



Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION

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May 13, 2011

HON. ENRIQUE T. ONA, MD

Secretary, Department of Health
Sta. Cruz, Manila

Dear Sec. Ona:

Greetings!

This is to respectfully submit the Philippine Health Insurance Corporation's (PhilHealth) updates on the Presidential Directives as per your Department Memorandum No.2011-0107 (DOH Inputs to the 2011 SONA).

Attached is an executive summary with the prescribed (matrix) format of the inputs.

Hope you find everything in order.

Thank you.

Sincerely,

DR. REY B. AQUINO
President and CEO



PHILIPPINE HEALTH INSURANCE CORPORATION

Executive Summary

The National Health Insurance Program (NHIP) was established with a fundamental mandate of providing health insurance coverage for all Filipinos. It draws inspiration from the concept of social solidarity wherein the health subsidizes the sick and the rich supports the poor. This is best exemplified by the Filipino trait of “bayanihan” wherein a community is brought together to achieve a particular goal.

As the lead implementer of the NHIP, PhilHealth was tasked with the enrolment of all Filipinos to the program within the next three years. However, the responsibility of successfully implementing the program and bringing about universal health care is not PhilHealth's obligation alone. Other stakeholders include the Department of Health (DOH), the Local Government Units (LGUs), the Department of Budget and Management (DBM), other government agencies and private institutions (i.e. hospitals and companies), among others.

Efforts

1. Enrolment

- PhilHealth is working with the Department of Social Welfare and Development (DSWD) for the identification of the poorest of the poor families through the latter's National Household Targeting System for Poverty Reduction (NHTS-PR);
- An allotment of Php3.5B from the National Government was received as premium subsidy for indigent families (Php3 billion) and small entrepreneurs, underground economy workers of the informal sector (Php500 million);
- PhilHealth Board of Directors approved several resolutions to jump start activities on the coverage of the poor:
 - *PBR No.1417, s-2010*: To ensure that the program is extended to those who need it most, the PhilHealth Board approved the adoption of the DSWD's NHTS-PR in the identification of indigent families to be enrolled under the Sponsored Program of NHIP
 - *PBR No.1478, s-2011*: Approval of special contribution rates for CY2011 on the enrolment of households identified by the NHTS-PR (zero pesos LGU counterpart contribution)¹
 - *PBR No.1479, s-2011*: Coverage of small-scale entrepreneurs, underground economy workers of the informal sector (partial subsidy)
- Other initiatives
 - Conducted a Nationwide PhilHealth Registration Day on October 2, 2010 as kick-off to speed up registration and updating of Membership Database
 - PhilHealth AKO program (Advocate and Knowledge Officers): training of Barangay Health Workers (BHWs) all over the country to disseminate information about PhilHealth
 - Strengthening of group enrolment for the informal sector
 - Establishment of PhilHealth Call centers (in the regions)
 - Online inquiry system
 - Legislative amendments on the NHIP law
 - Networking with LGUs and other organizations

¹ Premium contribution for the sponsored program members is shared by the National Government through the general appropriation while the local chief executives (LGUs) pay the other half

