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Philippine Health Financing Under UHC

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Outline

- **Background**

- The Philippine Health System: Challenges and Hurdles
- Philippine Health Insurance Corporation - roles under UHC

- **UHC Act: PhilHealth Mandates and Ways Forward**

- Expanded member coverage
- Expanded service coverage
- Expanded financial coverage

- **Sustaining mandated PhilHealth reforms**

- Financial sustainability efforts
- Reforms in mobilizing funds
- Utilization of IT systems



Background

- **Philippine Health System: Challenges**

- Highly fragmented system - governance-wise, financing-wise
- Multiple gaps for LGUs: low capacity to manage funds for health, low capacity to form provider networks, general lack of ICT capacity
- Low financing of primary care
- Suspensions in premium increases
- Low catastrophic spending

- **PhilHealth**

- Social health insurance agency mandated to provide financial risk protection for Filipinos seeking healthcare
- National strategic purchaser of individual-based health services and commodities



UHC Mandates of PhilHealth + Ways Forward

- **Expanded member coverage: Immediate eligibility**
 - Member registration no longer a hindrance to receiving coverage
 - Registration allowed at point of care (Konsulta providers, hospitals)
- **Expanded service coverage: COBP and DRGs**
 - Comprehensive Outpatient Benefit Package: expanded primary care services, outpatient drug benefit, emergency care benefit*, specialist outpatient benefits
 - Diagnosis-Related Groups: expansion of inpatient diseases and procedures covered
- **Expanded financial coverage: Prospective payments and cost sharing reforms**
 - Prospective payments: Global Budget, Capitation, and Per Diem, all coupled with Pay-for-Performance
 - Cost sharing reforms: Fixed co-payment/co-insurance per benefit



How will PhilHealth achieve/sustain these mandated reforms?

● Financial Sustainability

- Gradual increase in premium collections and efficient premium collection
- Revenue from sin taxes
- Actuarial study for benefit packages
- Cost containment through prospective payments
- Improved fund pooling
 - Financing of individual-based commodities to transfer to PhilHealth
 - PCSO/PAGCOR funds now transferred to PhilHealth

● Fund Mobilization: Network Contracting

- Prospectively paid funds (paid as a lump sum to network managers)
- HCPNs tasked with managing the money for all facilities within their network
- PhilHealth to monitor the fulfillment of contractual obligations and fund utilization

● Utilization of IT Systems

- IT platforms are being developed to improve benefit payments, fund management, and M&E
- ICT support being sought for LGUs

