMS

CAAC	Committee on Appealed Administrative Cases
DBM	Department of Budget and Management
DOH	Department of Health
DOF	Department of Finance
DOLE	Department of Labor and Employment
DSWD	Department of Social Welfare and Development
GCG	Governance Commission for Government-Owned and Controlled Corporations
GOCC	Government-Owned and Controlled Corporation
IT	Information Technology
KONSULTA	Konsultasyong Sulit at Tama
MPF	Multi-Polar Framework
PBR	PhilHealth Board Resolution
PCEO	President and Chief Executive Officer
PHILHEALTH	Philippine Health Insurance Corporation
UHC	Universal Health Care

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# 1. INTRODUCTION

The PhilHealth Board of Directors plays a pivotal role in shaping the strategic direction and governance framework of the Philippine Health Insurance Corporation (PhilHealth). As a custodian of public trust, the Board's performance and effectiveness are subject to periodic evaluation to ensure alignment with organizational objectives and mandates. This **2023 PhilHealth Board Assessment Report** serves as a comprehensive reflection of this evaluation process, shedding light on the strengths, challenges, and opportunities encountered in the Board's endeavors over the past year.

Established through *PhilHealth Board Resolution (PBR) No. 2196, s. 2016*, the annual assessment framework underscores PhilHealth's commitment to fostering professionalism, accountability, and transparency within its governance structure. Through this iterative process, the Board's performance, along with that of its committees and individual members, is meticulously scrutinized to enhance governance practices and drive organizational excellence. The 2023 assessment holds particular significance against the backdrop of dynamic leadership transitions within PhilHealth and the broader healthcare landscape. As PhilHealth navigates through changing political landscapes and endeavors to align its objectives with the Universal Health Care (UHC) law, the assessment provides invaluable insights into the Board's adaptability, strategic foresight, and commitment to advancing public health agendas.

This report encapsulates the outcomes of the 2023 Board evaluation, offering a nuanced understanding of the Board's achievements, challenges, and areas for improvement. It serves as a compass for guiding future governance initiatives, ensuring that PhilHealth remains steadfast in its mission to provide accessible, equitable, and sustainable healthcare services to all Filipinos.

The subsequent sections of this report will discuss the methodology used for the performance assessment, present key findings, and offer recommendations drawn from this Board Assessment process. We earnestly hope that this report will serve as a catalyst for dialogue, introspection, and action, ultimately contributing to the continued strengthening and improvement of PhilHealth's governance framework and processes.

## 2. ASSESSMENT OBJECTIVES

This assessment is guided by a set of clear and strategic objectives aimed at evaluating the performance, readiness, and commitment of the Board of Directors in fulfilling their roles and responsibilities within the Corporation. For the 2023 PhilHealth Board Assessment, these are the following objectives:

- 1. Enhancing understanding and ownership.** The primary objective of the assessment is to deepen the Board's understanding of their roles within PhilHealth and their contribution to the achievement of organizational strategies. By contextualizing their roles within the current realities and challenges facing the healthcare sector, the assessment aims to foster a stronger sense of ownership and accountability among Board Members.
- 2. Assessing readiness and commitment.** A key objective of the assessment is to evaluate the readiness and commitment of Board Members to fulfill their roles, advance

organizational strategies, and deliver measurable results. By assessing the level of engagement, preparedness, and alignment with PhilHealth's objectives, the assessment aims to ensure that the Board is equipped to address emerging challenges and capitalize on opportunities effectively.

- 3. Promoting self-reflection and performance accountability.** The assessment seeks to encourage individual Board Members to reflect on their performance and adherence to their duties. Through self-assessment and introspection, Board Members are expected to identify areas for improvement and commit to upholding the highest standards of governance and ethical conduct.
- 4. Facilitating continuous improvement.** The assessment serves as a mechanism for identifying strengths, weaknesses, and areas for development within the Board's governance practices. By providing actionable feedback and insights, the assessment aims to facilitate continuous improvement in governance effectiveness, decision-making processes, and overall Board performance. This objective emphasizes the importance of adaptive governance in responding to evolving organizational needs and external dynamics.
- 5. Ensuring alignment with PhilHealth goals.** Finally, the assessment seeks to ensure alignment between the Board's priorities, decisions, and actions with the overarching goals and objectives of PhilHealth. By evaluating the coherence and synergy between Board activities and organizational strategies, the assessment aims to reinforce a shared vision and collective commitment to advancing PhilHealth's mission of providing accessible and quality healthcare services to all Filipinos.

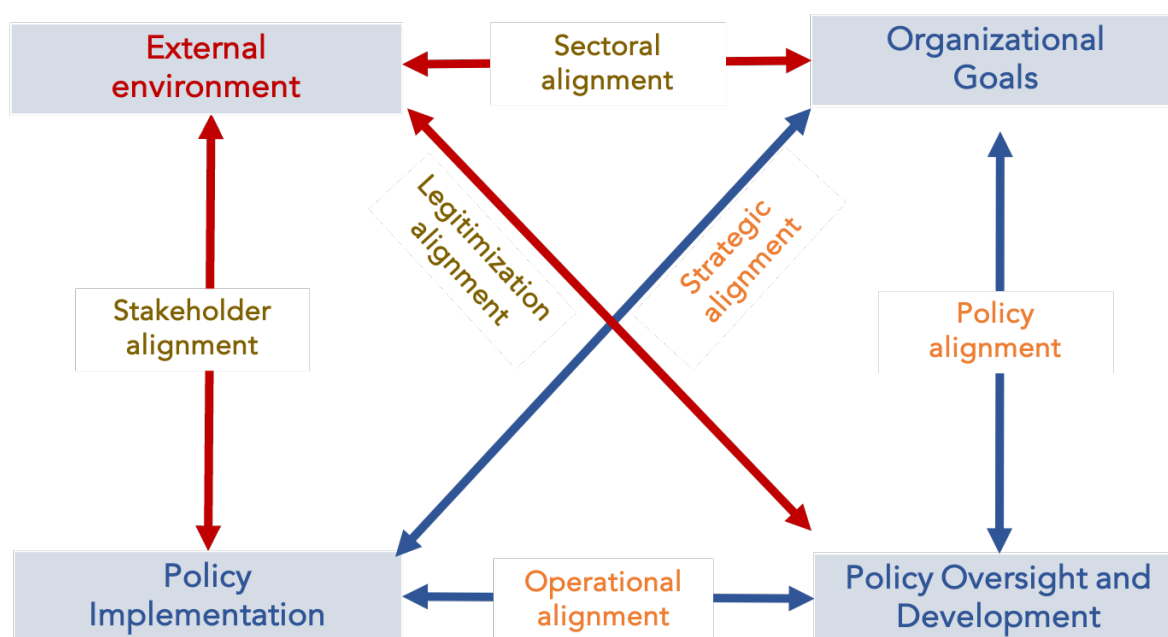
These objectives collectively guide the assessment process, informing the design, implementation, and interpretation of findings presented in this report. It is through a rigorous and systematic evaluation of these objectives that the Board can enhance its effectiveness, strengthen governance practices, and ultimately contribute to the sustainable advancement of PhilHealth's mandate and objectives.

### 3. ASSESSMENT FRAMEWORK

Given the multifaceted nature of health organizations like PhilHealth, which operate within complex environments and provide a diverse range of services, employing a dynamic assessment model that accounts for open systems is important. To ensure a comprehensive evaluation of the PhilHealth Board's performance relative to the organization it oversees, the multi-polar framework (MPF) developed by Marchal et al. will be utilized as a guide.

The MPF is a dynamic performance assessment tool designed to recognize the complexity of health organizations or their units and their interactions with the broader internal and external environment. Unlike traditional performance analysis models that primarily focus on outputs and outcomes, the MPF offers a holistic view of the Board's function across four poles and six alignments. This approach enables a thorough performance evaluation that goes beyond mere numerical figures to understanding the social relations, dynamics within its internal and external environment, and other factors that can potentially impact performance.





**Figure 1. Modified Assessment Framework (adapted from the Multipolar Framework of Marchal et al, 2014)<sup>1</sup>**

The use of this framework in this assessment should lead to two important things: motivation and context. Organizational units, including the PhilHealth Board, as an oversight body of PhilHealth are driven by values that have a profound influence on its operations, goals setting, and ultimately performance. Secondly, health organizations are open systems that interact with a broader environment (i.e. the health sector). Therefore, assessments of this kind should be conducted within the context of its operating environment.

