

# Board Assessment

**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

Governance Commission for Government-Owned and Controlled **GCG** 

Corporations

**GOCC** Government-Owned and Controlled Corporation

IT Information Technology

**KONSULTA** Konsultasyong Sulit at Tama

**MPF** Multi-Polar Framework

PhilHealth Board Resolution PBR

**PCEO** President and Chief Executive Officer **PHILHEALTH** Philippine Health Insurance Corporation

UHC Universal Health Care

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# 1. INTRODUCTION

The Philippine Health Insurance Corporation (PhilHealth) remains steadfast in its commitment to upholding the highest standards of corporate governance. A critical component of this commitment is the annual assessment of the PhilHealth Board of Directors, its committees, and individual members. This process serves as a mechanism for accountability, performance improvement, and adherence to best governance practices in line with national policies and regulations.

The conduct of the 2024 PhilHealth Board Assessment is anchored on the following legal and policy frameworks:

- 1. PhilHealth Board Resolution No. 2196, s. 2016 Mandates the annual assessment of the PhilHealth Board, its committees, and individual members to ensure their effectiveness in fulfilling their governance and oversight functions.
- 2. GCG Memorandum Circular No. 2012-07 (Code of Corporate Governance for GOCCs) – Establishes the requirement for an annual performance evaluation of the Board and its Directors as a means to strengthen their competence, integrity, and accountability, thereby enhancing governance across all Government-Owned and Controlled Corporations (GOCCs).
- 3. **PhilHealth Manual of Corporate Governance** Recognizes performance evaluation as a vital tool for professional development, incentivizing Directors, and designing effective induction and training programs to equip Board members with the necessary competencies to execute their fiduciary responsibilities effectively.

This year's assessment aims to provide an evaluation of the Board's performance, identifying strengths and areas for improvement. The results will serve as the basis for governance enhancements, capacity-building initiatives, and policy reforms to reinforce PhilHealth's commitment to excellence in leadership and service delivery.

By conducting this assessment, PhilHealth ensures that its governing body remains responsive to the evolving demands of the healthcare sector and continues to act in the best interests of its stakeholders, particularly its members and beneficiaries. The results of this evaluation will contribute to the continuous strengthening of the Corporation's governance structures, aligning with the broader goal of achieving universal health coverage in the Philippines.

### 2. ASSESSMENT OBJECTIVES

The 2024 PhilHealth Board Assessment seeks to establish a robust framework for reviewing, planning, and strengthening governance mechanisms within the PhilHealth Board. This assessment builds on the previous year's assessment, laying a much stronger foundation for enhanced governance and strategic oversight. The specific objectives of the assessment are as follows:

- 1. Evaluating Board roles and responsibilities strengthen Board members' understanding of their roles and responsibilities as outlined in the PhilHealth Manual of Corporate Governance, ensuring the performance of these roles align with core governance principles and PhilHealth's strategic goals.
- 2. Assessing readiness and commitment evaluate the Board's preparedness and commitment to effectively fulfill its governance responsibilities, and equipping the Board members to lead and make decisions in line with the evolving healthcare landscape.
- 3. Reviewing past recommendations and developing actions review the implementation of past Board assessment recommendations, gather insights from previous evaluations, and identify opportunities for refining governance practices to enhance Board effectiveness and organizational impact.
- 4. Understanding the governance ecosystem and propose improvements gain a deeper understanding of current governance environment within PhilHealth, identifying areas for improvement and actionable steps to strengthen governance structures, collaboration and accountability.

# 3. METHODOLOGY AND TOOLS

#### 3.1 Data Collection

All Board members were provided with online links to the assessment forms, created using Google Forms. The data collection period ran from October 22, 2024, to December 15, 2024, allowing ample time for comprehensive feedback. The assessment forms were adapted from the previous year's version, with the addition of a new form focusing on the governance ecosystem. Since most Board members were newly appointed and sworn into office midyear, this year's assessment did not include individual and committee-level evaluations.

Below are the data collection tools used, along with brief descriptions:

Assessment Form 1: Policy Environment, Organization and Stakeholders. This form captures the Board's understanding of PhilHealth's goals and strategies, as well as the external factors—political, social, economic, legal, and health systems—that influence the organization's operational landscape and impact policy decisions.

Assessment Form 2: Baseline Inventory of Board Competencies. This form assesses the individual competencies of Board members, identifying areas of expertise and potential skill gaps that could affect the overall effectiveness of the Board.

Assessment Form 3: Governance Ecosystem his form evaluates the current governance ecosystem, focusing on the interaction between PhilHealth's Board and management. It provides insights for improving governance practices, strengthening evidence-based policy development, enhancing competencies, establishing effective internal feedback mechanisms, and promoting greater transparency and collaboration.

