

PhilHealth Board Assessment 2020

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1. INTRODUCTION

The PhilHealth Board of Directors (BoD) Annual Assessment 2020 was held last December 11, 2020. Due to the restrictions brought about by the current COVID 19 pandemic the assessment was conducted in two ways: via face to face and virtual means (MS Teams). Present physically in the PhilHealth Board Room were the PhilHealth President and CEO and 2 Board Members. In attendance via MSTeams were 4 Board Members. The BMs were also given the option to answer the assessment forms that were in a digital format (google form) after December 11 and were given 2 weeks to complete these. Thus, for the 2020 Board Assessment, a total of 9 BMs (and/or their designates) responded and 7 Senior Management subordinates participated in the assessment process.

The annual assessment of the PhilHealth Board of Directors began after this policy was adapted during its regular BoD meeting of December 2016 wherein a policy and a process, as proposed by the Governance Committee (GovCom), to assess the PhilHealth Board, its committees, and its members on an annual basis was implemented. The PhilHealth Manual of Corporate Governance contemplates board assessment as “a tool to enhance professionalism and to incentivize the Directors, as well as to develop effective induction and training programs for Board Members (BM).”

As in the previous years' Board Assessment, the objective of the 2020 evaluation was to assess the Directors' performance of their roles, including their strengths and weaknesses. In addition, since there were new Board Members (BM), a brief orientation on the basis and process of the assessment were done. Board Committee evaluation was also done despite the limited interaction and meetings that had transpired particularly for the new BMs.

The 2020 assessment encountered similar limitations as in the previous year, among which was the fact that some of the Board Directors are new appointees. The PhilHealth President and CEO himself was only appointed in August 2020 and was unanimously confirmed by the PhilHealth Board in September 2020. It was also at about this time that PhilHealth was rocked with corruption allegations resulting in Senate hearings and the suspension of key senior officials. A major revamp within the organization ensued as well. These factors led to a pushback in the conduct of PhilHealth activities and commitments for the year.

As all of these organizational challenges were faced, the rest of the organization also devoted a lot of energy and time addressing the numerous issue that arose related to COVID 19 reimbursements and benefit packages. These concerns continue to be addressed by management and the Board as well. Thus, as a whole, the 2020 PhilHealth Board Assessment was conducted within this milieu and circumstance. Taking cognizance of all these, efforts were exerted to ensure that the annual assessment process would continue to guide and provide the necessary information that will allow for more robust plans and improvements as these relate to the work of good corporate governance.

2. ASSESSMENT OBJECTIVES

Recognizing [1] the significance of the regular board assessment process to the organization's development and strategic directions, and [2] working within the limitations encountered in the process of doing so, it was determined, with the majority approval from the BMs, that the 2020 board assessment shall include key information and inputs related to orienting the BMs with regards governance matters, the functions of the board and the various committees. These were meant to augment and underscore information that had previously been presented to some BMs during their on-boarding sessions. In particular, the integral relationship between board assessment and organizational performance was emphasized to highlight the significance of the activity. Thus, the following were the objectives articulated for the 2020 PhilHealth Board Assessment:

1. To ground the board's understanding and ownership of their roles within the organization and in the achievement of its strategies, contextualized further in light of current realities and challenges.
2. To internalize and reflect on each board members' performance of their roles and duties toward accountability and growth; and,
3. To assess the readiness and commitment of the board members to take on their roles, pursue organizational strategies and deliver results.

3. ASSESSMENT FRAMEWORK AND METHODOLOGY

The 2020 Board Assessment was conducted in a different manner than the previous years' assessment in the sense that a mixed platform was used. The BMs were given the option to join the assessment by being physically present at the PhilHealth Board Room at the PhilHealth main offices in Citystate Center, Shaw Boulevard, Pasig City or by joining the workshop online via the MS Teams online platform. Together with the option of joining online, the BMs were also provided a choice of filling up the assessment forms physically (for those who were at the Board Room) or using the provided google forms for all the aspects of the assessment process.

The option of filling up the assessment forms via google forms turned out to be a helpful tool as it allowed a broader range of stakeholders to do the assessment, particularly the ex-officio BMs who sent representatives to the workshop. Also, 360-degree assessment (more or less) was possible through the inputs and responses of some representatives from management who were invited to send their assessment for some of the components of the Board Assessment process.