**Figure 1** illustrates this interaction across four dimensions. The focus of this assessment is the PhilHealth Board which is responsible for policy oversight and direction setting. However, these functions are performed within the parameters of PhilHealth's mandates and goals. Consequently, it is within the Board's interest to know how its policy directives are implemented and how these impact the external environment and vice versa. By analyzing the interactions between these poles and alignments, a comprehensive understanding of the PhilHealth Board's performance can be gained. This approach allows for a nuanced evaluation that considers the organizational context, policy dynamics, and external influences on performance. The use of the framework ensures that the assessment captures the complexity of the Board's function within PhilHealth's mandate and operations and provides actionable insights for driving accountability and improvement.

<sup>1</sup> Marchal B, Hoérée T, da Silveira VC, Van Belle S, Prashanth NS, Kegels G. Building on the EGIPPS performance assessment: the multipolar framework as a heuristic to tackle the complexity of performance of public service oriented health care organisations. BMC Public Health. 2014 Dec;14:1-1.

## 4. METHODOLOGY AND TOOLS

### 4.1 Data Collection

All Board members were provided online links to the assessment forms developed using Google Forms. The data collection period was from December 18, 2023 to January 31, 2024, allowing ample time for comprehensive feedback and response. The assessment forms were adapted from the previous year's assessments with some modifications to account for the various dimensions in the performance assessment framework. In assessing the Board Director's performance a self-assessment and peer assessment tool were used to ensure a well-rounded evaluation process.

The following tools were used:

**Assessment Form 1: Policy Environment.** The form captures the Board's comprehension of PhilHealth's goals and strategies, along with the external influences that shape its operational landscape such as political, social, economic, legal, and health systems factors which may impact policy directions and decisions.

**Assessment Form 2: Overall Board Assessment.** The form serves to assess the overall performance of the PhilHealth Board, taking into account crucial aspects such as board composition, governance practices, oversight mechanisms, and decision-making processes.

**Assessment Form 3: Committee Performance.** The form was designed to evaluate the performance of PhilHealth committees looking into its membership and quality, governance standards, and of meeting procedures providing comprehensive insights into each committee's operational efficiency.

**Assessment Forms 4A and 4B: Board Director Performance (Self and Peer).** These forms facilitate the evaluation of individual Board performance both from self-assessment and peer-feedback perspectives allowing for a combined assessment of each Director's strengths and areas for improvement.

**Assessment Form 5: Inventory of Board Competencies.** This form is geared towards assessing the competencies of individual Board members, identifying areas of expertise and potential skill gaps that may impact Board effectiveness.

### 4.2 Data Analysis

Data collected from the assessment forms were analyzed to identify strengths, weaknesses, and areas for improvement in both internal policy mechanisms (**internal coherence**) and influences on/of the environment (**external coherence**). Quantitative data from rating scales are presented as descriptive analysis, while qualitative data from open-ended questions are analyzed thematically to identify common themes and patterns.

In examining the internal and external coherence, responses of the Board to open-ended questions that correspond to the specific assessment domains were analyzed across the six

alignments to identify strengths, weaknesses, and actionable insights. **Table 1** summarizes these alignments and the type of analysis that can be drawn.

**Table 1. MPF Alignments and Analysis**

Alignments	Between	Analysis Questions
Policy	“Goals” and “Policy Oversight”	<ul style="list-style-type: none"> <li>What kind of evidence is needed to support policy development?</li> <li>What competencies need to be strengthened?</li> </ul>
Operational	“Policy Implementation” and “Policy Oversight”	<ul style="list-style-type: none"> <li>How to institutionalize policy feedback to inform policy decisions?</li> </ul>
Strategic	“Policy Implementation “Goals”	<ul style="list-style-type: none"> <li>Is there a robust mechanism for reporting policy implementation and organizational performance?</li> </ul>
Sectoral	“Goals and “Environment”	<ul style="list-style-type: none"> <li>What mechanism is needed to enhance collaboration and integration of policy approaches?</li> </ul>
Legitimization	“Environment” and “Policy Oversight”	<ul style="list-style-type: none"> <li>How to make policy-making transparent and participatory?</li> </ul>
Stakeholder	“Environment” and “Policy Implementation”	<ul style="list-style-type: none"> <li>How to generate wider policy support from partners and the public?</li> </ul>

## 5. ASSESSMENT RESULTS

The Board comprises thirteen (13) members, consisting of both Appointive and Ex Officio members **[Annex 1]**. Among the Appointive members are three (3) Experts and four (4) sectoral representatives from Health Care Providers, Direct Contributors, Indirect Contributors, and Employers. Conversely, Ex Officio members represent different government agencies including DOH, DBM, DOF, DOLE, and DWSD. As of the December 18, 2023 meeting, the positions for the representative of Indirect Contributors and the Local Chief Executives remain unfilled.

Despite the extended period of over a month provided for completing the assessment forms, only a total of 39 responses were received, from the participation of a total of 7 respondents. Below is the summary of responses received.

**Table 2. Summary of Responses per Assessment Form**

Form/Description	Chair/Board Members	Alternate/ Representatives
Form 1: Policy Environment	4	3
Form 2: Overall Board Performance	4	3
Form 3: Committee Assessment	3	2
Form 4A: Board Director Self-Assessment	4	3

Form 4B: Board Director Peer-Assessment	4	2
Form 5: Inventory of Board Competencies	4	3
<b>Total Responses</b>	<b>23</b>	<b>16</b>

The following assessment results are organized according to the five assessment objectives.

## 5.1 Assessment Objective 1: Knowledge and Ownership

The analysis presented in this section delves into the assessment objective of enhancing understanding and ownership of the roles and responsibilities of the PhilHealth Board. A fundamental aspect of effective governance within any organization is understanding and embracing one's roles and responsibilities. This ensures clarity, accountability, and coherence in decision-making processes.

We analyzed the Board's responses to **Assessment Form 1** and categorized them into themes based on the alignments in the performance framework. This approach allowed us to identify the areas that the Board perceives as strengths and weaknesses in PhilHealth's policies and programs, along with opportunities for improvement. Through this analysis, we gained insights into the Board's understanding of both the internal and external context in which PhilHealth operates, as well as its ownership of the role in providing policy oversight.

### 5.2.1 Internal Coherence

By examining internal coherence, we understand how the Board perceives the intersection between goals, policy oversight, and policy implementation that shapes policy responses that aim to drive organizational objectives forward.

**Table 3. Internal Coherence Matrix**

Alignment/Themes	Strong Points	Weak Points
Policy Alignment	<ul style="list-style-type: none"><li>• Respondents generally acknowledge that PhilHealth has set <b>clear strategic goals</b> for fiscal year 2023. These goals are aimed at increasing utilization based on need, providing risk protection, and ensuring quality services that align well with PhilHealth’s medium-term strategic vision.</li><li>• Respondents highlight the Board's <b>role in setting policies</b>, providing strategic direction, and ensuring oversight. They emphasize the importance of the Board in guiding PhilHealth management toward achieving UHC and addressing issues promptly.</li><li>• Respondents express their <b>readiness to contribute</b> to PhilHealth’s goals by participating in governance, oversight, and decision-making processes. They highlight their expertise and experience, such as clinical and public health knowledge, financial expertise, and legislative experience, which they believe can provide valuable perspectives in strategic discussions.</li><li>• Additionally, they emphasize the importance of <b>participation in strategic planning</b>, transparency,</li></ul>	<ul style="list-style-type: none"><li>• Some respondents mention <b>challenges and delays</b> in implementing its policy directions. While strategic goals may be clear, the ability to meet them within the designated timeframe appears to be a concern due to significant delays and unforeseen instances</li><li>• Despite recognizing the Board's responsibilities, some respondents mention the need for <b>improvement in their oversight function</b>. They suggest constructive scrutiny of management, more monitoring and evaluation activities related to PhilHealth data, and the importance of strategic planning that is transparent and accessible.</li></ul>

