



PIDS Webinar

“Analysis of the National Health Expenditure Survey Round 1 and Design of Survey Protocol for NHES Round 2 (Phase 1)”

May 16, 2024 | 9:00-11:30 AM | Zoom

Reaction, Comments and Suggestions

Presented by:

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Reaction on the Studies:

1. “Trends in Healthcare Service Use among Filipinos with Usual Care Providers”
2. “Determinants of Household Out-of-Pocket Expenditure on Noncommunicable Diseases”

Authored by PIDS Senior Research Fellow Valerie Ulep and PIDS Consultants Ida Marie Pantig, Lovely Ann Tolin, and Xylee Javier

PhilHealth Mandate



- ✓ To serve as the means for the healthy to help pay for the care of the sick and for those who can afford medical care to subsidize those who cannot.

- ✓ To provide health insurance coverage and ensure affordable, acceptable, available and accessible health care services for all citizens of the Philippines.





PhilHealth pays for what?

Table 9. Comparison of Amount of PhilHealth Payments for Inpatient versus Outpatient

	2015	2016	2017	2018	2019	2020
All claims (P millions)	93,128	102,042	104,194	106,073	110,869	84,210
Inpatient	91%	92%	91%	91%	90%	86%
Infirmaries	5%	5%	4%	4%	4%	3%
Hospitals - Level 1	29%	29%	28%	28%	28%	25%
Hospitals - Level 2	26%	27%	27%	28%	27%	29%
Hospitals - Level 3	31%	31%	32%	32%	31%	29%
Outpatient	9%	8%	8%	8%	8%	10%
Primary Health Care	0.001%	0.001%	0.003%	0.007%	0.001%	0%
MCP and FP	3%	3%	3%	3%	3%	4%
HIV/AIDS, TB, Malaria, Animal Bite, Drug Abuse	0%	0%	0%	0%	0%	0%
Dialysis - free standing	3%	3%	4%	5%	5%	8%
Ambulatory Surgery	2%	1%	1%	1%	2%	1%
Diagnostics						0.3%
COVID-19 Community Isolation						0.3%

MCP and FP - Maternal Care Package and Family Planning; HIV - Human immunodeficiency virus/ Acquired immunodeficiency syndrome; TB - Tuberculosis.

2021- 100.2B

2022- 130.6B

2023- 118.9B

(including more than 500M for primary care)