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| Project / Program | Input | Throughput | Output | Outcome | Impact |
|---|---|--|---|--|---|
| <p>1. PhilHealth para sa lahat sa loob ng tatlong taon</p> <p><i>Tutukuyin natin ang tunay na bilang ng mga nangangailangan nito. Ngayon pa lang kumikilos na si Secretary Dinky Soliman at ang DSWD upang ipatupad ang National Household Targeting System na tutukoy sa mga pamilyang higit na nangangailangan nito ... (SONA/Inaugural)</i></p> | <ul style="list-style-type: none"> ▪ Php 3.5B from the National Government as premium subsidy for : <ul style="list-style-type: none"> ○ Php3B for the coverage of indigent families; ○ Php500M for the coverage of small entrepreneurs, underground economy workers of the informal sector | <ul style="list-style-type: none"> ▪ Data Sharing Agreement with DSWD on access to the National Household Targeting System for Poverty Reduction (NHTS-PR) list of assessed households; ▪ Joint Agreement to Conduct National PhilHealth Registration Day (<i>PhilHealth Sabado</i>) ▪ Signing of the following PhilHealth Board Resolutions <ul style="list-style-type: none"> ○ <i>PBR No.1417, s-2010:</i> Adoption of the Means Test Protocol of NHTSPR of DSWD in the identification of indigent families to be enrolled under the Sponsored Program of NHIP ○ <i>PBR No.1467, s-2010:</i> Adoption of strategies for Universal Health Care (led to the signing of <i>Office Order No.11, s-2011</i>) ○ <i>PBR No.1470, s-2011:</i> Revised PhilHealth Vision and Mission and Strategic Directions for the PhilHealth Medium-Term Development Plan (led to the signing of <i>PhilHealth Circular No.4, s-2011</i>) ○ <i>PBR No.1478, s-2011:</i> Approval of special contribution rates for CY2011 on the enrolment of households identified by | <ul style="list-style-type: none"> ▪ List of identified 5,219,936 poor households ▪ Sponsored Program enrolment*: 4.2M members (15.5M beneficiaries) ▪ Individually-Paying Program enrolment*: 3.87M members (11.38M beneficiaries) ▪ Overseas Workers Program enrolment*: 2.38M members (7.13M beneficiaries) <p><i>* as of Feb 2011</i></p> | <ul style="list-style-type: none"> ▪ Increased utilization of PhilHealth benefits by the poor (under the Sponsored program) from Php3.4B (<i>period: July 2009 to April 2010</i>) to Php4.6B (<i>period: July 2010 to April 2011</i>) <ul style="list-style-type: none"> ○ In less than 7 months, a total amount of <u>Php4.73M</u> benefits availed by 1,079 enrolled NHTS identified beneficiaries ▪ For the same period, the aggregate benefit payments for the informal sector rose from Php7.9B (<i>July 2009 to April 2010</i>) to Php9.86B (<i>July 2010 to April 2011</i>) - an increase of almost Php2B | <ul style="list-style-type: none"> ▪ Increased access of the poor to health services |

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| | | <p>DSWD's NHTS-PR: (Zero pesos LGU counterpart contribution)</p> <ul style="list-style-type: none"> ○ <i>PBR No.1479, s-2011</i>: Coverage of small-scale entrepreneurs, underground economy workers of the informal sector (partial subsidy) ▪ Preparatory marketing/enrolment activities <ul style="list-style-type: none"> ○ Development of PhilHealth AKO program (Advocate and Knowledge Officers) – training of Barangay Health Workers (BHWs) all over the country to disseminate information about PhilHealth ○ Strengthening of group enrolment covering the informal sector ▪ Draft Joint Circular among PHIC, DOH and DBM for the enrolment of families under the Sponsored Program and Low-income earners from the Informal Sector per GAA 2010 (<i>still being finalized</i>) | | | |
| | <ul style="list-style-type: none"> ▪ Increased Financial Protection through Case-based benefit payment mechanism; new case rates to be introduced by June 2011 <ul style="list-style-type: none"> ○ PhilHealth has | <ul style="list-style-type: none"> ▪ Signing of PhilHealth Board Resolution approving the implementation of new case rates (<i>PBR No.1441, s-2010</i>) ▪ Preparatory activities (i.e. training, orientation activities) being done prior to the | | | <ul style="list-style-type: none"> ▪ The shift in payment mechanism not only means increased financial protection of PhilHealth beneficiaries, but also makes it easier for them to understand |

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| | allotted an additional 9 Billion Pesos (on top of the 34.8 Billion allotment for 2011 benefit payment) for this benefit package enhancement | launching of the new case rates | | | <p>how the benefits are computed.</p> <ul style="list-style-type: none"> ▪ With the enhancement, the computation of PhilHealth benefits for such illnesses or procedures is fixed, standard and applicable in all types of hospitals ▪ No out-of-pocket payment for the poor availing of the 22 case-based benefits in any accredited health facility |

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