	and efficient leadership in contributing to the Board's effectiveness.	
Operational Alignment	<ul style="list-style-type: none"> <li>• Respondents acknowledge PhilHealth's <b>efforts in promoting innovation</b>, such as increasing health benefit packages and coverage. The introduction of initiatives like the KONSULTA program and the development of health facility network contracting are seen as steps towards enhancing healthcare delivery and financing.</li> <li>• Several respondents also recognize PhilHealth's <b>efforts in managing its financial resources</b> to support its strategic goals. They highlight strategies employed by PhilHealth to analyze and forecast its financial status, track investments and spending, and involvement of the Board Members in decision-making.</li> </ul>	<ul style="list-style-type: none"> <li>• Some respondents note that while efforts are being made to adapt to changes and leverage technology, there may be <b>challenges in fully implementing digital solutions</b> to enhance operational efficiency.</li> <li>• Some related responses highlighted that PhilHealth's <b>IT resources and capacity may be insufficient</b> to handle the requirements of the Corporation, particularly in experimenting with various payment schemes and fully adapting to technological changes.</li> <li>• Some respondents highlights the <b>credibility and quality of PhilHealth's financial reporting</b> and statements due to the absence of an expert actuarial analyst.</li> </ul>
Strategic Alignment	<ul style="list-style-type: none"> <li>• Respondents acknowledge the <b>importance of strong and committed leadership</b>, including the Board members, PCEO, and executive managers, as key facilitators to PhilHealth's performance. Good governance and revitalized leadership are highlighted as contributors to overall efficiency in achieving objectives.</li> <li>• Respondents recognized <b>digital transformation as a key facilitator</b> to PhilHealth's performance. Investing in IT infrastructure and software development is seen</li> </ul>	<ul style="list-style-type: none"> <li>• The respondents identified several <b>barriers to PhilHealth's performance</b> including poor communication, conflict, limited motivation, and challenges in decision implementation and horizontal coordination. These barriers hinder PhilHealth's ability to effectively execute its strategic priorities.</li> <li>• <b>Backlogs in CAAC cases</b> are highlighted as a significant barrier to performance. Addressing these backlogs promptly is seen as crucial for demonstrating commitment to policy implementation</li> </ul>

	<p>as essential for enhancing efficiency and resilience in corporate business development.</p> <ul style="list-style-type: none"> <li>• Respondents emphasize the <b>importance of increased staff capacity</b> and stronger IT infrastructure as facilitators to performance improvement. Strengthening these areas can enhance PhilHealth's operational capabilities and support its strategic objectives.</li> </ul>	<p>and improving service provider confidence in PhilHealth.</p> <ul style="list-style-type: none"> <li>• Respondents identify <b>breaches of security as a barrier to performance</b>. Ensuring the security of relevant data is essential for maintaining trust and integrity in PhilHealth's operations.</li> </ul>
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### 5.2.2 External Coherence

By examining external coherence, we understand how the Board perceives the interplay between PhilHealth's operations and its broader environment and how the Board supports PhilHealth in navigating and adapting to the evolving challenges and opportunities.

**Table 3. External Coherence Matrix**

Alignment	Strong Points	Weak Points
Sectoral Alignment	<ul style="list-style-type: none"> <li>• Respondents acknowledge <b>PhilHealth as the primary route to achieving UHC</b> in the country. They highlight PhilHealth's role in increasing access to primary healthcare services through various benefit packages and sound policies.</li> <li>• PhilHealth's <b>sound policies and programs have contributed to improving health expenditures</b>, which can positively impact public health outcomes. By providing financial protection and access to healthcare services, PhilHealth plays a crucial role in improving overall health sector goals.</li> </ul>	<ul style="list-style-type: none"> <li>• While benefit payouts are quantifiable, some respondents note that public health outcomes would be better gauge and this poses a <b>potential limitation in PhilHealth's ability to directly measure its impact on public health outcomes</b>.</li> <li>• Although PhilHealth has started expanding its primary care benefits, there is a consensus among respondents that <b>more needs to be done to address comprehensive primary healthcare needs</b>.</li> </ul>

	<ul style="list-style-type: none"> <li>Respondents recognize <b>PhilHealth as one of the most important players in the healthcare sector</b>, with its presence contributing to improved public health outcomes. Benefit payouts are seen as quantifiable indicators of PhilHealth's impact, although the ultimate assessment of public health outcomes may require data from other government agencies such as the DOH.</li> </ul>	
Legitimization Alignment	<ul style="list-style-type: none"> <li>Several respondents acknowledge PhilHealth's compliance with statutory requirements as a GOCC and its strong <b>commitment to adhering to legal obligations and regulatory frameworks</b>.</li> <li>Many respondents perceive PhilHealth as highly <b>compliant with pertinent regulatory mechanisms and policies</b> and has implemented effective measures to ensure adherence to regulations and mitigate compliance risks.</li> <li>Some respondents mention steps taken by PhilHealth to <b>mitigate risks associated with changes in policies or regulations</b> including conducting meetings to address compliance issues, ensuring that stakeholders are heard, and adopting an ethical profile to guide organizational behavior.</li> </ul>	<ul style="list-style-type: none"> <li>Some respondents note that there is <b>still room for improvement in PhilHealth's compliance efforts</b>, particularly concerning the implementation of regulations. Mention is made of instances where regulations from the Insurance Commission have not been fully implemented, indicating gaps in compliance measures.</li> <li>A respondent highlights <b>concerns regarding data breaches</b> and the lack of strict compliance with data privacy regulations to enhance its protection of personal information and strengthen measures to ensure compliance with data privacy laws.</li> </ul>
Stakeholder Alignment	<ul style="list-style-type: none"> <li>Several respondents acknowledge PhilHealth's efforts to <b>actively engage with various stakeholders</b>, including healthcare providers, members, and the government such as conducting numerous activities</li> </ul>	<ul style="list-style-type: none"> <li>While acknowledging PhilHealth's efforts in stakeholder engagement, some respondents also mention room for improvement in this area and</li> </ul>



	<p>and strengthening communication and feedback mechanisms.</p> <ul style="list-style-type: none"> <li>• Respondents highlight the <b>importance of diverse feedback mechanisms</b> beyond quantitative surveys, such as audits, narratives, and complaints, in understanding stakeholder perspectives to gauge stakeholder satisfaction and address concerns effectively.</li> </ul>	<p>suggest effectively translating stakeholder feedback into action.</p> <ul style="list-style-type: none"> <li>• Although PhilHealth has made efforts to recover from the effects of the pandemic and engage with stakeholders, some respondents note that there was <b>limited interaction between stakeholders during the pandemic.</b></li> </ul>
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The internal and external coherence matrices reveals the Board's thorough comprehension of both PhilHealth's internal dynamics and the external factors shaping its environment, indicating a keen awareness of the complexities involved in governing PhilHealth. This firm grasp provides a sturdy groundwork for advancing the Board's capacity and serves as a launch pad for bolstering their expertise, decision-making capabilities and strategic foresight.

## 5.2 Assessment Objective 2: Readiness and Commitment

This section aims to provide insights into the Board's level of preparedness and dedication to uphold their duties and advance organizational objectives. Drawing from the responses provided by the Board in **Assessment Form 1**, we highlight the following points:

- **Participation in governance and decision-making.** Board members express their willingness to actively participate in governance, oversight, and major decision-making processes, indicating a commitment to fulfilling their roles and responsibilities.
- **Sufficient expertise and knowledge.** Members highlight their diverse backgrounds and expertise, including clinical and public health knowledge, legislative experience, and finance expertise, which they aim to leverage to contribute meaningfully to the Board's strategic oversight.
- **Passion for addressing key challenges.** There is a clear passion among Board members for addressing critical issues facing PhilHealth, such as ensuring equitable access to healthcare, improving financial health and viability, addressing pending CAAC cases, and enhancing transparency and accountability in fund allocation and utilization.
- **Initiatives to enhance governance and effectiveness.** Members intend to bring specific contributions and initiatives to enhance the governance, decision-making processes, and overall effectiveness of the PhilHealth Board. These initiatives include implementing checks and balances for good governance, focusing on financial obligations to healthcare providers, scrutinizing management proposals, and improving public accessibility to information.

The responses reflect a strong commitment among Board Members to contribute effectively to PhilHealth's governance and decision-making processes, leveraging their expertise and passion to address key challenges and drive positive change within the Corporation. While there is a clear determination to bring about positive change, the operationalization of initiatives, such as implementing a claims amnesty program or improving accessibility to public information, may require detailed planning and coordination. Moreover, with the Board's expressed commitment to engage stakeholders and address their concerns, the need to strengthen and integrate stakeholder feedback into decision-making processes requires coordination between the Board and executive management to translate these intentions into concrete actions and outcomes for the Corporation.