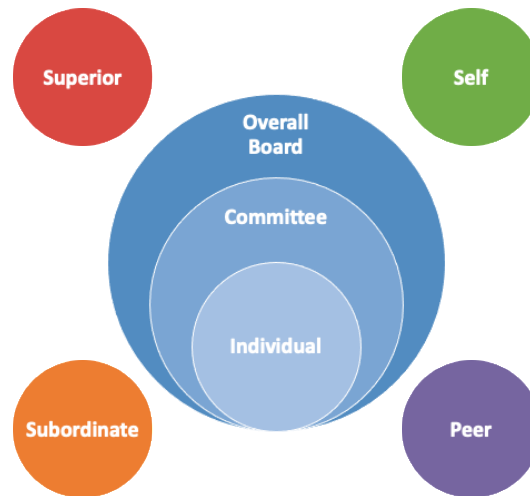


Figure 1: Assessment Dimensions

Figure 1 describes the various components considered in doing the assessment. The process always begins with the individual and how she/he perceives and assesses her/his performance as a member of the board of the organization. The assessment is done along 2 fronts – as a member of the board and its overall performance and as a member of board committees. In addition to the self-assessment, it is also highly encouraged that a superior, subordinate and peer assessment is also done.

As in the previous years, assessment questions and indicators were not arbitrary and were mostly based on PhilHealth’s Charter on Board duties. In view of the limitations stated earlier, the assessment component of the workshop was modified. The BMs agreed to do a baseline self-assessment of their individual performance as BMs (Director Assessment), in addition, despite the uneven durations of board membership, an overall board assessment and committee assessments were also done with best effort.

4. HIGHLIGHTS OF THE 2019 BOARD ASSESSMENT

Prior to the conduct of the 2020 Board Assessment, the following highlights of the 2019 Board Assessment were shared to the BMs:

- The PhilHealth Board Assessment 2019 was conducted on December 9, 2019 at the Astoria Plaza Hotel, Ortigas Center, Pasig City.
- 5 Board Members were present – appointive BMs were new as they had just been appointed in the latter half of 2019
- A brief orientation and onboarding was conducted on the following themes:
 - Implications of the Universal Health Care (UHC) Law to PhilHealth Governance (Function, Structure, Relationship with Management, and Relationship with the Department of Health or DOH)

- Board mandates, general responsibilities, and specific board functions
- Committee membership
- Overall Board Assessment Framework, Process, and Criteria
- Figure 2 summarizes the key findings of the self-assessment done by the BMs with regards their performance and participation for 2019. Self-assessment was the only process conducted due to the limitations and circumstances related to the newly appointed BMs at that time.

Criteria	Score	SCORE	RATING	DESCRIPTION
Knowledge & Personal Development	4	5	Excellent	NO shortcomings. Performs the behavior 95-100% of the time.
Preparedness & Participation	3.95	4	Very Good	MINOR shortcomings. Performs the behavior 85-94% of the time.
Teamwork & Communication	4.33	3	Good	MODERATE shortcomings. Performs the behavior 75-84% of the time.
Conduct & Behavior	4.83	2	Fair	SIGNIFICANT shortcomings. Performs the behavior 60-74% of the time.
OVERALL AVERAGE	4.28	1	Poor	SEVERE shortcomings. Performs the behavior < 60% of the time.
		N/A	Not Applicable	The rater has limited knowledge or experience to make a valid evaluation.

Figure 2: Results of BM Self-Assessment, 2019

- The following were the recommendations generated from the discussions during the 2019 Board Assessment:
 - Plan and conduct a thorough onboarding about the UHC Law and how it impacts Board functions
 - It was observed by the BMs that there are overlapping roles and responsibilities between the board and management and thus there is need to clarify and delineate these better.
 - Ensure that all BMs are able to do a baseline assessment that may be revisited during the subsequent year end board assessment.
 - The different components of the Board Assessment should be included as part of the onboarding of BMs
 - There is an urgent need to do a skills inventory and training needs assessment to provide guidance in planning continuing professional development programs.
 - Build on accomplishment and milestones of the previous years as well as revisit and improve on areas that proved to be challenging and problematic.

5. RESULTS OF THE 2020 BOARD ASSESSMENT

Before the assessment started, the mandate and responsibilities of the Board as well as its special functions were reviewed. Key findings of the 2019 Board Assessment were also presented. The BMs were asked if they had comments, clarifications or feedback related to the presented mandate and responsibilities. In general, the BMs were in agreement with the review of mandate and specific functions and no additional comments were made.