2024 (Jan-April) —
52B

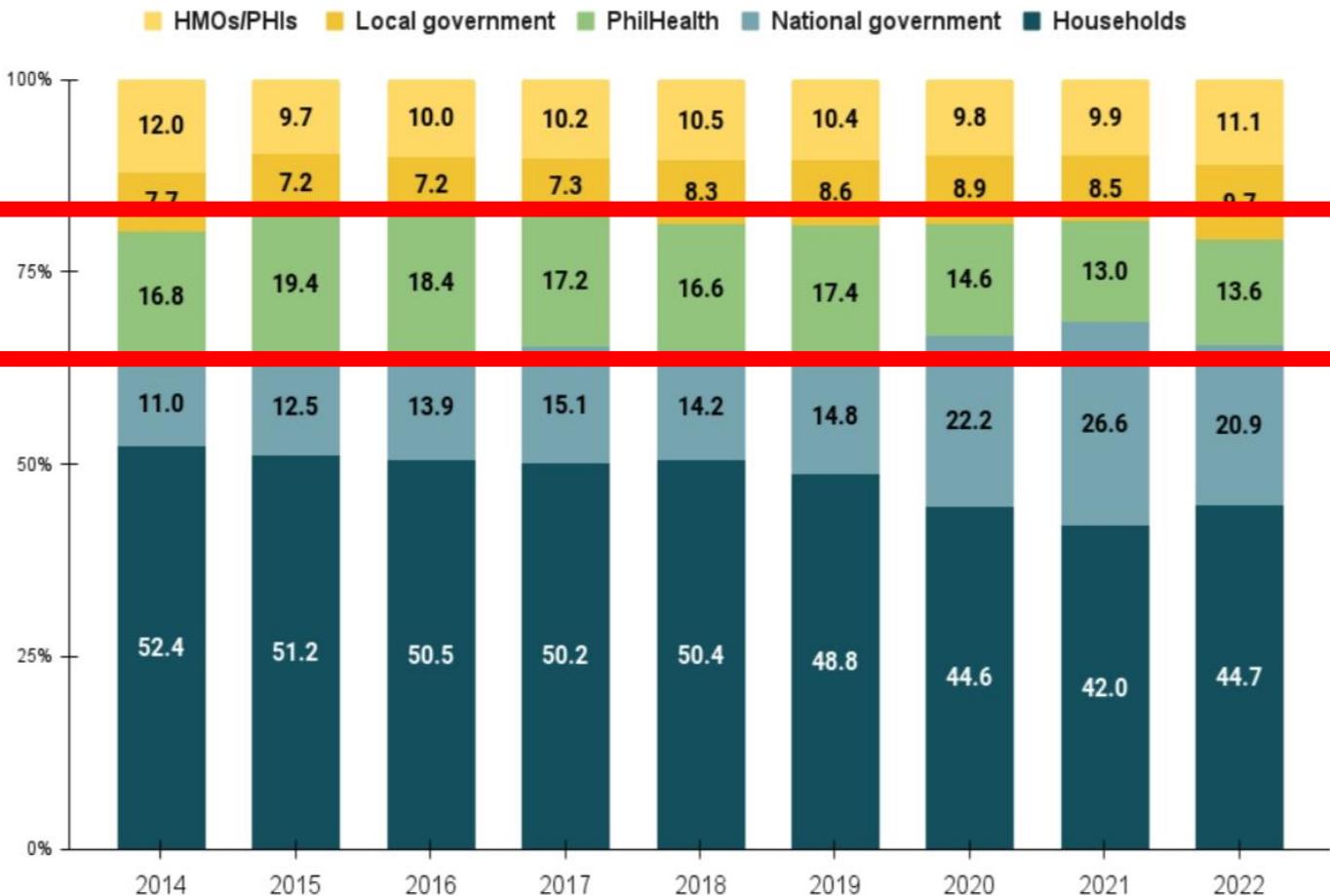
1. Uy, Jhanna et al. The Financial health of Select Philippine Hospitals and the Role of Philippine Health Insurance Corporation as the National Strategic Purchaser of Health Services, PIDS Discussion Paper Series No. 2021-036, Quezon City, Philippines



Vital Statistics and Roadmaps

HEALTH CARE FINANCING STRATEGY OF THE PHILIPPINES 2023-2028

Towards Universal Health Care



Vital Statistics and Roadmaps

GOALS/ OBJECTIVES	INDICATOR	BASELINE/ BASE YEAR	TARGET			DATA SOURCE	REPORTING UNIT
			2024	2026	2028		
	Domestic general government health expenditure (GGHE-D) per capita, in PPP (int\$)	154 (2019)	193	212	232	WHO Government Health Expenditure Database	WHO
Reduce OOP spending and protect Filipinos from financial risk when accessing health services	Household out-of-pocket health spending as percentage of current health expenditure (%)	44.7 (2022)	37.7	33.8	28.1	Philippine National Health Accounts	PSA
	Incidence of catastrophic health expenditure among those who had at least one inpatient care at the 10% threshold (%)	30 (2022)	TBD	TBD	<30	Special Study using Family Income and Expenditure Survey Data	DOH-PMSMD

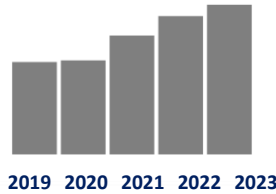
Strategic Objective 1: INCREASE public funding for health	Social Health Insurance Agency as percentage of current health expenditure (%)	13.6 (2022)	19.1	24.6	27	Philippine National Health Accounts	PSA
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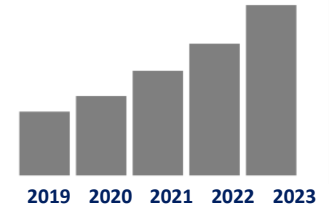
5-Year Financial Highlights (amounts in billion pesos)