# 3.2 Data Analysis

Building on the previous year's assessment, the analysis will once again utilize the Multi-Polar Framework (MPF), developed by Marchal et al., as the primary tool for performance evaluation. The strength of the MPF lies in its ability to capture both internal and external dynamics, social interactions, and other factors that influence performance—critical elements for understanding the complexities of an organization like PhilHealth and its sub-units. This framework ensures that the assessment is contextually grounded, offering valuable insights to improve governance, accountability, and organizational performance. Additionally, it provides a deeper understanding of the PhilHealth Board's role in policy oversight and decision-making, helping to refine its approach to strategic leadership.

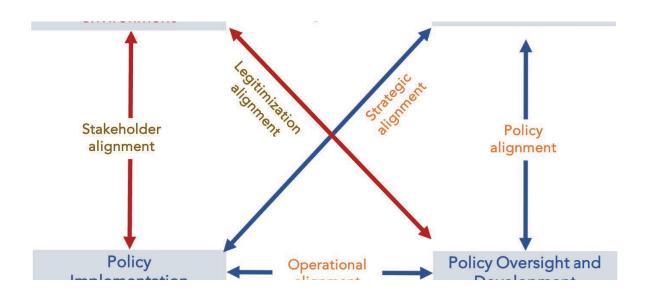


Figure !. Dynamic Assessment Framework (adapted from the Multipolar Framework of Marchal et al, 2014)<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Marchal B, Hoerée 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.

The data collected from the assessment forms were analyzed to identify key strengths, weaknesses, and opportunities for improvement in both internal policy mechanisms [Table 3: Internal Coherence Matrix] and environmental influences [Table 4: External Coherence Matrix]. Quantitative data from rating scales were analyzed descriptively, while qualitative data from open-ended questions were examined thematically to uncover recurring themes and patterns that can inform strategic enhancement.

#### 4. ASSESSMENT RESULTS

The Board consists of fourteen (14) members, including both Appointive and Ex Officio members [Annex 1]. Among the Appointive members, there are three (3) Experts and four (4) sectoral representatives, representing Health Care Providers, Direct Contributors, Indirect Contributors, and Employers. The Ex Officio members represent various government agencies, including the DOH, DBM, DOF, DOLE, and DSWD. As of October 22, 2024 meeting, the position for the representative of Local Chief Executives remains vacant.

A total of 19 responses were collected from 11 participants. Below is a summary of the responses received. Table 1 presents the summary of responses received.

Table 1. Summary of Responses per Assessment Form

Form/Description	Chair/Board	Alternate/	Executive
	Members	Representatives	Management
Form 1: Policy Environment	6	2	-
Form 2: Baseline Inventory of Board	6	1	-
Competencies			
Form 3: Governance Ecosystem	-	-	4
Total Responses	12	3	4

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

# 4.1 Assessment Objective 1: Knowledge and Ownership

Effective governance relies on a clear grasp of one's duties, ensuring accountability, consistency, and well-informed decision-making. This section explores the Board's understanding and ownership of its roles and responsibilities..

We analyzed the Board's responses to Assessment Form 1 grouping them into key themes that align with the performance assessment framework [Figure 1]. This thematic approach helped us to identify areas where the Board recognizes strengths and highlights gaps in PhilHealth's policies and programs. Additionally, the analysis sheds light on the Board's awareness of PhilHealth's internal and external environment, alongside its commitment to fulfilling its policy oversight role. Understanding these perspectives is vital to refining governance strategies and strengthening the Board's capacity to lead effectively.

#### 4.1.1 Internal Coherence

The internal coherence matrix below provides insight into how the Board views the relationship between goals, policy oversight, and policy implementation, and how this intersection shapes policy responses that advance the organization's objectives.

Table 2. Internal Coherence Matrix

Alignment/Themes	Strong Points	Weak Points
Strategic Alignment	<ul> <li>Multiple responses highlight that PhilHealth's strategic goals are aligned with the UHC law, particularly emphasizing financial risk protection, increased utilization and access to quality healthcare. Some connect it to broader national development plans, particularly NEDA's Ambisyon Natin 2040, emphasizing coherence with the country's long term vision.</li> <li>Some responses highlight commitment to systems strengthening through collaboration with DOH and other stakeholders, reinforcing the idea that PhilHealth is not working in isolation but within the broader health ecosystem.</li> <li>Responses highlight the need to strengthen governance and oversight by focusing on transparency, fraud prevention and financial management. Likewise, addressing past mismanagement issues and ensuring strong board leadership reflects an awareness of institutional integrity challenges that need to be tackled.</li> </ul>	<ul> <li>While responses affirm alignment with national and sectoral goals, there is a call for measurable indicators for policy impact (i.e. whether the implementation truly translates into improves access and financial protection)</li> <li>Responses notes a risk of focusing on revenue collection and operational targets without ensuring that these directly support increased healthcare utilization</li> <li>The statement that goals "look good on paper" suggests a gap between policy formulation and implementation, that raises valid concerns whether there is adequate competency to translate strategy into meaningful action.</li> </ul>
Operational Alignment	<ul> <li>Responses acknowledges operational gaps are critical factors affecting PhilHealth's ability to implement policies effectively (i.e. manpower shortages, lack of an integrated IT system, and delayed reimbursements as barriers to efficient service delivery.</li> </ul>	<ul> <li>Some responses point out the risk that policy execution will be stalled or redirected due to external political factors rather than being guided purely by healthcare needs.</li> </ul>

