Philippines:
Governing for Quality Improvement in the Context of UHC

Background

History: The Philippine Health Insurance Corporation, or PhilHealth, was created in 1995 to administer the National Health Insurance Program, which aims to provide financial access to health services to all Filipinos. In 1998, PhilHealth established the Sponsored Program to provide coverage for the poor. In 2004, the Philippines passed a law to mandate subsidized coverage of the indigent, and PhilHealth campaigned with the Local Government Units to enroll the poor in their jurisdiction, while the Department of Health invested in the local health service delivery and strengthened its regulatory function (Lagrada, 2009). In 2013, another law was passed requiring PhilHealth to extend the subsidy to the poor and near-poor and to mobilize sin tax revenue to finance the subsidies for these groups. In response to these legal mandates, PhilHealth has streamlined its enrollment processes and has used targeted outreach to rapidly poor and vulnerable groups with the aim of achieving UHC.

Background Country Data	
Total Population (millions)	98.3
Life Expectancy at birth (years, both sexes)	68.5
Infant Mortality (per 1,000 births)	23.5
Maternal Mortality (per 100,000 births)	120
Hospital beds (per 1,000 people)	1
Public health expenditure (% of total health expenditure)	37.7
Total health expenditure (% GDP)	4.6
OOP health expenditure (% of total expenditure)	52
Poverty headcount ratio at $1.25 a day (% of population)	18.9
GDP per capita (current USD)	2,765

Source: World Development Indicators, accessed March 2015

Governance: The scheme is entirely administered by PhilHealth, a government corporation attached to the Department of Health. PhilHealth collects premiums, accredits providers, sets the benefits packages and provider payment mechanisms, processes claims, and reimburses providers for their services. PhilHealth is responsible for oversight and administration of public-sector insurance schemes. It has a governing board chaired by the Secretary of Health with representation from other government departments (ministries) and agencies, and the private sector including the Overseas Filipino Workers (OFW) sector. PhilHealth (accountable to DOH) is responsible for central management, strategic planning, operations, and financial management functions of the National Health Insurance Program (NHIP). Regional officers manage contributions, conduct marketing, process the claims and pay the providers accordingly.

Financing: PhilHealth is financed primarily through contributions from members of Formal and Informal Economy Members (see membership categories below). In 2013, a law was passed to mobilize sin tax revenue to pay for the premium of the indigent, poor, and near-poor populations. Sin tax revenue is expected to increase each year through 2018, enabling PhilHealth to provide coverage for an increasing share of poor and vulnerable populations. The poor families are identified by the Department of Social Welfare and Development through the National Household Targeting System for Poverty Reduction. The premium for these poor families to be enrolled is calculated and incorporated in the DOH budget for the succeeding year. During the fiscal year, the PhilHealth bills the Department of Budget and Management for the costs incurred to cover the indigent, poor, and other vulnerable groups under the PhilHealth Indigent and Sponsored membership categories.

Key Lessons on Quality Reforms

Successes on sequencing governance of quality reforms:

- Increasing the operational capacity of PhilHealth, interventions and strategies
- Developing and scaling up of IT systems to facilitate membership services including Online Enrollment System, PhilHealth HCI Portal, Membership and Collection Information System, among others
- Simplified accreditation process to ensure access to accredited health care providers, both public and private, by PhilHealth beneficiaries.
- Mapping of health facilities that are not yet accredited and actively engaging them through REACH OUT activities.
- Empowering PhilHealth beneficiaries by informing them of their benefits and responsibilities, particularly those who are sponsored members. Working with LGUs and other institutions in conducting ALAGA KA and similar campaigns
- Presence of PhilHealth CARES in accredited hospitals to assist PhilHealth beneficiaries during their confinement
- Shifting the provider payment mechanism from fee-for-service to case rates, providing clear information of how much PhilHealth pays for covered diagnosis and procedures
- Implementation and monitoring of No Balance Billing (NBB) Policy to ensure no out-of-pocket spending when the Sponsored Program members are admitted to ward of government hospitals
- Coordination with the recognized groups of local chief executives such as the Union of Local Authorities of the Philippines (ULAP) to find ways of communicating the program to their members. Currently, PhilHealth conducts Social Health Insurance Educational Series (SHInES) with the LCEs and their relevant staff and this is constantly being reviewed to ensure that messages are packaged to help LCEs understand or appreciate the National Health Insurance Program

Successes in promoting quality of care

- Developed and implemented the PhilHealth Benchbook which established the standards for accreditation. Using this Benchbook, accredited hospitals were categorized as centers for safety, quality and excellence. The use of benchbook in accreditation process contributed to establishing a culture of quality and safety in hospitals. The benchbook has been updated in 2014 and this will be used to accredited health facilities for advance participation.
- PhilHealth created the Quality Assurance Committee consisting of clinical experts and hospital managers to recommend clinical practice guidelines for PhilHealth adoption and to deliberate on cases related to patients' complaints and review of claims concerning quality of care.
- Benefit development teams have incorporated clinical practice guidelines in designing PhilHealth benefit packages.
- Strengthening of monitoring mechanisms and internal audit functions of PhilHealth to track the quality of health services rendered to PhilHealth members. Complaints on poor quality of care from patients as well as monitoring findings of poor quality of care are deliberated within PhilHealth regional committees and discussed by the Quality Assurance Committee, a collegial body of clinical experts chaired by PhilHealth. Such complaints and monitoring findings may become grounds for suspension of the health facility's accreditation.
- Payment of providers are linked to compliance to clinical practice guidelines especially for catastrophic benefit packages or Z-packages
- Adopting cost-effective interventions for primary care in PhilHealth's Tsekap benefit (Primary Health Care benefit package). These interventions are expected to improve the quality of primary care services and contribute to better health outcomes.