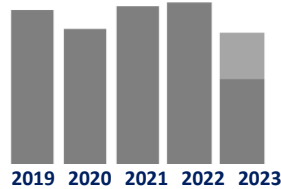
Premium Contributions



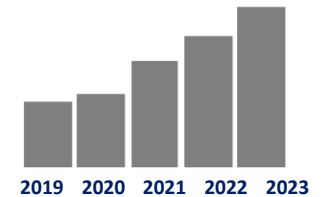
Assets



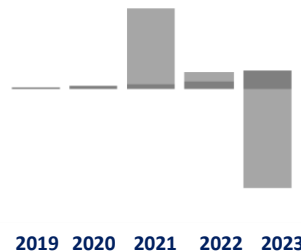
Benefit Expenses



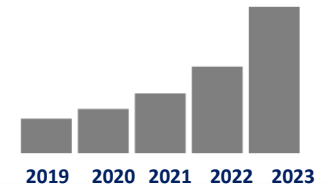
Investments



Net Income /Loss)



Reserve Fund





Share of PhilHealth to total current health expenditure (CHE) covers less than 20% for the past 8 years

**TOTAL CHE
2021 P1.09T**

CURRENT HEALTH EXPENDITURE BY FINANCING AGENT, 2014-2021

Percent share to total (in percent)

Financing Agent	2014	2015	2016	2017	2018	2019	2020	2021
Social Health Insurance Agency (PHIC)	16.84	19.39	18.37	17.24	16.59	17.38	14.72	13.62

- **Downward trend in PhilHealth’s share to total CHE**
- **Need to reverse the trend to be impactful to Filipinos by expanding and improving benefit packages**
- **Implement the Konsulta Benefit Package (covers the consultation, labs and meds – antibiotics/NCDs, the major sources of OOP)**

Source: psa.gov.ph



2023 to 2025 PhilHealth Priorities



Konsulta



Benefit Expansion



**Provider Payment
Mechanism**



Fund Sustainability



Digitalization



Good Governance



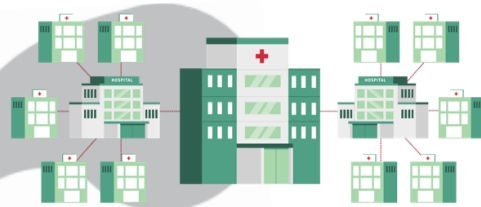
What is UHC for a Filipino people?

KONSULTA

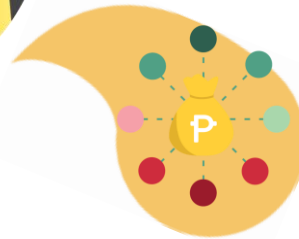


Everyone is assigned to a Primary Care Provider

Everyone is automatically a **MEMBER**, with immediate eligibility



Establishment of health care provider networks for easy navigation



Healthcare spending is predictable.



Strengthen PhilHealth's Primary Care Benefits

Protektado ang kalusugan ng bawat Filipino sa pinakabagong benepisyong handog namin sa Inyo

P30B
2024 Budget



Ang pinalawak na primary care benefit package para matulungan ang bawat isa na makaiwas o maagapan ang paglala ng sakit.

- PC No. 2020-0002 – Konsulta (GP)
- PC No. 2020-0021 – Accreditation of HCPs for Konsulta
- PC No. 2022-0005 – Konsulta (IG Rev1)
- PC No. 2022-0023 – Konsulta PCPN
- PC No. 2022-0032 – Konsulta+ (GP)
- PC No. 2023-0008 – Konsulta PCPN (Rev1)

RBM 26 Apr 23 – Konsulta+SDG, PhilHealth GAMOT

Primary Care

- initial-contact, accessible, continuous, comprehensive and coordinated care
- accessible at the time of need
- includes a range of services for all presenting conditions
- able to coordinate referrals to other health care providers in the health care delivery system, when necessary.



With Mammogram & Ultrasound

BOARD APPROVED
March 13, 2024

No Balance Billing & No Co-pay

with bias for the poor in **public facilities**

Predictable costs

for all Filipinos in **private facilities**

There shall be **no fixed co-payment** for primary care services provided in public facilities to ensure **continued access for the poor** in public facilities.

Php
1,700

Max of Php 500-900 Co-Pay Cap
Php
1,700

DOH & LGUs cross subsidizes input costs to provide mammogram in primary care facilities.