	<ul> <li>Responses identify government support, technological advancements, stakeholder collaboration, and increased public trust as facilitators that indicates a strategic understanding of what can drive successful policy implementation.</li> <li>Responses strongly push for digital transformation (i.e. electronic health records, mobile apps) indicates forward-thinking strategies to enhance efficiency and transparency.</li> </ul>	<ul> <li>Responses note that policies are not clearly communicated to ensure acceptance and momentum; there is a need for detailed strategy for increasing public awareness and trust in PhilHealth policies, which is crucial for long-term adoption.</li> <li>Responses note of concerns regarding the speed of IT adoption, suggesting that PhilHealth's digital transformation is progressing but not fast enough to meet urgent operational needs.</li> </ul>
Policy Alignment	<ul> <li>Responses indicate clear intent to increase benefit packages, improve financial sustainability, enhance digital transformation and strengthen operational efficiency as a matter of policy priority.</li> <li>Responses offer pragmatic and realistic view of policy implementation acknowledging that strategic goals are achievable with strong political will but also suggest practical approach to ensuring policy objectives translate into tangible benefits for Filipinos (i.e. making service delivery efficient)</li> </ul>	<ul> <li>Several responses note that while policies are being designed strategically, the lag in execution could reduce their effectiveness in achieving intended health system improvements. Addressing these delays requires a structured review mechanism that identifies bottlenecks and enforces accountability.</li> <li>Responses have noted that while policy adjustments have been made in response to evolving healthcare needs, there is no clear structure mentioned for periodic policy reviews or feedback mechanisms to ensure continued relevance.</li> </ul>

#### 4.1.2 External Coherence

Likewise, the external coherence matrix provides an understanding as to 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> <li>Responses highlight PhilHealth's alignment with health sector priorities, with the introduction of new benefit packages and the enhancement of existing ones reflecting the insurer's commitment to offering comprehensive services and meeting the needs of vulnerable populations.</li> <li>Some responses notes of PhilHealth's strong collaboration with government bodies, including legislative support, that allows the organization to navigate political challenges and align its policies with national health agendas.</li> <li>Some responses emphasizes that improving claims processing efficiency will contribute to reduced healthcare access barriers, supporting the health sector's goal of ensuring timely and effective healthcare delivery.</li> </ul>	Several responses highlight challenges in reducing out-of-pocket expenses, emphasizing that the implementation of no co-payment and no balance billing policies in private hospitals is essential for achieving universal financial protection.
Legitimization Alignment	<ul> <li>Responses point to PhilHealth's collaboration with the Commission on Audit (COA) are essential for maintaining transparency and ensuring accountability in operations.</li> <li>Responses also reflects that PhilHealth has instituted regular audits and checks and balances to prevent inefficiencies like unutilized funds and graft or corruption.</li> </ul>	Several responses note that the discovery of unutilized funds and the subsequent requirement to return funds to the National Treasury suggests that there may have been communication gaps or inefficiencies in how financial decisions were made, possibly due to insufficient input or oversight from key stakeholders.

# Stakeholder Alignment

- Responses highlight that PhilHealth has actively
  engaged with a variety of stakeholders, including
  healthcare providers, members, and the government,
  especially in 2024 through initiatives like the PULSE
  program and Lab for All.
- Responses acknowledge PhilHealth's effort to actively engages with external stakeholders through consultations and continuous monitoring of new regulations help PhilHealth adapt its operations to meet changing legal requirements and respond to emerging health challenges.
- Some responses also note that PhilHealth's policies on expanding coverage and providing education and awareness to members are critical in gaining public support.
- Responses highlights that feedback mechanisms like surveys, hotlines, and social media are in place, but there is an acknowledgement that these could be expanded to reach a broader audience and provide more immediate responses to concerns.