OVERALL BOARD ASSESSMENT

For the year 2020, the following are key information that were presented to serve as inputs:

- 18 Regular Board Meetings were held from January 15 to November 26, 2020
- 3 Special Board Meetings were held on July 30, 2020, September 7, 2020 and November 11, 2020
- 91% average attendance by all board members
- Total Number of PhilHealth Board Resolutions (PBR) Issued: 75 [Excludes PBRs issued during Executive Sessions]

The following, on the other hand, were the definitions provided as guide for the assessment scale used:

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 of the time with satisfactory results	Criteria is met consistently and exceptionally	Limited knowledge and experience to do an adequate assessment

A total of 15 responses were received for the Overall Board Assessment. Of these, 8 responses were from the Board Members (and / or their official designates) and 7 responses were from representatives of management. The results of the Overall Board Assessment are as follows:

Table 1: Summary of Overall Board Performance

Criteria	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	N/A
The Board has appropriate composition, mix, and capacity	0	3	9	3	0
The Board is responsive to the needs of shareholders, stakeholders and employees	0	0	11	3	1
The Board is transparent and accountable in its processes and decisions.	0	1	10	4	0
The Board exercises participatory governance.	0	0	10	5	0
The Board effectively oversees, liaises and interfaces regularly between Board and Management	0	2	11	2	0

Criteria	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	N/A
Board meetings cover the agenda and stimulate productive discussions.	0	2	7	5	1
Reliable data is actively sought and utilized for decision-making.	1	1	8	4	1
Board enlists secretariat support to ensure proper documentation.	0	0	7	7	1
Relevant, continuing opportunities for training and development are pursued.	0	1	10	1	3
Board sets strategic direction, monitors strategic plans and progress.	0	1	10	3	1
When making decisions and resolutions, risks are forecasted, evaluated and managed to mitigate impact.	0	2	12	1	0
Emerging leaders are identified, developed, monitored and mentored.	0	1	8	6	1

* Numbers in red indicate highest total rating per category

In general, the overall board assessment results manifest that most of the respondents found that the composition and mix of the PhilHealth Board of Directors for 2020 was sufficient. Further, most of the respondents also agreed that the board performed adequately in the manner and form that is expected of them. Sufficient secretariat support was also provided both in terms of proper documentation and in providing opportunities for training and development. Most importantly, the respondents agreed that the board exercised participatory governance, conducting robust and engaging discussions and regular interfacing with management.

Ideally, the scores for the various items included in the Overall Board Assessment should be a composite assessment from the Board Members (50%) and Management Subordinates (50%). This year (2020)'s assessment enabled the participation of 7 Senior Management subordinates who had a lot of interaction with the board. Although the responses are not sufficient to do a 50-50 scoring between the BMs and Senior Management subordinates, it was observed that there are four criteria related to overall board assessment where there appeared to be **some difference** in the assessment rating by the BMs and the Senior Management subordinates. In these areas, respondents belonging to Senior Management selected the *disagree* responses while the BMs chose the *agree* and *strongly agree* responses. The 4 dimensions are:

- Appropriateness of board composition in terms of mix and capacity
- Exercising transparency and accountability in processes and decisions
- Covering the agenda and stimulating productive discussions
- Identifying, developing, monitoring and mentoring emerging leaders

COMMITTEE ASSESSMENT

Based on GCG Memorandum Circular No 2014-03 Section 3.3.2, “All GOCC Directors, both Ex Officio and Appointive, shall be officially designated at least one (1) committee where their presence shall be determinative of quorum.”

Prior to filling up the assessment forms, the BMs reviewed the updated active committees for the year 2020 and their accomplishments.



Figure 3: PhilHealth Board Committees, 2020

In addition, the organizational value of committees was reviewed, to wit:

- Boards often delegate work to committees of directors *to more effectively deal with complex or specialized issues and to use directors’ time more efficiently.*
- Committees make recommendations for action to the full board, which retains collective responsibility for decision making.
- Involvement in committees *allows directors to deepen their knowledge of the organization, become more actively engaged and fully utilize their experience.*
- The *board must continually monitor each committee’s activities* as part of their duties of care, diligence and good faith.