No adjustment to labour cost as interpretation would require specialist services which is not included in the capitation.

Mammogram is included as a diagnostic for screening provided annually for women aged 50-69.

Ultrasound is used for Liver Cancer Screening. Cost per capita is negligible.

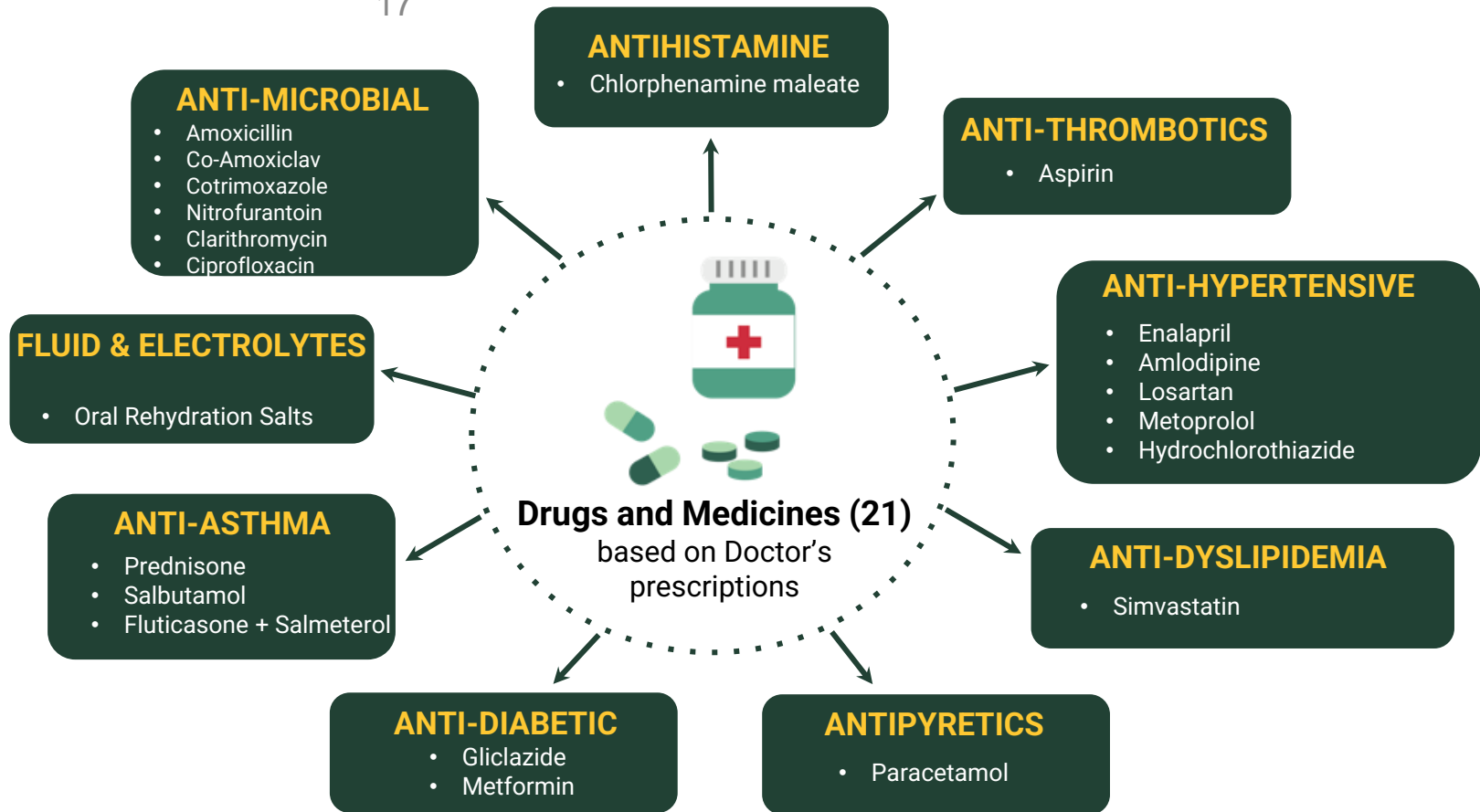
PhilHealth Konsulta What services are included?