- Stakeholders, including healthcare providers and members, seem to have mixed opinions about the policies—there are hints of improvement areas, such as delays in reimbursements and issues with claim systems from healthcare providers, and gaps in understanding about PhilHealth benefits
- Responses suggests that PhilHealth should consider strengthening its engagement with stakeholders at multiple levels, ensuring transparent decision-making and regular updates on resource allocation and use.
- Publicly accessible communication channels, such as annual reports, stakeholder forums, or interactive digital platforms, could help improve transparency and trust in the organization's
- Several responses suggests that policy documents that are made publicly available should be digestible for a variety of stakeholders—including government officials, healthcare providers, and patients; it could improve overall policy acceptance and effectiveness.

Our analysis indicate that the Board demonstrates a solid understanding of its roles and responsibilities, both internally and externally. Internally, members of the Board show a clear awareness of the relationship between strategic goals, policy oversight, and implementation, recognizing the importance of aligning PhilHealth's objectives with national health priorities, such as the UHC law and long-term development goals. Their focus on effective governance and strengthening financial management reflects a strong sense of ownership over the organization's direction. However, the Board also acknowledges areas for improvement, particularly in translating strategy into actionable outcomes.

Externally, the Board exhibits a deep understanding of the broader health and policy landscape. Their commitment to transparency, stakeholder engagement, and collaboration with government agencies further underscores their awareness of the external factors shaping PhilHealth's operations. Both internal and external coherence matrices highlight that the Board recognizes the need to align policies with internal capabilities and the broader environment. Despite this, there are notable challenges in translating strategic goals into tangible operational success.

The responses are reflective of the Board's ownership of their role in in setting strategic direction, ensuring governance effectiveness, and driving policy reforms. There is a strong emphasis on financial sustainability, benefit package improvements, and accountability. The Board members recognize their role in pushing management to streamline benefit development, improve service delivery, and enforce regulations effectively. However, while most responses emphasize strategic oversight, there is a dearth in the response as to how the Board can proactively influence management beyond policy-making. Stronger articulation of mechanisms for monitoring implementation, evaluating performance, and engaging stakeholders would enhance this perspective.

# 4.2 Assessment Objective 2: Readiness and Commitment

This section analyzes the Board's preparedness and dedication to fulfilling their duties and advancing organizational objectives. We analyzed responses from Assessment Form 2 to identify Board members' strengths, weaknesses, and areas for growth.

#### 4.2.1 Inventory of Board Competencies

The data from this inventory of competencies among Board Directors serves as a baseline assessment of the strengths and skills within PhilHealth's current Board composition. This baseline will inform the design and implementation of targeted capacity-building and training program for the Board.

The competency assessment utilized the following scale as a measure:

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

A total of seven (7) responses were received for this assessment. Figures 2, 3 and 4 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.

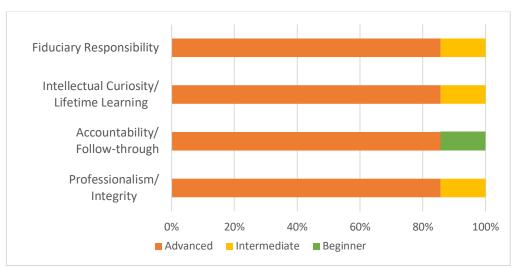


Figure 2. Board Core Competencies

In terms of technical competencies, 70-85% of Board Directors reported advanced expertise in goal setting and strategic planning, human resources, performance evaluation, and health systems management. Most directors demonstrated intermediate to advanced proficiency across other domains. However, approximately 15-25% indicated beginner-level competencies in health financing, health service costing, and health technology assessment.

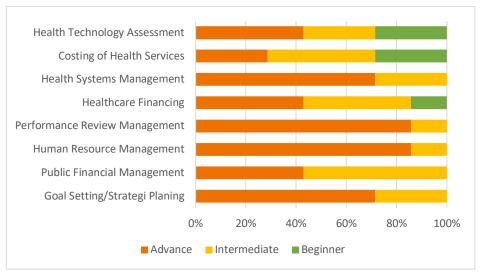
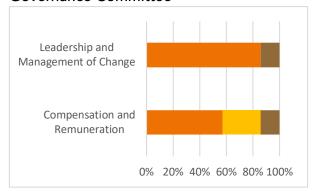


Figure 3. Board Technical Competencies

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.