## 5.3 Assessment Objective 3: Self-Reflection and Performance Accountability

This section provides insights from the responses to **Assessment Forms 2, 3, 4A** and **4B** carried out by individual Board members, offering a glimpse into their self-reflection on performance and adherence to their assigned responsibilities, both individually and collectively as a governing body.

### 5.3.1 Board Director Performance

The evaluation of Board Directors is required by GCG Memorandum Circular 2014-03, s. 2021, which outlines the performance evaluation for Directors in the GOCC Sector. Based on this policy, the Director Performance Review employs a 360-degree appraisal tool, which includes assessments from peers, subordinates, and the Chair of the Board. However, in line with the assessment process from the previous year, only self-assessments and peer evaluations were conducted, omitting the assessment from the Chair.

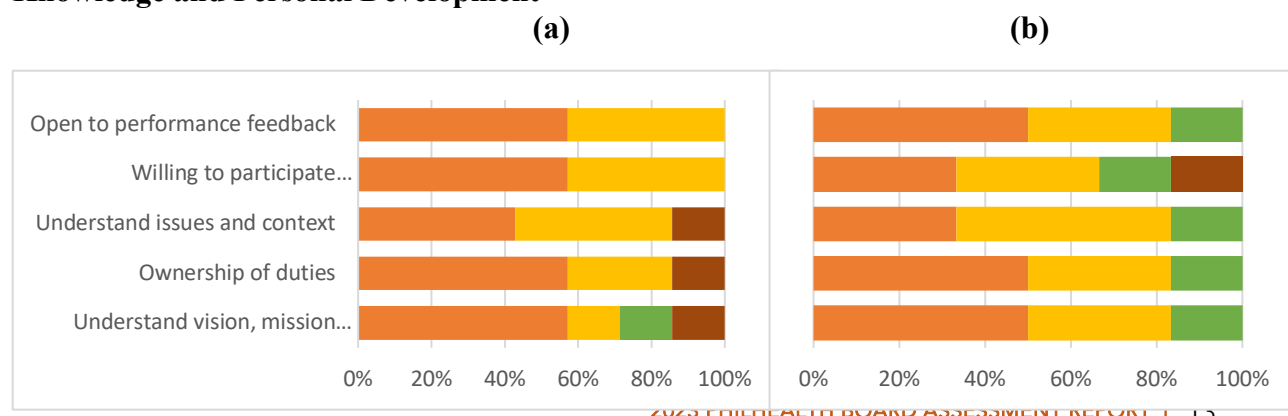
**Figure 2** illustrates a comparative graph showcasing the self-assessment and peer assessment results across four domains: 1) knowledge and personal development, 2) preparedness and participation, 3) teamwork and communication, and 4) conduct and behavior. The following rating scale was used for the evaluation:

Excellent	Very Good	Good	Fair	Poor	Not Applicable
Performs the behavior 95-100% of the time	Performs the behavior 85-94% of the time	Performs the behavior 75-84% of the time	Performs the behavior 60-74% of the time	Performs the behavior < 60% of the time	The rater has limited knowledge to make a valid evaluation.

For the peer assessment, each Board Member was randomly assigned another peer for anonymous evaluation. A total of only 6 responses were recorded.

The majority of respondents evaluated themselves as either excellent or very good across all areas, with ratings falling within the range of 70-100%, according to the self-assessment. Likewise, in the peer assessment, most respondents rated their peers as excellent or very good, albeit slightly more conservatively, with ratings ranging from 50-80%, and approximately 10 to 20% rated as good or fair.

### Knowledge and Personal Development



Preparedness and Participation



Conduct and Behavior



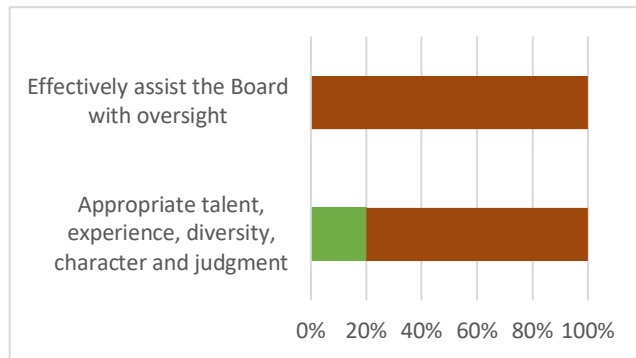
Figure 2. Comparison of Director’s Performance – (a) Self-assessment and (b) Peer-assessment

### 5.3.2 Committee Performance

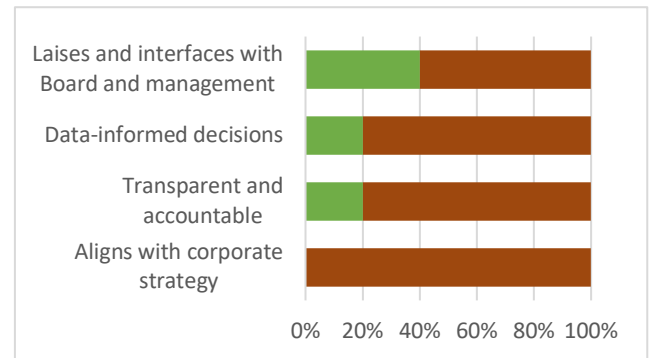
According to Section 3.3.2 of GCG Memorandum Circular No. 2014-03, "All GOCC Directors, including both Ex Officio and Appointive members, must be officially assigned to at least one (1) committee where their presence is essential for establishing quorum." For the committee assessment, a total of six (6) responses were received. Respondents were members of the following committees: Risk Management Committee, Audit Committee, Benefits Committee, Governance Committee, and Committee on Appealed Administrative Cases except for the IT Governance Committee which was not represented.

**Figure 2** shows the results of the Committee Performance Assessment, covering three key domains: 1) committee membership, 2) governance, and 3) quality of meetings. The responses suggest a predominantly positive sentiment among respondents, with a strong agreement that committee membership boasts appropriate experience, expertise, and diversity. Additionally, the governance aspect appears to be rated highly, and the meetings are perceived as being conducted effectively and productively.

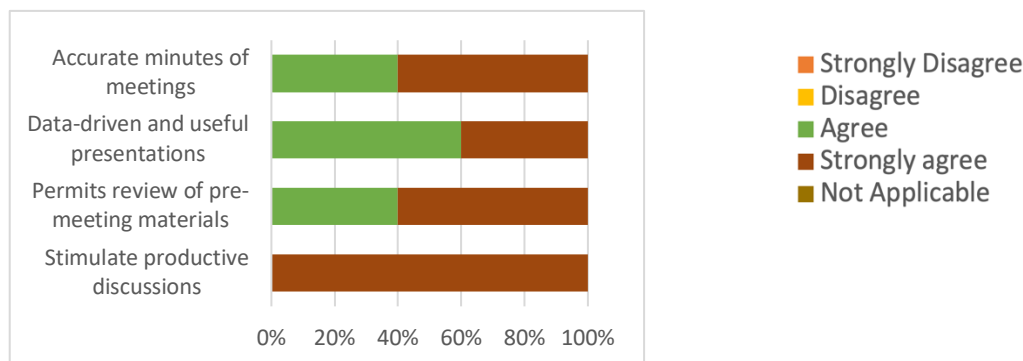
#### Committee Membership



#### Committee Governance



#### Quality of Committee Meetings



**Figure 3. Committee Performance Assessment Results**

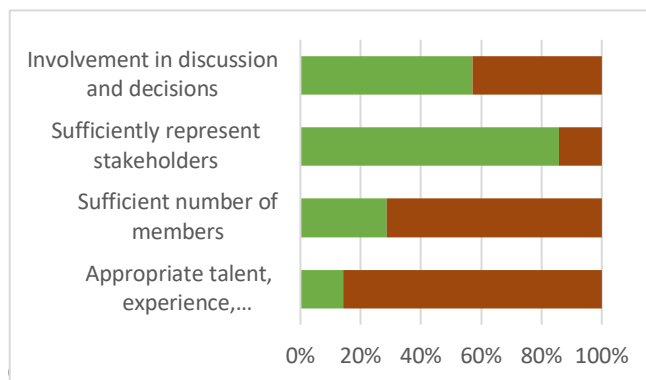
### 5.3.3 Overall Board Performance

For the Overall Board Performance, seven (7) responses were received. The following assessment scale was used to rate statements across five (5) domains: 1) membership and quality, 2) governance, 3) oversight function, 4) quality of meetings, and 5) development programs.