HEALTH SERVICES	15 DIAGNOSTICS	21 MEDICINES	
<p>Health Risk Screening (TB, HIV, etc.)</p> <p>Consultations with a Primary Care Provider</p> <ul style="list-style-type: none">• Wellness Consultations (Maternal & Child, Prenatal, etc.)• Sick Consultations (TB, Malaria, etc.)• Counselling (FP, health and lifestyle, smoking cessation, alcohol, mental health, etc.)	<ul style="list-style-type: none">• CBC w/ platelet count• Urinalysis• Fecalysis• Sputum Microscopy• Fecal Occult Blood (FOBT)• Pap smear / VIA• Lipid profile (Total Cholesterol, HDL and LDL Cholesterol, Triglycerides)• FBS• Oral Glucose Tolerance Test (OGTT)• ECG• Chest X-Ray• HbA1C• Ultrasound - upper abdomen, breast, pelvic• Mammogram	<ul style="list-style-type: none">• Amoxicillin• Co-Amoxiclav• Nitrofurantoin• Cotrimoxazole• Ciprofloxacin• Clarithromycin• Oral Rehydration Salts• Prednisone• Salbutamol• Fluticasone + Salmeterol• Paracetamol	<ul style="list-style-type: none">• Simvastatin• Gliclazide• Metformin• Enalapril• Metoprolol• Amlodipine• Hydrochlorothiazide• Losartan• Aspirin• Chlorophane maleate

Konsulta Payment Mechanism

Tranche 2 - Provision of Konsulta Services – 60% of the Capitation Fund

NO.	PATICULAR	TARGET
1	Primary Care Consultation	100%
2	Utilization of Laboratory Services	50%
3	Dispensing of Medicines(Antibiotics)	15%
4	Dispensing of Medicines (NCD)	20%



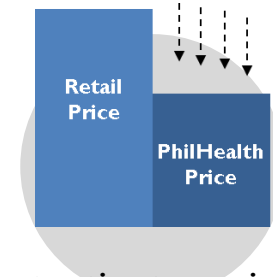
PhilHealth Konsulta

Why pay for Primary Care?

approx. **45%**

of household spending for health is paid towards **medical outpatient services (13.3%)** and **outpatient drugs (31.4%)***




**Family Income & Expenditure Survey (FIES), 2012*



Purchasing outpatient services through PhilHealth **reduces out-of-pocket(OOP) spending for all Filipinos.**

- Many Primary and Outpatient services are insufficiently covered (coverage gap), despite being almost half of the total household expenditure for health.
- While primary care is traditionally not paid through insurance, PhilHealth can leverage its market power to purchase services at lower rates or fees (strategic purchasing).
- **Covering primary and outpatient care will have a more immediately felt (damang-dama) effect to OOP.**

Strategic Progression of Primary Care Coverage

Coverage Strategies	Purpose	Service Inclusions	Payment Mechanism	Policy
	Current main primary care benefit of PhilHealth	Consultation, select drugs (21) and select diagnostics (13)	Capitation (40% with condition, 60% based performance)	PC No. 2020 - 0002 PC No. 2020 - 0022 PC No. 2022 - 0005
	A sandbox of SHF and network payments using current Konsulta package	Consultation, select drugs (21) and select diagnostics (13)	Capitation (30% initial front load, succeeding 50% and 20% based on performance)	PC No. 2022 - 0023
	Committed interim package to expand to COBP	Current Konsulta package, integrating existing SDG outpatient packages (TB, HIV, animal bite, malaria)	Capitation (50% initial front load, succeeding 50% based on performance)	Ongoing policy finalization for ExeCom approval

Implementation updates & LHS Milestones

Total amount released to networks

P 257,607,617.00



P 72,983,582.39

October 25, 2023

- Pooled procurement (economies of scale) Provision of commodities and equipments to KPPs amounting to Php 3.6M
- Php 2.1M for individual HS
- Request of additional 4 KPPs to join the QPCPN



P 114,685,541.24

November 17, 2023

- 100% population coverage
- Hiring and incentives of additional HWs
- Expanded LHBs including Provincial Local Finance Committee & PHIC Reps
- Network policies (integration)
- Php 2M utilization