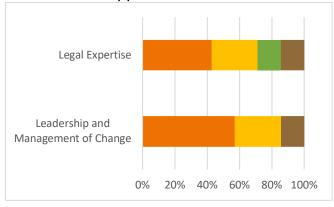
#### **Governance Committee**



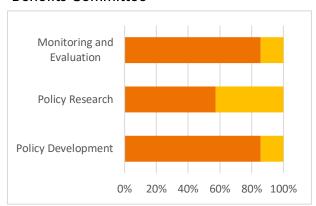
#### **Audit Committee**



#### Committee on Appealed Administrative Cases



# **Benefits Committee**



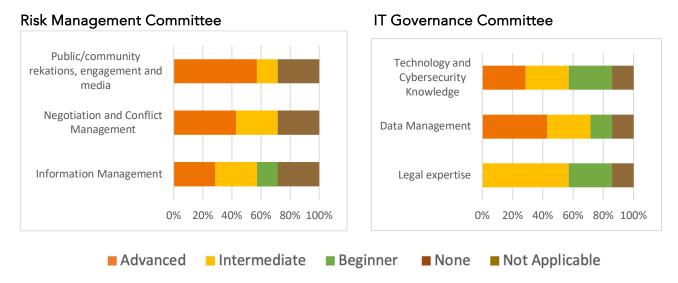


Figure 4. Board Committee-Specific Competencies

To gain a deeper understanding of the competency levels of the PhilHealth Board, we cross-reference the results from the assessment with the qualitative feedback from the Board in Assessment Form 1. Board members emphasize skill development needs for analytical and legal acumen (grasp of legal frameworks and regulatory compliance), health financing and costing knowledge, strategic foresight, financial risk management and adaptive planning that anticipates emerging healthcare challenges and aligns PhilHealth strategies with long-term sustainability goals.

In addition, the following key areas requiring support to strengthen Board performance and enhance governance effectiveness were identified:

- Real-time access to data and analytics. Board members highlighted the importance
  of timely, accurate, and easily accessible data to support evidence-based decisionmaking (i.e. analytics). The integration of digital dashboards and analytics tools
  tailored for the Board's needs can significantly enhance situational awareness and
  improve the Board's strategic oversight.
- 2. Streamlined decision-making processes. A recurring concern among Board members is the need for more structured and efficient decision-making workflows. (i.e. advance study materials and structured Board updates). Suggestions include advance dissemination of study materials, the standardization of Board updates, and the adoption of streamlined reporting formats that focus on actionable insights. A more structured approach to Board briefings can support productive deliberations and swifter policy resolutions.
- 3. Stronger alignment between Board and Management. Effective governance relies on strong coordination between the Board and executive management. Feedback

suggests that while engagements between the Board and the Executive Committee (Execom) are valuable, they could be further optimized to ensure more meaningful discussions on policy directions and operational challenges. Establishing a more structured framework for Board-Execom engagements—such as periodic strategic dialogues and issue-focused working sessions—can improve alignment and facilitate collaborative decision-making.

#### 4.2.2 Board Interests and Priorities

Board members generally aim for PhilHealth's improved reputation, operational efficiency, and enhanced benefit delivery. Some highlight their intent to institutionalize systematic reviews of performance and strengthen the Board's ability to enforce compliance. Based from the responses in Assessment Form 1, we are highlighting the key issues of interest and priorities of the Board:

- 1. Financial sustainability and cost efficiency. Many Board members recognize the urgent need to ensure PhilHealth's financial sustainability. This includes strengthening revenue collection, optimizing fund management, and improving cost-efficiency in healthcare service reimbursements. There is strong interest in exploring strategies to mitigate financial risks while ensuring that resources are allocated efficiently to sustain the National Health Insurance Program (NHIP).
- 2. Enhancing benefit packages and aligning case rates with actual costs. Board members highlighted the importance of continuously refining PhilHealth's benefit packages to address emerging health needs and ensure equitable access to quality healthcare. A key concern is the misalignment between current case rates and the actual cost of healthcare services, which affects provider participation and financial protection for members. There is a call for regular evidence-based reviews to adjust reimbursement rates and improve benefit design.
- 3. Addressing fraud and inefficiencies in accreditation and claims processing Several members emphasized the need for stronger measures to combat fraud and abuse within the system. Concerns were raised regarding inefficiencies in the accreditation of healthcare providers and delays in claims processing, which undermine trust in the system. There is growing interest in leveraging technology and data analytics to enhance fraud detection, streamline processes, and improve overall accountability.
- 4. Supporting UHC and strengthening Konsulta implementation. The Board acknowledges its critical role in supporting the full implementation of UHC, particularly in strengthening the primary care network. There is consensus on the need to enhance the integration of health services, improve provider networks, and ensure that PhilHealth's financing mechanisms align with UHC goals. Strengthening gatekeeping mechanisms and referral systems to promote cost-effective healthcare delivery remains a key priority.

5. Ensuring compliance with existing laws (RA 7875 and RA 11223). Compliance . with the National Health Insurance Act (RA 7875) and the UHC Act (RA 11223) is a shared concern among Board members. They recognize the importance of ensuring that PhilHealth operates within its legal mandates while effectively implementing reforms. There is a strong push to align policies, governance structures, and operational processes with these laws to ensure that PhilHealth remains accountable and responsive to the evolving healthcare landscape.