Challenges in promoting quality of care

- PhilHealth has simplified its e-claims processing which reduced the information that can be analyzed systematically. Clinical data from patient claims are inadequate to track the quality of care received by PhilHealth beneficiaries.
- Fragmented IT system in the health sector does not collect individual heath data record to track and analyze the quality of

care given to patients

- Provider payment has not been designed to leverage for quality of care
- Different understanding of quality care between patient and health care providers can lead to over treatment (e.g. over prescription of antibiotics for viral infection because the doctor is worried that patient will not come back if infection becomes bacterial, or getting antibiotic is what is expected by patients and not just advise), under treatment or wrong treatment
- Inadequate capacity to review and decide on cases related to poor quality of care

Approaches adopted in the Philippines to ensure quality of care

- Use of licensing, accreditation and contracting mechanisms to ensure that standards of care are enforced
- Investing on public-provided health services to ensure that inputs to care are available. DOH supported the construction and upgrading of public health facilities through the Health Facilities Enhancement Program. This program is funded by sin taxes. Moreover, selected cancer, anti-diabetic and anti-hypertensive drugs are procured by DOH and distributed to selected national hospitals (for cancer drugs) and rural health units
- Regular updating and implementation of National Drug Formulary
- Development of practice guidelines by DOH and adopted by PhilHealth. Examples are TB DOTS, essential newborn care, use of Visual Inspection with Acetic acid to screen for cervical cancer and PEN guidelines.
- Use of impact evaluation to assess the quality of care in utilization of primary care benefit of PhilHealth. This is an on-going study using incentives and information to affect quality of care.
- Standardize data sets for existing IT infrastructures to adopt in order to collect reliable data on health and later

Sources

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- Interviews with Gregorio Rulloda, John Basa, PhilHealth Representatives (December 2014).
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Overview of Governing Quality – Key Inputs and Processes

Function of Quality	Institution Responsible for Function and Key Features and Processes
Regulation	Yes, there are processes for licensing nurses, doctors, dentists, pharmacists, midwives, physical and occupational therapists, surgeons, obstetricians, gynaecologists, and pediatricians. (Romualdez Jr. AG et al., 2011). The Professional Regulation Commission (PRC), a group of professional regulatory boards, is responsible for licensing of nurses, doctors, dentists, pharmacists, midwives and physical and occupational therapists. The Critical Care Nurses Association of the Philippines registers critical care nurses (Critical Care Association of the Philippines, N.D.). Special societies for medical specialists such as surgeons, obstetricians, gynecologists, and pediatricians license their own members. These special societies are sanctioned by the Professional Regulating Committee and are then officially recognized by the Philippine Medical Association (PMA). (Romualdez Jr. AG et al., 2011). Yes, there is a process for licensing both private and public hospitals. (Romualdez Jr. AG et al., 2011; Ergo A et al., 2012; PhilHealth, 2013). Public hospitals licensed by the Department of Health (DOH) must renew licenses annually. (PhilHealth, 2013). Public facilities are accredited by: the Philippine Council on Accreditation of Health Care Organizations (PCAHO), PhilHealth (Romualdez Jr. AG et al., 2011) the country's social health insurance scheme (Ergo A et al., 2012), and, the Centres for Health Development within the Department of Health (DOH) (Romualdez Jr. AG et al., 2011). In the private sector, it seems many hospitals are accredited by PCAHO. (Maramba TP and Peralta AP, 2011).
Law and Policies	PCAHO was mandated by DOH to be the accrediting body for medical tourism. (Maramba TP and Peralta AP, 2011). RA 7875 mandates PhilHealth to promote health care quality and the National Health Insurance Act of 2013 outlines processes for quality assurance, accreditation for providers and health care institutions, as well as a grievance system. (PhilHealth, 2013). Patients' rights are protected under the Penal Code and Medical Act of 1959 and the Code of Ethics of the Medical Profession in the Philippines, Act number 4224. (Romualdez Jr. AG et al., 2011).
Leadership and Management	Healthcare providers who violate patient rights become ineligible for renewal of accreditation. (PhilHealth 2013). he 25-year human resource master plan (2005-2030), focuses on improving the capacity of health care employees through increased investments and improved management systems. (Romualdez Jr. AG et al., 2011). The Health Sector Reform Agenda (HSRA) asks that the country improve the development of local health systems and strengthen regulatory agencies' capacities, among other health care quality improvement initiatives. (Priela JO Jr., 2001).
Monitoring and Evaluation	
Planning	
Financing	There have been studies in the Philippines which pilot pay-for-performance schemes [e.g., women's health teams being offered incentive payments for each disadvantaged woman they bring to facilities for delivery (Ergo A et al., 2012), or clinicians being paid "bonus amounts" for clinical competence], but it does not appear that this has been put into practice nationwide. (Ergo A et al., 2012).