P 53,962,194.22

October 26, 2023

- 70% utilization of 1st Frontloaded capitation
- Capitations downloaded to LGUs 10 days upon receipt of the frontloaded capitation
- Hiring of additional encoders to help in registration and additional HW for the FPEs (18M)



P 15,976,299.15

December 01, 2023

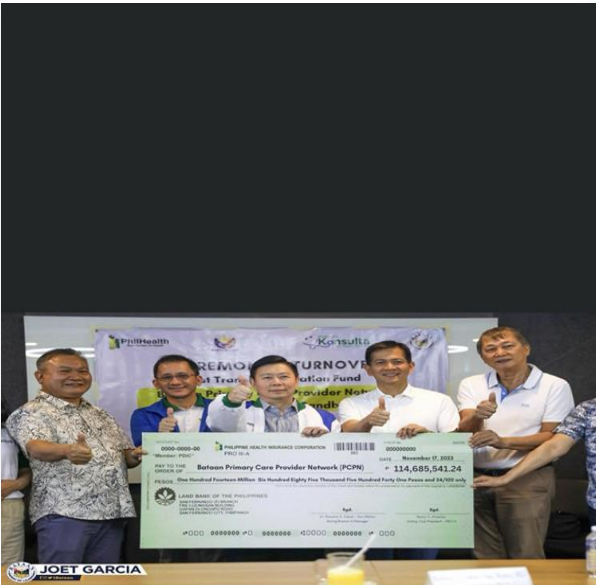
- Php 1.5M used to provide support HSD (cap dev activities)
- Hiring of additional 13 HRHs for FPE and consultations



PhilHealth
Konsulta
Konsultasyong Sulit at Tama

Operationalization of SHF | Network Policies | Integrated Health Systems Planning | Involvement of LCEs

Prospective Payment under Konsulta PCPN



1. Quezon Prov – 74M
2. So Cotabato Prov – 53M
3. Bataan Prov – 114M
4. Baguio City – 14M





PhilHealth 30th Anniversary

Reaching All Filipinos with Affordable
Care & Enhanced Services by 2030

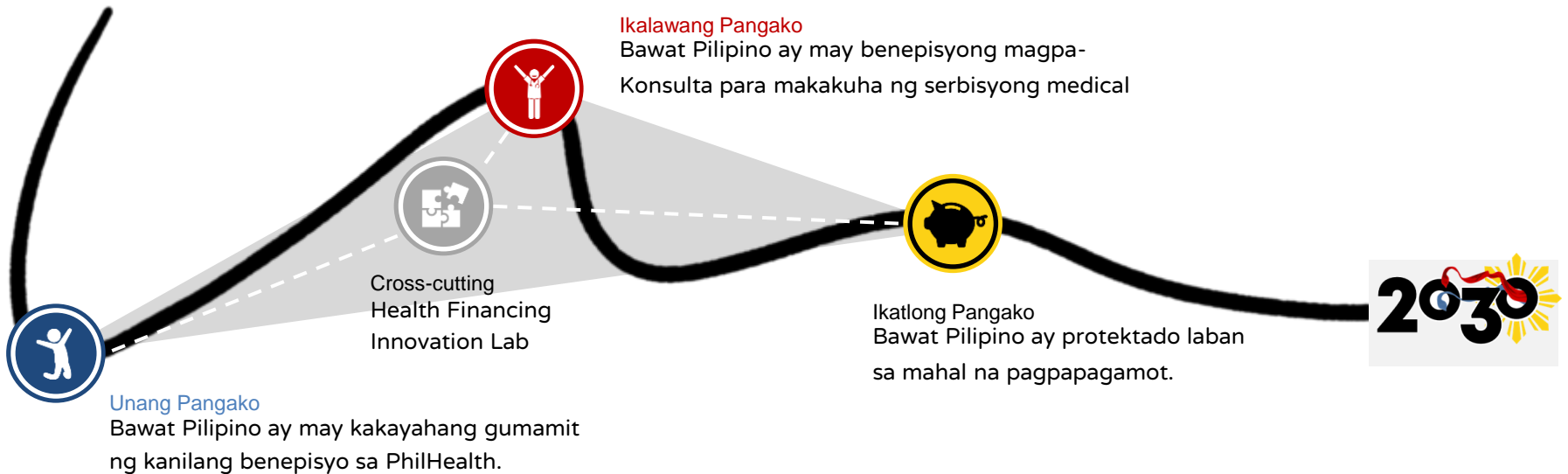
Is a **strategic campaign** that:

- outlines the **30 priority strategies** of the Corporation within the medium-term development plan (MTDP)
- defines **actionable short-term targets** to be achieved as part of PhilHealth's 30th Anniversary
- public campaign encapsulating efforts by the Corporation to **regain public trust**

Race to 30

Reaching All Filipinos with Affordable Care & Enhanced Services by 2030

In achieving affordable care & enhanced services, PhilHealth makes 3 promises:



Reaction, Comments and Suggestions

1. The use of NHES on OOP determination - the OOP indicator is a universal Key Performance Indicator (KPI) that the Philippines is also adopting. Thus, for uniformity and comparability across countries, adherence to the worldwide-used OOP formula should be considered.



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For verification/validation, you may look into the Special Health Fund (SHF) of the local government unit (province and city) as Section 20/21 of the UHC Act mandate the use of the SHF as nearly 10% of the OOP is shared by the LGUs.

Reaction, Comments and Suggestions

2. Aside from the Support Value, PhilHealth also focus on increasing the percent share to TCHE. In fact, for 2024 our target is 17% from 13.6%(2021) and aware of the 2028 target of 27% to reduce the OOP to 28% in 2028.

3. Based on the formula on OOP/total CHE calculation, how much PhilHealth's benefit payment needed to attain the target of 17% in 2024 or 27% in 2028?

Reaction, Comments and Suggestions

4. Agree and need to further improve - More among those *with* usual healthcare provider sought care compared to those *without*—**Positive health-seeking behavior** among the population – we need to increase the accredited (2,548) and the Physicians (3,281) to cover each and every Filipino and register in the Konsulta Program (22.2M).
5. No distinction for preference on either public and private facilities – we are looking forward that a mixed network model will be preferred by the providers.
6. On treatment and diagnosis – we need to ensure that beneficiaries can avail of the consultation and laboratory services under the Konsulta program.
7. Expanding the role of private sector in creating **Primary Care Provider Networks- It is expected that with the increase in Capitation Fund to 1,700/beneficiary, many private sector players will establish their PCPN and join the program (Private KPPs – 2,548).**

Reaction, Comments and Suggestions

8. Agree on this - Opportunity to expand the next rounds of the NHES: Emphasis on primary care (with the UHC rollout) etc.

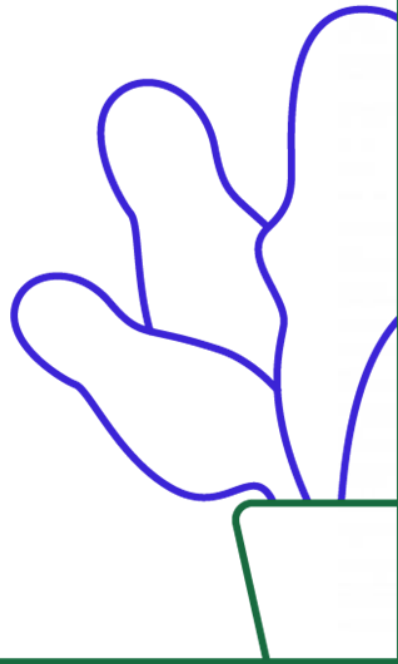
9. Agree with this finding: Significant relationship between OOP spending and health facility and travel time.

10. PhilHealth as sole insurance does not seem to significantly decrease OOP spending – although *various underlying factors need further exploration.* -- only in 2023 that PhilHealth released nearly 500M for the primary care, 257M for the PCPN program and only in 2023 under the leadership of PCEO Ledesma and Chairperson Sec Ted Herbosa that

Reaction, Comments and Suggestions

11. Agree on these: Improve primary health care system; Early detection by preventive screenings; better access (e.g., through telemedicine); Increase awareness of insurance system and copayment structure. - we value your recommendations in the improvement of PhilHealth Program, especially Konsulta Program.

PhilHealth is laser focus on delivering the badly needed health financing dahil sa **PhilHealth, **B**awat **B**uhay ay **M**ahalaga...**



Thank
you!