# 4.3 Assessment Objective 3: Learning and Adaptation

This objective ensures that Board members not only understand their roles and responsibilities but also develop the ability to adapt to the evolving health sector landscape and respond to emerging challenges effectively. The preliminary workshop on October 22, 2024, serves as the formal **kickoff session** for the Board assessment process. It provides an opportunity for members to engage in structured discussions, align expectations, and reflect on previous assessment results and recommendations.

To achieve this, the Board assessment follows a structured three-step process [Figure 5] that guides members through an evaluation of their competencies, roles, and governance priorities.



Figure 5. Board Assessment Workshop Design

#### 4.3.1 Board Reflections on Alignment of Governance Role with UHC Goals

After a refresher orientation on Board functions and responsibilities, the Board engaged in reflective discussion around two key questions:

- How does the board's role in governance and strategic oversight align with the broader goals of Universal Health Care, and in what ways can the board strengthen its impact?
- As UHC implementation evolves, how can the board anticipate and address challenges, risks, and opportunities, while fostering collaboration with other sectors and ensuring accountability and transparency in its decision-making?

The PhilHealth Board recognizes its role in governance and strategic oversight within the context of UHC. In aligning its efforts with UHC goals, the Board emphasizes the need to:

- **Prioritize justice and equality**, ensuring that health services address the basic needs of underserved populations, without attempting to meet every demand, thereby upholding fairness.
- Leverage data effectively by staying responsive to evolving health trends and ensuring that health data drives decision-making.
- Establish clear timelines for addressing issues such as fraud and inefficiency, ensuring that the impact of services is felt by members through actual, effective implementation of policies and programs, with flexibility and adaptability in systems.
- Foster collaboration with other sectors, notably with the Philippine Statistics Authority (PSA) for registration, Local Government Units (LGUs) for indigent records, and the Bureau of Internal Revenue (BIR) for premium collection.

The Board also acknowledges the need to:

- Improve efficiency by addressing staffing shortages and enhancing compensation to attract the right talent, acknowledging the collaborative effort needed to address challenges in major benefit packages.
- Innovate financing by seeking creative funding solutions and streamlining processes, rather than adopting piecemeal strategies.
- Ensure a **proper understanding with partners** to enhance cooperative relationships and support UHC goals.
- Provide guidance in specialized domains and prioritize the needs of the underprivileged, ensuring that vulnerable populations are adequately supported.

In terms of anticipating challenges, risks, and opportunities, the Board advocates for:

- Fostering **collaboration** across sectors to build resilience and responsiveness in addressing emerging health issues.
- Maintaining accountability and transparency in decision-making, ensuring that all actions align with the greater vision for UHC.

The Board views its role as being central to guiding the overall strategic direction, likening its function to the brain of the organization, with management acting as the brainstem and staff representing the rest of the body. This analogy emphasizes the Board's leadership role in guiding PhilHealth while relying on effective management and staff execution.

#### 4.3.2 Action Points on the Previous Board Assessment Recommendations

Based on the review of previous board assessment results and recommendations [Panels 1 and 2], the following action items and agreements were drafted as part of the ways forward:

- 1. Conduct baseline needs/competency assessment. A baseline needs assessment will be conducted to identify the current competencies, gaps, and priorities of the Board. This assessment will serve as the foundation for designing a capacity-building program tailored to address identified needs.
- 2. Conduct strategic conversations on the role of the Board and UHC. Targeted orientation sessions will be organized to engage Board members in strategic conversations regarding their role in UHC implementation. Specific focus will be given to critical topics such as health financing within the UHC law to have a better grasp of the broader health system context, key policies, and their responsibilities in shaping UHC outcomes.
- 3. Strengthen feedback mechanisms between the Board and Management. A structured feedback mechanism will be established to ensure continuous communication between the Board and Management. This will include an 1) inventory of all pending steps in key initiatives, and 2) a Gantt Chart with timelines outlining the progress of benefits development. Regular updates on the status of Board agreements will be provided, and a summary of agreements and directives will be prepared for each Board meeting.
- 4. Review the Manual of Corporate Governance. The Manual of Corporate Governance will be reviewed and updated in light of new developments, including the ongoing discussions around the UHC amendment. While the review may be due later, it is crucial that any updates align with current policies and frameworks that impact the Board's role in governance. The review will also consider best practices in corporate governance to enhance the Board's effectiveness in overseeing PhilHealth's strategic direction.
- 5. Implement a peer-mentoring/learning/knowledge-sharing program. A peermentoring program will be established to facilitate knowledge exchange and collaboration between Board members and key offices within PhilHealth. Regular Board and management caucuses will be held to encourage open dialogue, enhance mutual understanding, and share best practices.
- 6. Conduct periodic monitoring of the Strategic Plan. A Monitoring and Evaluation (M&E) framework will be implemented to periodically assess the progress and effectiveness of the strategic plan. This will include tracking the implementation of strategic initiatives, identifying challenges, and ensuring that goals are met on time.