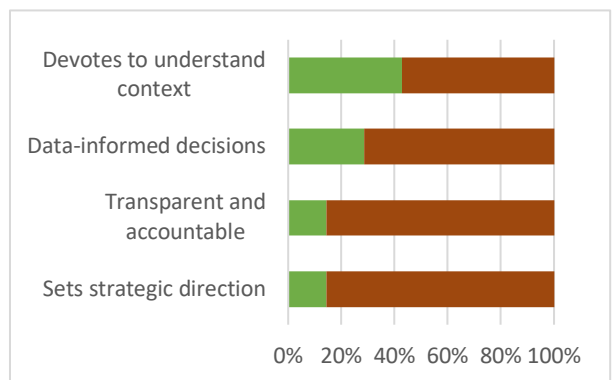
Strongly Disagree	Disagree	Agree	Strongly Agree	Not Applicable
Criteria is rarely or never met	Criteria is met less than half the time with unsatisfactory results	Criteria is met more than half the time with satisfactory results	Criteria is met consistently and exceptionally	Limited experience to make an adequate assessment

**Figure 4** presents the results, with the majority of respondents expressing strong agreement or agreement with the statements in these domains (falling within the range of 80-100% most of the time). However, a few dissenting responses were observed for statements related to the Oversight Function and Quality of Meetings. These dissenting responses focused on aspects such as the timely response and feedback from management regarding issues raised by the Board, as well as the data-driven and useful presentations, accuracy of the minutes, and review of pre-meeting materials.

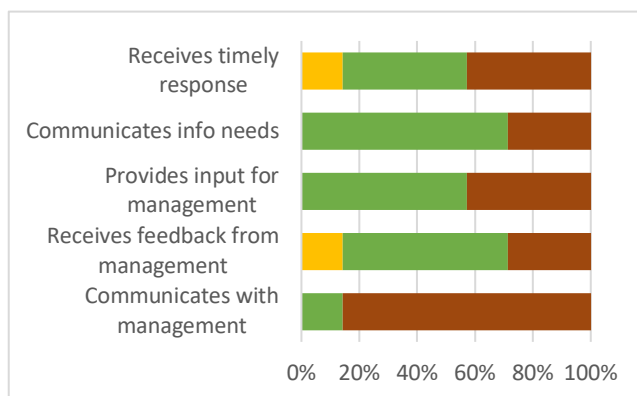
#### Membership and Quality



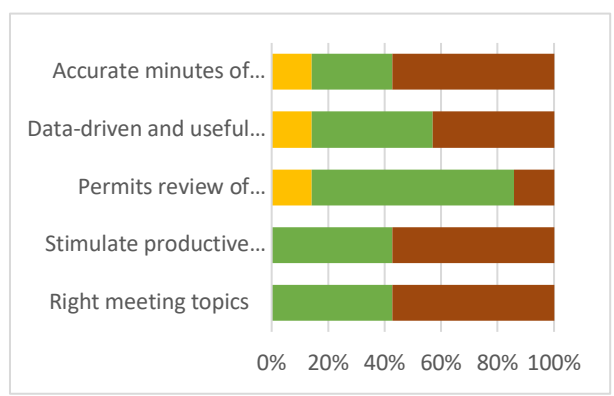
#### Governance



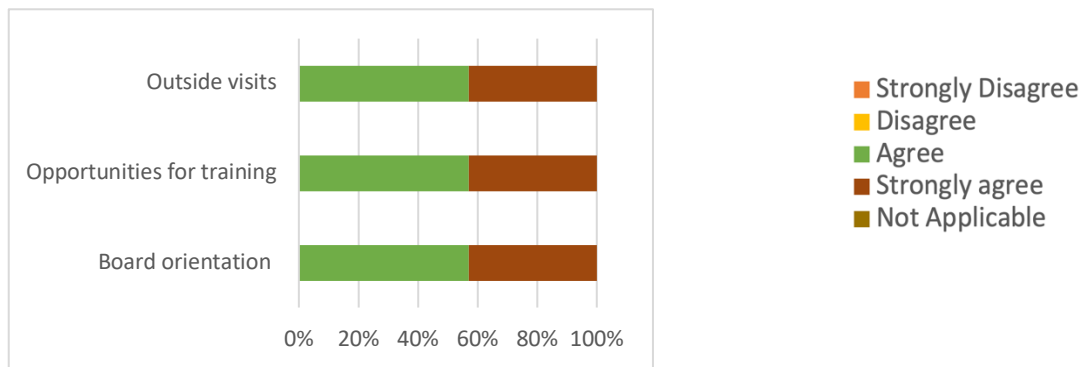
#### Oversight Function



#### Quality of Meetings



## Development Programs



**Figure 4. Overall Board Assessment Results**

## 5.4 Assessment Objective 4: Continuous Improvement

This section presents an analysis of the responses in **Assessment Form 5**, that aims to elucidate the strengths, weaknesses, and potential growth areas of the Board members in fulfilling their roles effectively. The objective is to facilitate a high-performing and cohesive Board capable of steering PhilHealth towards its strategic objectives with excellence and agility.

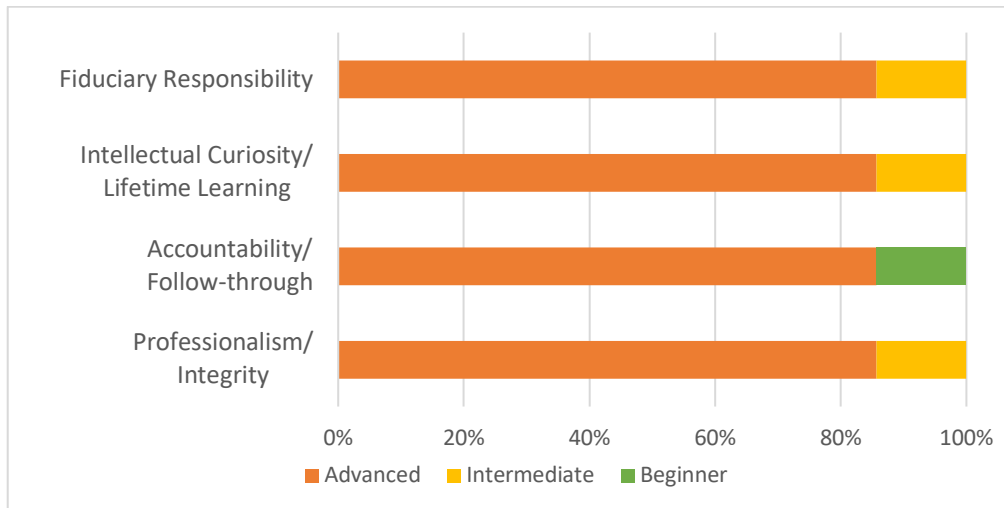
### 5.4.1 Board Competencies

The following inventory of competencies among Board Directors serves as a tool to identify the strengths and skills inherent within PhilHealth's current Board composition, enabling the design and implementation of tailored capacity-building and training initiatives. By leveraging the competencies of its members, the Board can optimize its performance while striving for continuous improvement and sustainability in fulfilling its mandates.

The competency assessment utilized the following scale as a measure:

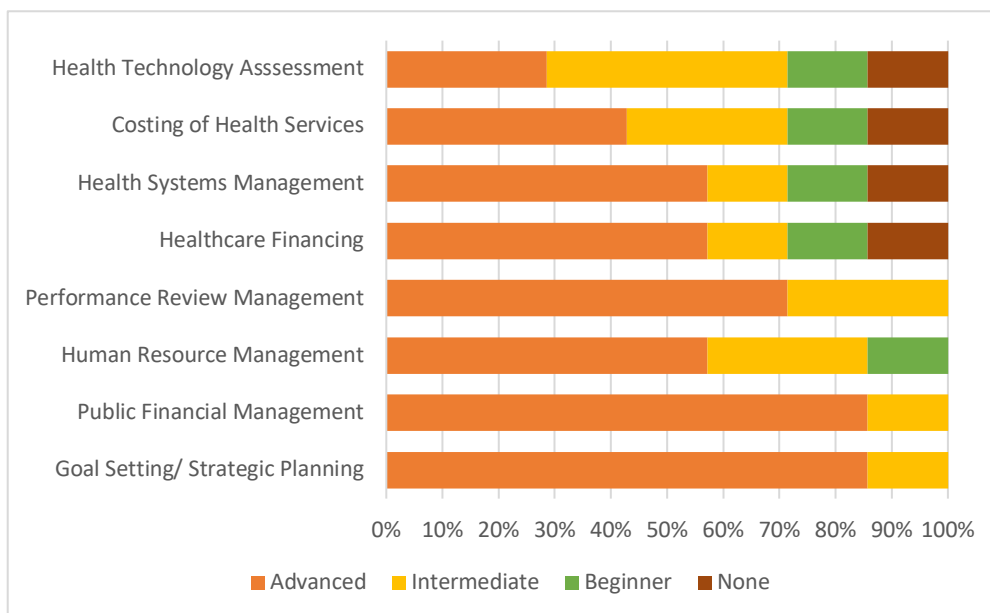
Advanced	Intermediate	Beginner	None	Not Applicable
No shortcomings. Possesses the competency to a considerable degree and uses it all the time	Minor shortcomings. Possesses the competency to a respectable degree and uses it most of the time	Moderate shortcomings. Possesses the competency to a noticeable degree and uses it some of the time	Significant shortcomings. Shows little evidence of the competency and is unable to use it most of the time	The rater has limited knowledge or experience to make a valid evaluation