The facilitators then proposed a two-step committee assessment framework:

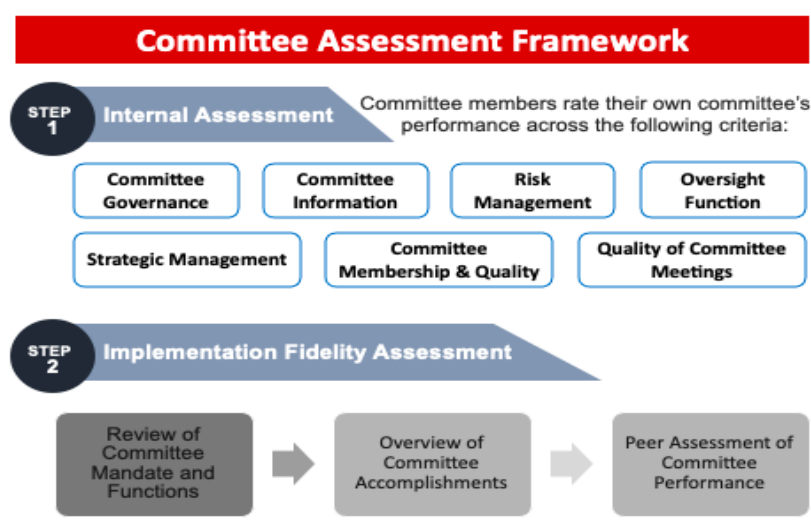


Figure 4: Two-step Committee Assessment Framework

The same guide for assessment scale was used with the following parameters: Strongly Disagree – Disagree – Agree – Strongly Agree – Not Applicable.

Self Assessment of Committee Performance

A total of 16 responses were received from Board Members (including their official designates). BMs on the average provided at least 2 responses each as most were assigned to be members of more than 1 committee. The BMs who responded were members of the following committees: Audit Committee, Benefits Committee, Committee on Appeals and Administrative Cases, Expanded Governance Committee, and Risk Management Committee. Table 2 below is the summary of the responses:

Table 2: Summary of Committee Performance – Self Assessment

Criteria	STRONGLY DISAGREE	DISAGREE	AGREE	STRONGLY AGREE	N/A
The Committee has appropriate composition, mix, and capacity	0	1	8	7	0
The Committee is responsive to the needs of shareholders, stakeholders and employees	0	2	6	8	0
The Committee is transparent and accountable in its processes and decisions.	0	0	6	10	0
The Committee exercises participatory governance.	0	0	7	9	0
The Committee effectively oversees, liaises and interfaces regularly between Board and Management	1	1	7	7	0
Committee meetings cover the agenda and stimulate productive discussions.	0	0	9	7	0
Reliable data is actively sought and utilized for decision-making.	0	0	8	8	0
The Committee enlists secretariat support to ensure proper documentation.	0	0	6	10	0
The Committee regularly aligns itself with the organization's strategic direction, monitors strategic plans and progress.	0	1	5	10	0
When making decisions and resolutions, risks are forecasted, evaluated and managed to mitigate impact.	0	1	8	7	0

* Numbers in red indicate highest total rating per category

As a whole, all the BMs were generally in agreement that the various committees were able to comply with its mandate and functions. The appropriate secretariat support was provided to the committees and the work and output of the committees remain aligned to the overall strategic direction of PhilHealth.

Peer Assessment among Committee Members

In order to perform a more comprehensive peer assessment of committee members, the mandates and accomplishments of each committee for the year 2020 were reviewed. In summary, the following were the activities and outputs of the various committees for 2020:

- **Expanded Governance Committee Accomplishments 2020**
 - Compensation Classification Position System (CPCS).
 - Review on the Creation of an Interim Procurement Management Department.
 - Review of the PhilHealth Manual on Corporate Governance
 - 2021 Performance Scorecard
 - Additional Plantilla Positions for the Arbitration Office
 - PhilHealth Strategic Plan Development
 - Review of the PhilHealth Charter Statements
- **Committee on Appeals and Administrative Cases 2020**
 - OGCC Opinion Re PBR 1909, s 2014 (Resolution Approving the Guidelines on Multiple Counts of Administrative Offenses of Health Care Providers under the National Health Insurance Program).
 - PhilHealth Rules on Administrative Cases
 - Review and Deliberation of Various Appealed Administrative Cases, as follows:
 - Memorandum of Appeal dated 18 September 2019 filed by Wellmed Dialysis and Laboratory Center, Corp. [PHIC Case No. HCP-NCR-19-0248 to 0260 (13 counts)]
 - Memorandum of Appeal dated 14 November 2019 filed by Jose R. Reyes Memorial Medical Center (PHIC Case No. HCP-NCR-19-0028)
 - Urgent Petition for the Removal of the Penalty of Suspension of Revelo Medical Clinic
 - Motion for Reconsideration with Motion to Recall Certificate of Finality of Cardinal Santos Medical Center [PHIC Case No. HCP-NCR-16-1909]
 - Letter dated 18 November 2019 of Hon. Arturo T. Uy, Acting Governor of Compostela Valley Province requesting for the commutation of the imposed penalty of fine against Compostela Valley Provincial Hospital-Marasugan.
 - Letter dated 24 January 2020 of C. P. Reyes Hospital requesting for reconsideration of the imposed penalty of six (6) months suspension of accreditation.
- **Audit Committee 2020**
 - Confirmation of the Audit on Primary Care Benefits
 - Confirmation of the Audit on ACAs Remittances
 - Confirmation of the Audit on Accreditation of HCPs
 - Confirmation of the Audit on PD First Z-Benefit
 - Confirmation of the Audit on PAMMS-Employers Accounts
 - Confirmation of the Audit on Procurement Planning Process