Regular updates and assessments will be presented to the Board to ensure continuous alignment with UHC goals and make necessary adjustments based on performance and emerging challenges.

#### Panel 1. Key Results from the 2023 PhilHealth Board Assessment

- 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.
- The majority of Board members, about 70-100%, evaluated their proficiency as very good to excellent across all domains: knowledge and personal development, preparedness and participation, teamwork and communication, and conduct and behavior. High ratings in both self and peer assessment reflect a well-qualified and proficient Board.
- There is a predominantly strong positive sentiment among the Board members that the committee membership possesses appropriate experience, expertise, and diversity. The governance aspect is rated highly, and the meetings are perceived as being conducted effectively and productively.
- The majority of the Board members reported advanced core competencies in all identified domains suggesting a comprehensive skill-set that enhances the Board's overall capability to steer PhilHealth toward its goal.
- Over 85% of members reported having advanced proficiency in goal setting and public financial management, with most indicating intermediate to advanced proficiency in other areas. The competencies that need improvement are human resource management, health financing, health systems management, costing, and HTA
- The Board has identified areas requiring support in terms of: timely access to information, capacity building in technical skills, and increase in resources to carry out responsibilities

#### Panel 2. Recommendations from the Previous PhilHealth Board Assessments

#### 2023

- Provide **targeted orientation sessions** covering essential topics such as the PhilHealth charter, and health financing reforms in the UHC law.
- A review of the **Manual of Corporate Governance** may be necessary to ensure it reflects PhilHealth governance within the context of UHC, and include an orientation on these changes as part of the onboarding process of new Board members.
- Implement a peer mentoring program to support capacity building alongside regular training sessions, with Board members leading the mentoring activities in their area of expertise.
- Develop action plans based on the evaluations to systematically address performance gaps, incorporating specific objectives, actionable steps, and timelines.

- Conduct regular monitoring and review of the strategic plan by both the Board and management will offer opportunities for feedback, course corrections, and celebration of achievements.
- Implement a structured feedback mechanism to facilitate continuous communication allowing both the Board and management to share insights, concerns, and suggestions through regular feedback sessions, or formal reporting tools such as an executive dashboard.

#### 2022

- Conduct a **baseline self-assessment** early in the year or at the start of their term to better facilitate timely interventions and measure improvements by year-end.
- A needs assessment should also be done early in the year to serve as the foundation for designing a structured capacity-building program in collaboration with the Office of the Corporate Secretary and with the SHI Academy, with support from development partners.
- Conduct of strategic conversations on how the roles, responsibilities and mandates
  of the Board are shaped by the provisions of the UHC law.
- Strengthen the feedback mechanism between management and the Board through information packets with executive briefs provided well in advance before Board meetings and ensure the quality of data used in decision-making.

# 4.4 Assessment Objective 4: Governance

This section draws from the responses in Assessment Form 3 to analyze PhilHealth's current governance ecosystem and proposes interventions to strengthen its governance support to Board functions. Based on management feedback, Table 4 outline its current state and suggest actionable strategies to enhance the various governance components.

Table 4. Governance Ecosystem Analysis

Governance	Current State	Recommendations
Components		
Evidence generation to support policy development	<ul> <li>Majority of responses agree that comprehensive data is essential for policy development. There is a challenge in the timeliness of data collection and processing, as it competes with other priorities.</li> <li>The consensus is that more time and resources need to be dedicated to analyzing data. Given the tight schedules and the delivery of benefit packages, this highlights a critical need for</li> </ul>	<ul> <li>Prioritize the development of a robust data management system that allows for timely and comprehensive data collection.</li> <li>Implement automated tools and leveraging technology could help alleviate the time and resource constraints -</li> </ul>