A total of seven (7) responses were received for this assessment. **Figures 5, 6 and 7** shows the results related to the core, technical and committee-specific competencies of the Board. Majority of the respondents reported advanced core competencies related to professionalism/integrity, accountability/follow-through, intellectual curiosity/lifetime learning, and fiduciary responsibility.



**Figure 5. Board Core Competencies**

In terms of technical competencies, over 85% indicated possessing advanced proficiency in goal setting/strategic planning and public financial management. The majority expressed intermediate to advanced proficiency in other domains. However, approximately 20-40% reported beginner to no proficiency in human resource management, health financing, health systems management, costing of health services, and health technology assessment.

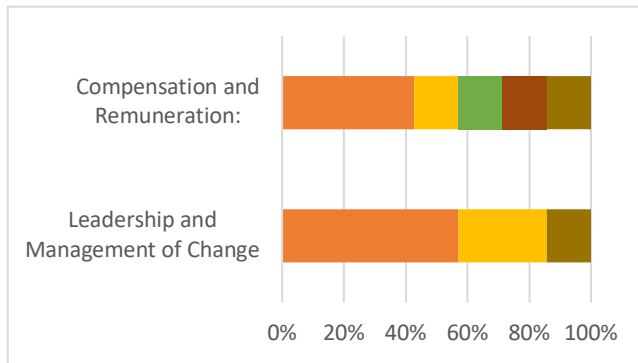


**Figure 6. Board Technical Competencies**

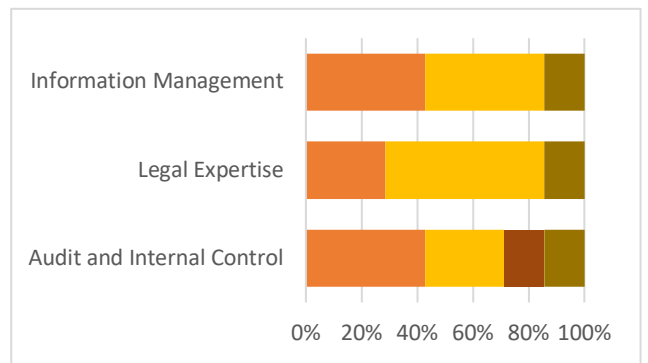
In terms of committee-specific competencies, over 50% of respondents assessed themselves as possessing intermediate to advanced proficiency across all committees except for the IT Governance Committee. Approximately 40% rated themselves as having competency in that domain, while others indicated themselves as beginners or having none.



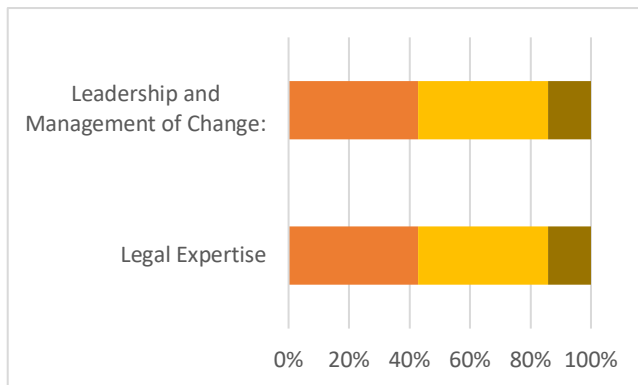
### Governance Committee



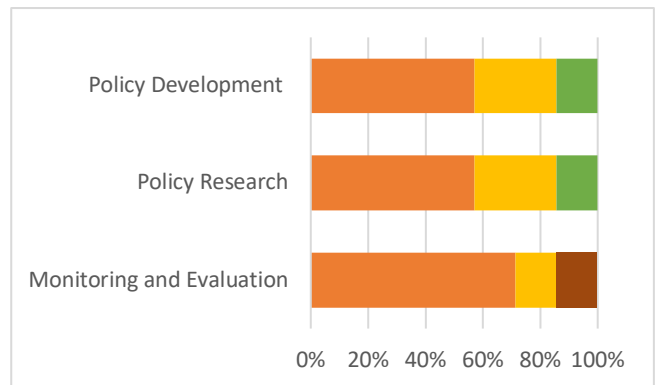
### Audit Committee



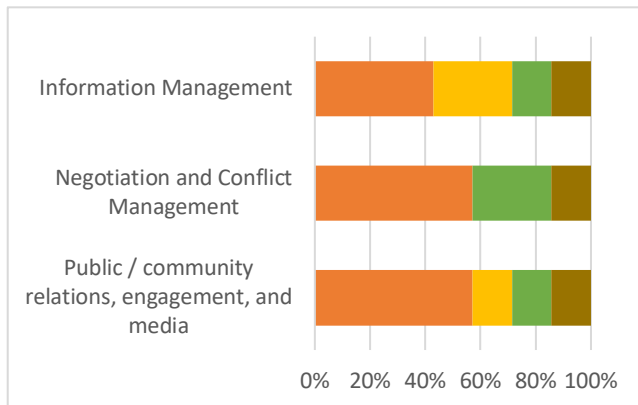
### Committee on Appealed Administrative Cases



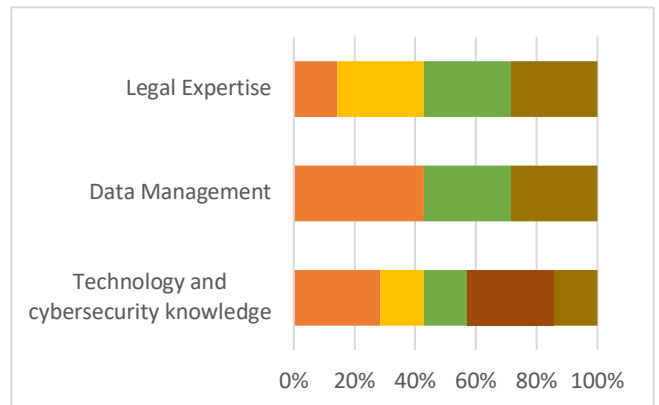
### Benefits Committee



### Risk Management Committee



### IT Governance Committee



■ Advanced 
 ■ Intermediate 
 ■ Beginner 
 ■ None 
 ■ Not Applicable

**Figure 7. Board Committee-Specific Competencies**

As part of our analysis, we cross-referenced the data from the competency assessments with the qualitative feedback provided by the Board. This process allowed us to pinpoint specific areas requiring support to foster continuous improvement:

- **Timely access to information.** Members underscored the critical importance of accessing timely and relevant information to maximize their effectiveness. Consistently, concerns were raised regarding delays in receiving essential materials and data needed for informed decision-making. This highlights the necessity for improved communication and information dissemination channels within the Corporation.
- **Capacity-building in technical skills.** Several members expressed a keen interest in honing specific skills crucial for their roles as Board members. These include digital literacy, IT security, time management, and a deeper understanding of healthcare financial management and insurance principles.
- **Increase in resource support.** Board members emphasized the need for enhanced support and resources to carry out their responsibilities effectively. This encompasses calls for higher honorariums, budget allocations to attend conferences, and assistance from management or the Board Secretariat in managing schedules and providing meeting materials.

These responses reflect a strong dedication to continual enhancement among PhilHealth Board members, with a particular focus on enriching knowledge, skills, and resource accessibility. Addressing the identified areas for improvement, such as information management and skill development, can significantly enhance efficiency, effectiveness, and governance standards of the Corporation. Collaboration between management and Board members will be pivotal in implementing strategies to bolster ongoing professional growth and optimize Board performance.