- Confirmation of the Audit on Resolution of Cases in the Prosecution Department
- Confirmation of the Audit on Auto-Credit Payment System
- Confirmation of the Audit on Inventory of ICT Resources
- Financial Statements for the First and Second Quarter of CY 2020
- **Benefits Committee 2020**
 - Approved the Proposal for the Development of PhilHealth benefits to address Malnutrition for Under 5 Years Old
 - Approved the Proposed Benefit Packages for Spectrum of Care for Covid-19
 - Approved the Proposed Benefit Packages for Testing SARS Cov-2
 - Approved the Proposed Coverage for Inpatient Management of Probable and Confirmed Covid-19 Developing Severe Illness/Outcomes (Mild, Moderate, Severe or Critical Pneumonia)
 - Approved the revised Package for SARS-Cov 2 Testing Package
 - Approved the establishment of the Covid-19 Expert Panel and Management Team
 - Approved the SARS Cov 2 Testing Using Cartridge-based PCR Test (using the GeneXpert)
 - Approved the UHC Communication Plan
 - Approved the the First Proposal which is to amend the PBR on Covid 19 package to pay ONLY CONFIRMED CASES with current Covid 19 in-patient packages.
- **Risk Management Committee 2020**
 - Discussed granting of amnesty for denied claims and directed the presentation of various policy to prevent accumulation of denied claims
 - Corporate Operating Budget for CY 2020, except IMS Budget Proposal and WorkPlan
 - Revised Corporate Order on Omnibus Guidelines on Fund Investments
 - One-time granting of amnesty to pay the presented denied claims
 - Whistleblowing policy

For the Peer Assessment, the following criteria for rating was used:

5-Excellent	4-Very Good	3-Good	2-Fair	1-Poor	Not Applicable
NO shortcomings. Performs the behavior 95-100% of the time.	MINOR shortcomings . Performs the behavior 85-94% of the time.	MODERATE shortcomings . Performs the behavior 75-84% of the time	SIGNIFICANT shortcomings . Performs the behavior 60-74% of the time	SEVERE shortcomings . Performs the behavior < 60% of the time	Limited knowledge and experience to do a valid assessment

Nine (9) responses were recorded for the Peer Assessment. All BM respondents represented all the five (5) Board Committees for 2020. The following is the summary of the ratings made by the BM respondents:

Table 3: Summary of Committee Peer Assessment

Committee	Mean Score	Areas for Improvement
<i>Expanded Governance Committee</i>	4.2	Appointments and promotions for top management should be included
<i>Committee on Appeals and Administrative Cases</i>	3.8	
<i>Audit Committee</i>	3.6	Fulfillment of their mandate and responsibility to review reports of internal and external auditors in the pursuit of a transparent financial management
<i>Benefits Committee</i>	3.6	
<i>Risk Management Committee</i>	3.2	

Overall, all the committees were assessed to be active and the mean scores revealed that performance was deemed to be **good** to **very good**. There were also relevant inputs made in terms of additional areas where the committees on governance and audit could further improve and sharpen their work and mandates.