	systematic data management that aligns with the demands of policy formulation.	
Institutionalization of policy feedback	Policy feedback mechanisms exist but need strengthening. The current practice is mainly based on public hearings and consultations, but these processes may not be consistently formalized or integrated into ongoing policy cycles.	Setting up a continuous monitoring and evaluation (M&E) system that not only tracks policy implementation but also gathers regular input from stakeholders, ensuring that feedback is systematically integrated into policy revision and development.
Mechanism for policy implementation	There is general agreement that there is a mechanism in place for reporting policy implementation, but several members highlighted the need for more detailed assessment reports that go beyond PowerPoint presentations and brief summaries	<ul> <li>Comprehensive reporting and assessment system that includes detailed implementation reports and analysis.</li> <li>These reports should be shared with all stakeholders and include specific metrics for evaluating the success or failure of policies.</li> </ul>
Competencies to support governance	<ul> <li>need for additional staffing and strengthening of technical competencies, to better support communication, procurement, and policy analysis.</li> <li>Staff members are spread too thin across various tasks, limiting their ability to fully support strategic goals.</li> </ul>	<ul> <li>Hiring additional qualified staff in critical areas like communication, procurement, and strategic planning.</li> <li>Professional development programs should be offered to current staff to enhance their capabilities in areas such as data analysis, policy evaluation, and stakeholder management.</li> </ul>
Mechanism for collaboration	Responses highlight the importance of external consultations and collaboration with other sectors to strengthen policy-making.	The idea of a health sector governance structure was suggested as a potential mechanism to streamline collaboration across stakeholders.
Transparent and participatory policy making	<ul> <li>The responses generally agree that the current policy-making process in PhilHealth is transparent and participatory.</li> <li>Several respondents emphasized the need for public hearings and consultations to be formally</li> </ul>	<ul> <li>Continue to engage stakeholders in policy development through consultations and public hearings.</li> </ul>

	documented and widely disseminated.	
Policy advocacy and public support	PhilHealth already engages in public consultations and stakeholder meetings to generate support for policies. But important to ensure that feedback from these sessions is systematically integrated into policy development and that the public is kept informed of the outcomes and rationale behind policy decisions.	<ul> <li>More formalized communications strategy that includes consistent updates on policy decisions, the rationale behind them, and their expected impact.</li> </ul>

# 5. CONCLUSION

The 2024 PhilHealth Board Assessment underscores the critical role of governance in ensuring the continued success of PhilHealth as it navigates its role in the broader healthcare ecosystem. Strengthening governance within PhilHealth is essential not only to enhance organizational effectiveness but also to steer the institution toward achieving its new medium-term goals, particularly in successfully supporting the implementation of UHC. The Board, as the primary steward of this process, must continue to exercise strong oversight, uphold accountability, and champion reforms that will drive systemic improvements.

In the current global and local policy environment, there is increasing pressure for PhilHealth to take a more proactive and assertive approach in advancing health financing reforms. As PhilHealth navigates this dynamic environment, it must remain agile and forward-thinking, positioning itself to capitalize on opportunities ahead. The findings and recommendations embedded in the various sections of the report offer valuable insights into areas for improvement and growth. However, these recommendations must be translated into concrete actions, empowering both the Board and the Management to fulfill its social contract with the Filipino people.

At the core of this assessment is the call for greater transparency, collaboration, and a commitment to continuous learning. These principles must be embedded within PhilHealth's governance framework to ensure that organization not only meets the evolving needs of the population but also sustains the gains made through ongoing reforms. Moving forward, fostering open communication, cross-sector collaboration, and a learning-oriented environment will be critical in enhancing PhilHealth's role in health financing and the successful implementation of UHC.

# 6. ANNEX

# Annex 1: Members of the PhilHealth Board (As of October 22, 2024, Board Assessment Meeting)

# Ex-Officio Members (5 out of 5)

Principal	Agency	Alternates
Sec. Teodoro J. <u>Herbosa</u> , M.D. Chairperson		Asec. Albert Francis Domingo, M.D. Atty Charade Mercado-Grande
Sec. <u>Bienvenido</u> E. <u>Laguesma</u>		Asec. Warren M. Miclat Dir. Atty. Gilbert D. Cacatian
Sec. Ralph Recto	8 Employment of Company of Compan	Sharon Almanza Eduardo <u>Anthory</u> Marino III
Sec. <u>Amenah</u> F. <u>Pangandaman</u>	THE PART OF THE PA	<u>Usec.</u> <u>Wilford</u> Will L. Wong <u>Usec.</u> Maria Francesca del Rosario Elena Regina Brillantes
Sec. Rexlon T. Gatchalian		Irene Dumlao Paul Ledesma Julius <u>Exequel</u> Gorospe

# Sectoral Panel Members (4 out of 5).

Name	Sector
Carmencita Padilla, M.D.	Indirect Contributors Sector
Atty. Gioan Fernand Legaspi	Direct Contributors Sector
BGen. Marlene R. Padua, AFP (Ret)	Health Care Providers Sector
Robert Francis Maronilla	Employers Group
ТВА	Elected Local Chief Executives Representative

# Expert Panel Members (3 out of 3)

Name	Expertise	
Emmanuel R. Ledesma, Jr. PhilHealth PCEO	with expertise in public health, management,	
Thea Arcely Gimenez, M.D.	finance, and health economics	
Maria Graciela Gonzaga, M.D.		