## 5.5 Assessment Objective 5: Alignment with Organizational Goals

In this section, we analyze the qualitative response of the Board about the alignment of personal objectives with the overarching goals and objectives of PhilHealth. Based on the responses provided in **Assessment Form 1**, several themes emerge in areas that they feel strongly about in terms of :

- **Support for strategic planning.** Board Members express their intent to contribute to PhilHealth's growth and development through strategic planning and oversight involving setting of clear objectives, aligning organizational activities with long-term goals, and ensuring effective implementation of strategic initiatives.
- **Enhancing governance and decision-making.** Many Board Members hope to improve governance structures and decision-making processes within PhilHealth such as includes implementing checks and balances, enhancing transparency and accountability, and ensuring compliance with regulatory requirements.

- **Focusing on financial sustainability.** Several members emphasize the importance of addressing financial challenges and ensuring the Corporation's long-term financial sustainability looking at supporting resource management effectively, increasing revenue streams, and improving financial management practices.
- **Strengthening stakeholder engagement and satisfaction.** Board members recognize the importance of engaging stakeholders and addressing their concerns to enhance organizational effectiveness including improving communication channels, soliciting feedback, and fostering collaborative relationships with stakeholders such as healthcare providers, members, and government agencies.
- **Facilitating innovation and adaptation.** Some members highlight the need for innovation and adaptation to meet evolving healthcare needs and challenges. They suggest looking into leveraging technology, implementing new payment schemes, and promoting efficiency in healthcare delivery and financing.
- **Addressing key challenges.** Board members identify specific challenges facing PhilHealth, such as pending CAAC cases, data privacy concerns, and operational inefficiencies, and address these challenges through targeted initiatives, such as implementing a claims amnesty program, strengthening data security measures, and improving operational processes.

## 6. RECOMMENDATIONS

As the country progresses with its reform agenda aimed at achieving Universal Health Care, PhilHealth's role remains pivotal, both now and in the foreseeable future. The PhilHealth Board, serving as its governing body, shoulders the significant responsibility of providing strategic direction and setting policy guidelines to contribute meaningfully to these health reforms. While the 2023 PhilHealth Board Assessment underscores its commendable performance over the past year [Annex 2], it also identifies areas for improvement that present opportunities to strengthen its capacity and influence in guiding the Corporation strategically.

Regrettably, the responses received for the assessment were limited, as a more comprehensive dataset could have provided valuable insights into the motivations, interests, and overall performance of the Board. Consistent with previous assessments, we emphasize the importance of conducting regular evaluations, which serve as indispensable tools not only for assessing the Board's performance but also for facilitating timely interventions and capacity-building initiatives necessary to enhance governance effectiveness within PhilHealth. The overarching recommendations from previous assessments remain pertinent and merit revisiting to delineate robust pathways forward.

Based on this assessment, a set of broad recommendations is proposed to mainly address key improvement areas and foster ongoing enhancement around the five assessment objectives.

1. To further enhance or prepare the Board for their roles and responsibilities so they can effectively steer PhilHealth within the dynamic landscape it operates, targeted orientation sessions are recommended for new Board members. These sessions should

cover essential aspects such as the PhilHealth charter, health financing reforms in the UHC law, and the Board's role in supporting these reform objectives. A comprehensive handbook detailing Board duties, including committee roles can be considered and made part of new member onboarding to facilitate smoother integration into Board functions.

2. Capacity-building programs are crucial to prepare the Board for their roles. Consideration for implementing a mentoring program pairing new members with experienced counterparts to facilitate knowledge transfer can be explored on top of providing regular training sessions particularly on topics identified where the Board identified themselves to be less proficient such as health systems management, health financing, costing of services, and health technology assessments.
3. The annual performance assessment can be made more relevant if action plans based on the evaluations can be developed to help address improvement areas identified through the process. Developing these action plans can be a systematic approach to addressing performance gaps for the Board and should include specific objectives, actionable steps, and timelines, ensuring measurable progress toward enhancing governance effectiveness and achieving organizational goals.
4. Regularly engaging the Board on strategy development is important to ensure alignment between Board priorities and strategic interventions. Additionally, regular monitoring and review of the strategic plan by both the Board and management can provide opportunities for feedback, course correction, and celebration of achievements. This will foster a culture of accountability and continuous improvement of the Board's governance framework and enhance its capacity to fulfill its duties effectively.
5. The Board and the management have to enhance their communication channels and foster better working relations. The implementation of a structured feedback mechanism can facilitate continuous communication and provide a platform for both the Board and management to share insights, concerns, and suggestions. This could be done through feedback sessions, or formalized reporting mechanisms where Board members and management can openly discuss key issues, strategic priorities, and performance updates or management can solicit input on policy implementation. These mechanisms should encourage constructive dialogue, exchange of ideas, and clarification of expectations to ensure alignment between the Board's strategic vision and management's operational execution.

Implementation of these recommendations will empower PhilHealth to cultivate a high-performing, cohesive Board capable of guiding PhilHealth toward its strategic goals with excellence and agility. A proactive approach will elevate governance standards, contributing to PhilHealth's overall success in fulfilling its mandate and serving the public interest.






It is the objective of this **2023 Board Performance Assessment Report** and the previous others to serve as a critical tool for PhilHealth's journey towards excellence and accountability. By integrating the recommendations outlined herein and committing to their implementation, the Board can fortify its role as a stalwart guardian of public health interests, steering PhilHealth towards its strategic objectives with unwavering dedication and agility. As the Corporation continues to navigate the complex landscape of healthcare reform, the Board's steadfast commitment to continuous improvement and governance excellence is indispensable in ensuring PhilHealth's sustained success in serving the needs of the Filipino people.

## 7. ANNEXES





### Annex 1: Members of the PhilHealth Board

(As of December 18, 2023, Board Assessment Meeting)




#### Ex-Officio Members (5 out of 5)

Principal	Agency	Alternates
Sec. Teodoro J. Herbosa, M.D. Chairperson		Usec. Lilibeth C. David, M.D. Usec. Kenneth G. Ronquillo, M.D. Dir. Beverly Lorraine C. Ho, M.D.
Sec. Bienvenido E. Laguesma		Asec. Warren M. Miclat Dir. Atty. Gilbert D. Cacatian
Sec. Benjamin E. Diokno		Treas. Rosalia V. De Leon DTOP Eduardo Anthony G. Marino III Dir. Angelica I. Sarmiento
Sec. Amenah F. Pangandaman		Usec. Wilford Will L. Wong Usec. Maria Francesca Del Rosario
Sec. Rexlon T. Gatchalian		Asec. Julius Exequiel Gorospe Dir. Atty. Megan Therese Y. Manahan

#### Sectoral Panel Members (3 out of 5).

Name		Sector
TBA		Indirect Contributors Sector
Jason Roland N. Valdez, M.D.		Direct Contributors Sector
BGen. Marlene R. Padua, AFP (Ret)		Health Care Providers Sector
Rene Elias C. Lopez, M.D.		Employers Group
TBA		Elected Local Chief Executives Representative

#### Expert Panel Members (3 out of 3)

Name		Expertise
Emmanuel R. Ledesma, Jr.		with expertise in public health, management, finance, and health economics
Alejandro L. Cabading, CPA		
Jack Domingo G. Arroyo, Jr, M.D.		

## Annex 2: 2023 PhilHealth Board Key Accomplishments

### Board Meetings

- The Board was able to conduct 15 regular and 3 special Board Meetings during the year.