BOARD DIRECTOR'S SELF ASSESSMENT

The legal basis for the Directors' Assessment is in alignment with GCG MC 2014-03: Criteria for Performance Evaluation of Directors. The percentage allocation proffered by GCG guidelines is:

- 60% - GOCC Performance (GCG MC 2013-02)
- 25% - Director Performance Review (GCG MC 2014-03)
- 15% - Attendance (GCG MC 2012-07)

The Director Performance Review is envisioned to be a 360 degree evaluation consisting of: (a) Self Appraisal: 10%, (b) Anonymous Peer 1 Appraisal: 5%, (c) Anonymous Peer 2 Appraisal: 5%, (d) Chairman's Appraisal: 5%. For the 2020 Assessment, the Chairman's Appraisal was not done. Thus, only the results of the self appraisal and the peer assesment were done and no percentage allocation was implemented. The same criteria used for Committee Peer Assessment was used for both self- appraisal and anonymous peer appraisal.

Director's Assessment (Self Appraisal)

Eight (8) Board Members (or their designates) provided self-appraisal responses. Below is the summary of scores from the Director's Self Appraisal.

Table 4: Summary of Director's Assessment (Self Appraisal)

Criteria		Average Score
1	Knowledge & Personal Development	
1.1	I understand the mission, vision, and values of PhilHealth.	4.63
1.2	I know and own the duties and roles of a director. I am able to distinguish between Board and Management roles.	4.75
1.3	I understand the general, economic, social, and sectoral issues that affect PhilHealth.	4.25
1.4	I am willing to participate in director development activities (e.g. seminars).	4.5
1.5	I am open to feedback about my performance.	4.25
AVERAGE		4.53
2	Preparedness & Participation	
2.1	I devote sufficient time and attention to properly discharge and perform my duties and responsibilities as director.	4.53
2.2	I am updated on developments regarding PhilHealth, including its financial and operational performance.	3.88
2.3	I have working knowledge on the legal and regulatory requirements affecting PhilHealth (charter and by-laws, GCG requirements, COA, etc.).	3.88
2.4	I actively participate in board discussions and deliberations.	4.5
2.5	When absent in meetings, I proactively acquire information from what has been discussed to stay updated.	4.0
2.6	I contribute to strategy formulation by proposing policies and suggesting corresponding incentives/sanctions.	4.25
2.7	I am involved in the oversight of strategy execution, particularly in its monitoring and assessment.	4.25
AVERAGE		4.18
3	Teamwork & Communication	
3.1	I actively establish and maintain good personal relations with my co-directors and management.	4.38

Criteria		Average Score
3.2	I handle work conflict positively and constructively.	4.63
3.3	I listen attentively to the contribution of others.	4.75
3.4	I actively participate in board discussions and deliberations.	4.5
3.5	I explore differences in opinion in a positive way.	4.75
3.6	I maintain objectivity in the face of difficult decisions.	4.75
AVERAGE		4.63
4	Conduct & Behavior	
4.1	I act with transparency, accountability, integrity & fairness, fully aware that the office of a director is one of trust and confidence.	4.75
4.2	I ensure the confidentiality of business information acquired by reason of my position as a director, including board's deliberations.	4.75
4.3	I ensure that my personal interests do not conflict with the interest of PhilHealth.	4.88
4.4	I treat anyone in PhilHealth with courtesy and respect.	4.88
AVERAGE		4.81
OVERALL AVERAGE		4.54

As a whole, the BM respondents assessed themselves as **Very Good to Excellent** in the four major assessment areas. Notably, it is the area on *Conduct and Behavior* that had the *highest* average score where the BMs deemed themselves Excellent. On the other hand, it is the area related to *Preparedness and Participation* that garnered the *lowest* average score.

Director's Assessment (Anonymous Peer Appraisal)

For the Peer Appraisal, each BM respondent was assigned 2 fellow BMs to be anonymously assessed. A total of 16 responses were recorded, with each respondent evaluating 2 fellow BMs. The scores were then collated, and mean values and averages were determined. Table 5 presents the summary of the anonymous peer assessment of Board Directors.

Table 5: Summary of Director's Assessment (Anonymous Peers)

Criteria		Average Score
1	Knowledge & Personal Development	

Criteria		Average Score
1.1	Understands the mission, vision, and values of PhilHealth.	4.56
1.2	Knows and owns the duties and roles of a director. Able to distinguish between Board and Management roles.	4.38
1.3	Understands the general, economic, social, and sectoral issues that affect PhilHealth.	4.31
1.4	Willing to participate in director development activities (e.g. seminars).	4.4
1.5	Open to feedback about my performance.	4.31
AVERAGE		4.39
2	Preparedness & Participation	
2.1	Devotes sufficient time and attention to properly discharge and perform her/his duties and responsibilities as director.	4.5
2.2	Is updated on developments regarding PhilHealth, including its financial and operational performance.	4.44
2.3	Has working knowledge on the legal and regulatory requirements affecting PhilHealth (charter and by-laws, GCG requirements, COA, etc).	4.0
2.4	Actively participates in board discussions and deliberations.	4.44
2.5	When absent in meetings, proactively acquires information from what has been discussed to stay updated.	4.5
2.6	Contributes to strategy formulation by proposing policies and suggesting corresponding incentives/sanctions.	4.31
2.7	Is involved in the oversight of strategy execution, particularly in its monitoring and assessment.	4.44
AVERAGE		4.38
3	Teamwork & Communication	
3.1	Actively establishes and maintains good personal relations with co-directors and management.	4.25
3.2	Handles work conflict positively and constructively.	4.19
3.3	Listens attentively to the contribution of others.	4.44
3.4	Actively participates in board discussions and deliberations.	4.44
3.5	Explores differences in opinion in a positive way.	4.25

Criteria		Average Score
3.6	Maintains objectivity in the face of difficult decisions.	4.19
AVERAGE		4.29
4	Conduct & Behavior	
4.1	Acts with transparency, accountability, integrity & fairness, fully aware that the office of a director is one of trust and confidence.	4.63
4.2	Ensures the confidentiality of business information acquired by reason of the position as a director, including board's deliberations.	4.19
4.3	Ensures that personal interests do not conflict with the interest of PhilHealth.	4.5
4.4	Treats anyone in PhilHealth with courtesy and respect.	4.38
AVERAGE		4.42
OVERALL AVERAGE		4.37

In relation to the Director's Assessment by peers, the overall average score was slightly lower than the assessment by self-appraisal. Overall, however, assessments were still within the range of **Very Good**. The assessment area with the *highest average* score was still *Conduct and Behavior* while the area with the *lowest average* score was *Teamwork and Communication*. In particular, areas that have to do with **handling conflict and maintaining objectivity** in decision making were scored lower by most respondents.

INVENTORY OF BM SKILLS

An important component of the annual PhilHealth Board Assessment is having the BMs do a review and inventory of skills that are deemed necessary and contributory to good and responsible performance of Board Directors. The inventory is designed to help identify the strengths and skills of PhilHealth's current Board and is used to design, plan and conduct appropriate capacity building and training sessions that are offered to the Board Members. This is to help the Board optimally utilize the skills of its members and so that it can also improve and sustain its performance. For the 2020 Board Assessment, the following were the trainings conducted:

- Corporate Governance Orientation Program for GOCCs: March 10, 2020 and Sept 8 & 9, 2020
- Orientation on the National Health Insurance Program: October 28, 2020
- UHC-IRR Orientation: February 28, 2020

A google form was provided for the inventory and a list of skills and knowledge sets were presented. This list was based on the previous year's Board Assessment inventory of skills. A simple rating scale was used, to wit:

- 0 – None (Does not currently possess the indicated knowledge or skill indicated)

- 1 – Beginner
- 2 – Intermediate
- 3 – Advanced

There was a total of 8 BM responses received. Table 6 summarizes the average rating provided for each skill presented.

Skills	Average Rating (Sorted from highest to lowest)
<i>Collaboration</i>	2.3
<i>Communication</i>	2.3
<i>Leadership & Management of Change</i>	2.3
<i>Management</i>	2.3
<i>Monitoring and Evaluation</i>	2.2
<i>People Management (People & Social Skills)</i>	2.2
<i>Planning and Development</i>	2.2
<i>Governance and Compliance</i>	2.1
<i>Negotiations and Conflict Management</i>	2.1
<i>Organization / Time Management</i>	2.1
<i>Policy Development &/or Influencing Public Policy</i>	2.1
<i>Social Security</i>	2.1
<i>Asset Management and Protection</i>	2.0
<i>Policy Research</i>	2.0
<i>Program/Project Development & Management</i>	2.0
<i>Human Resource Development/Management</i>	1.9
<i>Labor Relations</i>	1.9
<i>Networking and Social Marketing</i>	1.9
<i>Audit and Internal Control</i>	1.8
<i>Interagency relations (e.g. government relations)</i>	1.8
<i>Public/community relations, engagement and media</i>	1.8
<i>Sustainability</i>	1.8
<i>Corporation Business</i>	1.7
<i>Health Care and Insurance</i>	1.7
<i>Financial Management (Health Insurance Administration)</i>	1.6
<i>Influencing for Results</i>	1.6
<i>Legal Expertise</i>	1.6
<i>Risk Management</i>	1.6
<i>Compensation / Remuneration</i>	1.5
<i>Financial Management (Health Financing, Fund Development, and Investment)</i>	1.5
<i>Fund Raising</i>	1.5
<i>Information Management</i>	1.5