### Benefits Delivery

- Guiding principles for the integrated UHC benefits and provider payments reform sandbox sites and the formation of a formal program for the experts' consortium
- Implementing guidelines for the Shadow Billing of DRGs
- Institutionalization of the increase in the no. of HD sessions from 90 to 156 for CY 2023 and the years thereafter
- Revision of Guidelines on PCPN Contracting Arrangement through Konsulta Sandbox sites and authority for RVPs to sign the SLA for its implementation
- Implementing guidelines for the PhilHealth Konsulta with Sustainable Development Goals (SDG)-related benefit packages
- Implementing guidelines for the Outpatient Drug benefit package
- Rationalization of selected case rates and expansion of case rates for the following for CY 2023:
  - Pneumonia, high-risk (from Php32,000 to Php90,100)
  - Acute stroke, ischemic (from Php28,000 to Php76,000)
  - Acute stroke, hemorrhagic (from Php38,000 to Php80,000)
- Outpatient mental health benefit package
  - General mental health service package (Php9,000/year)
  - Specialty mental health service package (Php16,000/year)
- Revision of implementing guidelines for Konsulta
- Inclusion of KONSULTA in the PCSO and PAGCOR funding for benefit enhancement
- Extending the Period of filing/refiling of claims for COVID-19 testing package, isolation package, and other COVID19 related claims until the lifting of the state of public health emergency on July 21, 2023
- Guidelines for contracting Public Health Care Networks
- Proof of concept of the PhilHealth Prospective Payment Mechanism

### Membership and Collection

- Approval of the proposed budget and submission thereof to the DBM for the coverage of Health Insurance Premium Contributions of Indirect Contributors for FY 2024.
- Budgetary requirement for submission to the DBM amounting to Php72.88 billion for benefit enhancements to be sourced from PCSO and PAGCOR funds
- Provisionally approved /confirmed the 2024 Projected Income Statement submitted to DBM pursuant to the GAA requirements, subject to the review and concurrence of BM Cabading within 24 hours

### Accreditation

- Guidelines on the accreditation of health care providers, amending for the purpose PBR No. 2728, s. 2022



## **Financial/Procurement**

- CY 2023 Corporate Operating Budget
- Financial Statement of PHIC for CY 2022 and subsequent adjustment
- Construction of PRO II Building and appropriation of funds therefor
- Schematic Design for the Construction of PRO XII building
- DICT-endorsed ISSP Amendment and CY 2023 Supplemental Budget for Critical ICT Resources (1<sup>st</sup> batch and 2<sup>nd</sup> batch)
- Authority for PCEO to approve continuing appropriations up to CY 2023
- Financial Statement as of 30 June 2023
- Procurement of Advanced Enterprise Security Solutions
- Multi-year Contractual Authority for the ff:
  - Security Services (Head Office) w/ subsequent PBR to account for the increase in the SSS premium
  - Lease of Office Space (PRO NCR)
  - Lease of Office Space (LHIO Albay, Camarines Sur, Sorsogon)
  - Lease of Office Space (LHIO Benguet)
  - Lease of Office Space (LHIO Mati)
  - Security Services (PRO III)
  - Lease of Office Space (LHIO Iligan and Ozamiz & PBC Oroquieta and Carmen)
  - Janitorial Services (PRO VI)
  - Lease of Office Space (LHIO Catanduanes and Masbate)
  - Lease of Office Space (PBC Apayao)
  - Lease of Office Space (Mountain Province LHIO)
  - Janitorial Services (Head Office)
  - Lease of Additional Warehouse (PRO VIII)
  - Lease of Warehouse Space (PRO-NCR)
  - Lease of Office Space (LHIO Lucena)
  - Lease of Office Space (LHIO Trece Martires)
  - Lease of Office Space (LHIO Ifugao)
  - Lease of Office Space (LHIO Benguet)
  - Lease of Office Space (PRO CAR)
  - Lease of Office Space (PRO VII)
  - Lease of Warehouse (PRO VII)
  - Janitorial Services (PRO VII)
  - Lease of Office Space (LHIO Calamba)
  - Lease of Warehouse (PRO IV-A)
  - Lease of Backroom and Frontline Office Space (POEA/DMW PRO-NCR)
  - Janitorial Services (PRO XI)
  - Lease of Warehouse (PRO CARAGA)
  - Lease of Office Space (LHIO Cotabato)
  - Lease of Office Space (LHIO Lipa)
  - Lease of Warehouse (PRID)

## **Human Resource**

- Renewal of 1,880 existing job order contractor positions and creation of the additional 67 JOC driver positions for CY 2023
- Monthly Basic Salary Rates Differentiation for Salary Grades Mapped in a Single Job Grade and Application of Step Increment Due to Length of Services

- Extension of Program Design for casuals until November 2023
- Confirmation of compulsory retirement of Lolita V. Tuliao
- Authority for PCEO to enter into and sign the memorandum of agreement with CSC for the conduct of values formation program/training
- Secondment of Dr. Domingo to PhilHealth as VP, amending for the purpose PBR No. 2733, s. 2022 and recommendation to the PCEO for Dr. Domingo's designation as official spokesperson of the Corporation
- Engagement of Services of Mr. Raymond Nunez as highly technical cybersecurity consultant for the PhilHealth Board
- Hiring of Additional 128 JOCs for CY 2023-2024 and the corresponding budget allocation thereof
- Grant of RATA for Regular Employees serving as heads of interim offices and performing duties and functions equivalent to Division Chief or higher
- Extension of Program Design for Casual Employees
- Renewal of JOCs for CY 2024
- Approving the Personnel Planning Action Request or 6 positions not covered by the CPCS Authorization
- Reclassification of Medical Positions to align with DBM NBC No. 521, 2009 and GCG MC 2017-03 and appropriating funds for the purpose

#### **Governance/Internal Processes/OCS-Related**

- Recommendation to the President of the Philippines for the Appointment of Emmanuel R. Ledesma, Jr., as PCEO
- CY 2023 PhilHealth Board Calendar
- CY 2022 Performance Report of the PhilHealth Board
- Expression of gratitude and appreciation to Dr. Gonzaga and Usec. Vergeire for their services as former Board Members
- Reconstitution of Board Committees in view of the appointment/designation of new Board Member (APCEO Ledesma)
- Designation of Atty. Mangasar as Acting CorSec
- Affirmation of the authority of the PCEO to enter into and sign MOA or MOU with other government agencies with no monetary implication
- Creation of the Board IT Oversight Committee
- Approval of the use of teleconference and videoconference as an alternative mode of attendance for all PhilHealth Board Members in Board and Committee Meetings
- Approval of the CY 2024 PhilHealth Scorecard and subsequent submission to the GCG

#### **Legal/Anti-Fraud**

- Compromise agreement between PHIC and Healthserv Los Baños Medical Center and authority for the PCEO to sign the same on behalf of the corporation
- Board Decision on PHIC Case No: HCP-CAR-19-1062 (Bontoc General Hospital)
- Board Decision on PHIC Case No. HCP-NCR-19-2535 (San Lorenzo Ruiz Hospital)
- Board Decision on PHIC Case No. HCP-XII-19-0348 to 0351 MR of Mark Dennis C. Menguita (5th Offense)
- Board Decision on PHIC Case No. HCP-XII-19-1671 MR of Mark Dennis C. Menguita (6th Offense)



- Board Decision on HCP-XII-19-0338 to 0342; HCP-XII-19-0343 to 0347; HCP-XII-19-0393 to 0396; HCP-XII-19-1065 - MR of Mark Dennis C. Mengueta (1st to 4th Offense)
- Board Decision on MR of St. Theresa Dialysis Center, Inc. (PBR 2593 s. 2021)
- Board Decision MR of Dr. Amando L. Garcia Medical Center, Inc. (PBR 2723 s. 2022)
- Board Decision on PHIC Case No. HCP-NCR-19-0367 to 0373 - Appeal of Dr. Leilanie B. Mercado-Asis (1st Offense)
- Board Decision on PHIC Case No. HCP-NCR-19-1334 to 1337 - Appeal of Dr. Leilanie B. Mercado-Asis (2nd Offense)
- Board Decision on PHIC Case No. HCP-NCR-18-0721 (Bernardino Gen. Hospital) (ad referendum)
- Board Decision on PHIC Case No. HCP-NCR-17-1216 (NKTII)
- Board Decision on PHIC Case No. HCP-CAR-21-0551 to 0552 (Sto. Niño Hospital of Philex Mining Corp.)
- Board Decision on PHIC Case No. HCP-NCR-19-1136 (Philippine Children's Medical Center)
- Board Decision on PHIC Case No. HCP-NCR-19-0156 (Lung Center of the Philippines)
- Board Decision on PHIC Case No. HCP-IX-19-1758 (Margosatubig Regional Hospital)
- Board Decision on PHIC Case No. HCP-CAR-20-0236 to 0248 (St. Louis University Hospital of the Sacred Heart)
- Board Decision on PHIC Case No. HCP-CRG-20-2196 to 2203 (Butuan Doctors Hospital)

#### **PhilHealth Board Resolutions**

- A total of 106 Board Resolutions were issued for the year 2023; 103 were issued during an Open Session and 3 during an Executive Session



Philippine Health Insurance Corporation  
Office of the Corporate Secretary

March 2024