<i>Stakeholder Mapping, Analysis and Engagement</i>	1.5
<i>Information and Communications Technology</i>	1.4

Across the skills list presented to the BMs, on the average, the respondents rated themselves to have *beginner to intermediate* level knowledge in terms of the various knowledge and skill that are deemed integral for Board Directors of PhilHealth. No other additional skills or training needs for continuing education were indicated by the respondents. Based on the response scores, there is certainly much room for growth and continuing professional development that may be planned out for the BMs.

6. RECOMMENDATIONS

It is suggested that a major revisit be conducted of the recommendations that were made and submitted for the Board Assessment report of 2019. More and more, these inputs remain very relevant particularly due to the challenges and issues that PhilHealth faced in 2020. This, notwithstanding the external challenges that the COVID 19 continues to bring to the country and the health system, in particular. Continuing clarification with regards roles and responsibilities of the board and its committees come to fore particularly with the continuing efforts of rolling out the UHC in 2021 after experiencing a push back in 2020 brought about by the COVID 19 pandemic.

A continuing challenge that is recognized and for which the PhilHealth leadership has very little control over has to do with the turnover of Board Directors and key leaders in PhilHealth Senior Management. In 2020, President Rodrigo Roa Duterte, replaced the PhilHealth President and CEO as well as some of the appointive members of the Board. This constant turnover does provide some difficulty in carrying out the mandate and responsibilities of the board both as a collective body as well as in the various Board Committees.

There continues to be overlaps in the roles and responsibilities between the board and management in PhilHealth. These has led to a very blurry implementation of tasks and roles. In addition, the shuffling of some Senior Management officers has led to a slowing down of key activities.

It is again recommended that a regular round of assessment-related activities be planned and conducted more regularly throughout the year. Once again, this need was highlighted in the 2020 Board Assessment. Serious effort must be made to do a deeper dive in terms of BM skills inventory and training needs. In this way, continuing professional development sessions can be planned for and offered. Because of the limitations that are still in place due to the pandemic, it is suggested that the Office of the Corporate Secretary work in tandem with the Social Health Insurance Academy (SHIA) in designing and developing sessions for the BM's continuous learning and professional development. These can be offered as online learning modules that the BMs can access at their own pace and time.

Furthermore, it cannot be overemphasized that the on-boarding sessions for the BMs must be designed in a dynamic and comprehensive manner. It is crucial that all BMs are informed thoroughly about the different components of the assessment activity so that at the end of the calendar year, the assessment process will be more robust and become more useful for the work of the board and its committees. In this way, information from the previous

years' assessments and recommendations proffered can also be considered by the BMs as they carry out their duties and responsibilities as PhilHealth Board Directors.

Building on recommendations made for the 2019 PhilHealth Board Assessment, the following are specific recommendations that are once again being suggested. It is hoped that this can contribute to a more robust, dynamic and relevant board of directors as they carry out their responsibilities in shepherding PhilHealth and the UHC Law:

1. As both PhilHealth and DOH gear up for the roll out of the UHC Law, it is highly encouraged to consider as urgent, the conduct of activities focused on planning for and conducting strategic conversations on how the Board of Directors' roles, responsibilities and mandates are shaped by the provisions of the UHC Law. Topics related to roles and responsibilities of the Board as they relate to management and technical operations are crucial and important.
2. As in the past, it is once again recommended that the Board with the support of the Office of the Corporate Secretary, build on the accomplishments and milestones of the previous years as well as revisit and improve on areas that proved to be challenging and problematic.
3. It is essential that all board members undergo a self-assessment early in the year (or at the start of their term, whichever is relevant) to serve as baseline information. This can then serve as basis for the year-end assessment that is usually done before the end of the current calendar year.
4. In the end, the Board of Directors' performance is only as good as the openness, willingness and ability to continuously ensure that a dynamic, inclusive and transparent work ethic and culture pervades among the BMs as well as within the entire corporation. The annual assessment process remains to be an important step in contributing to this and must thus be seriously attended to and its recommendations considered.