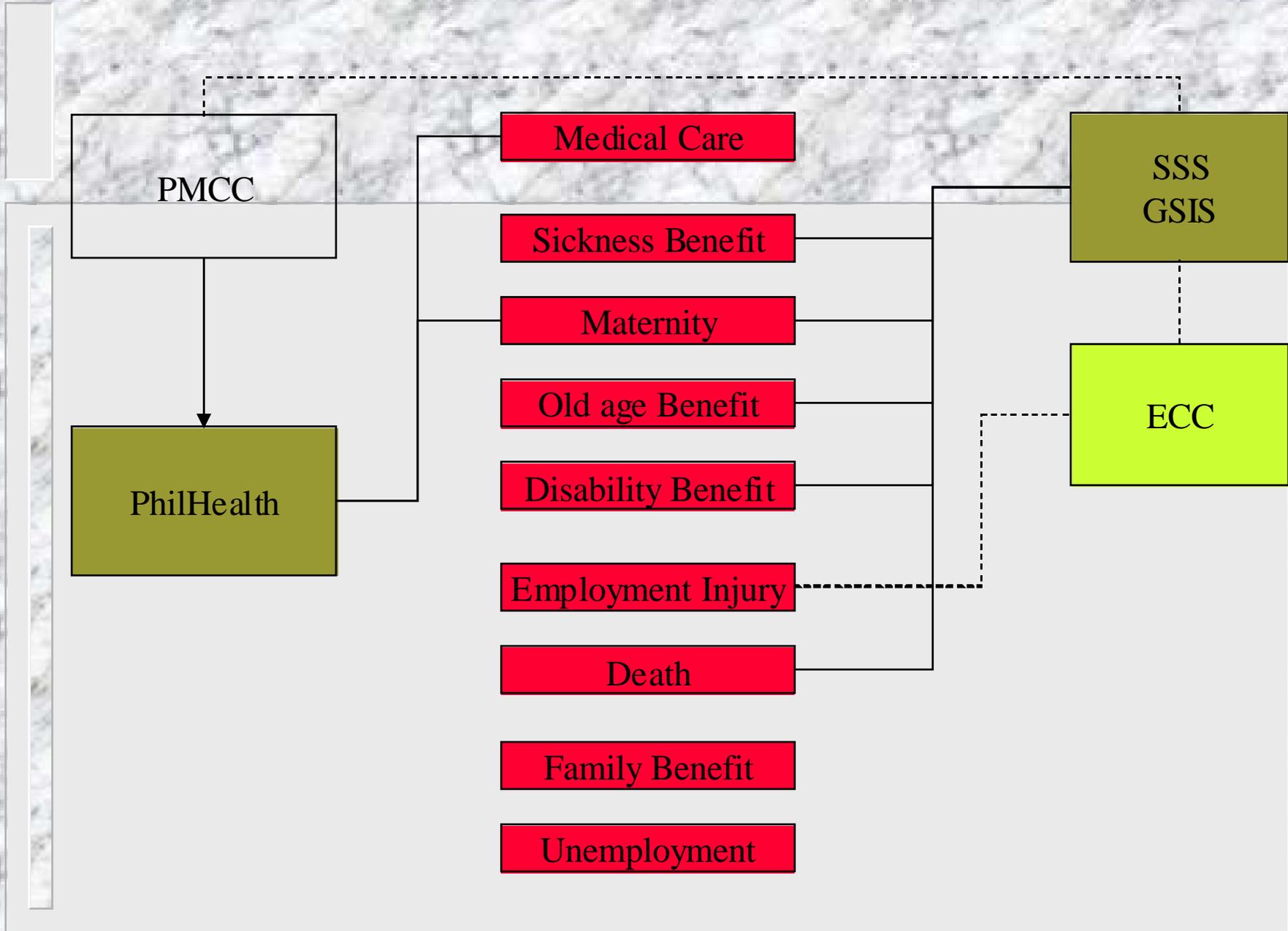




Linkages between Statutory and Community-based Organizations



Primary Care Secondary Care Tertiary Care

PhilHealth Indigent Members

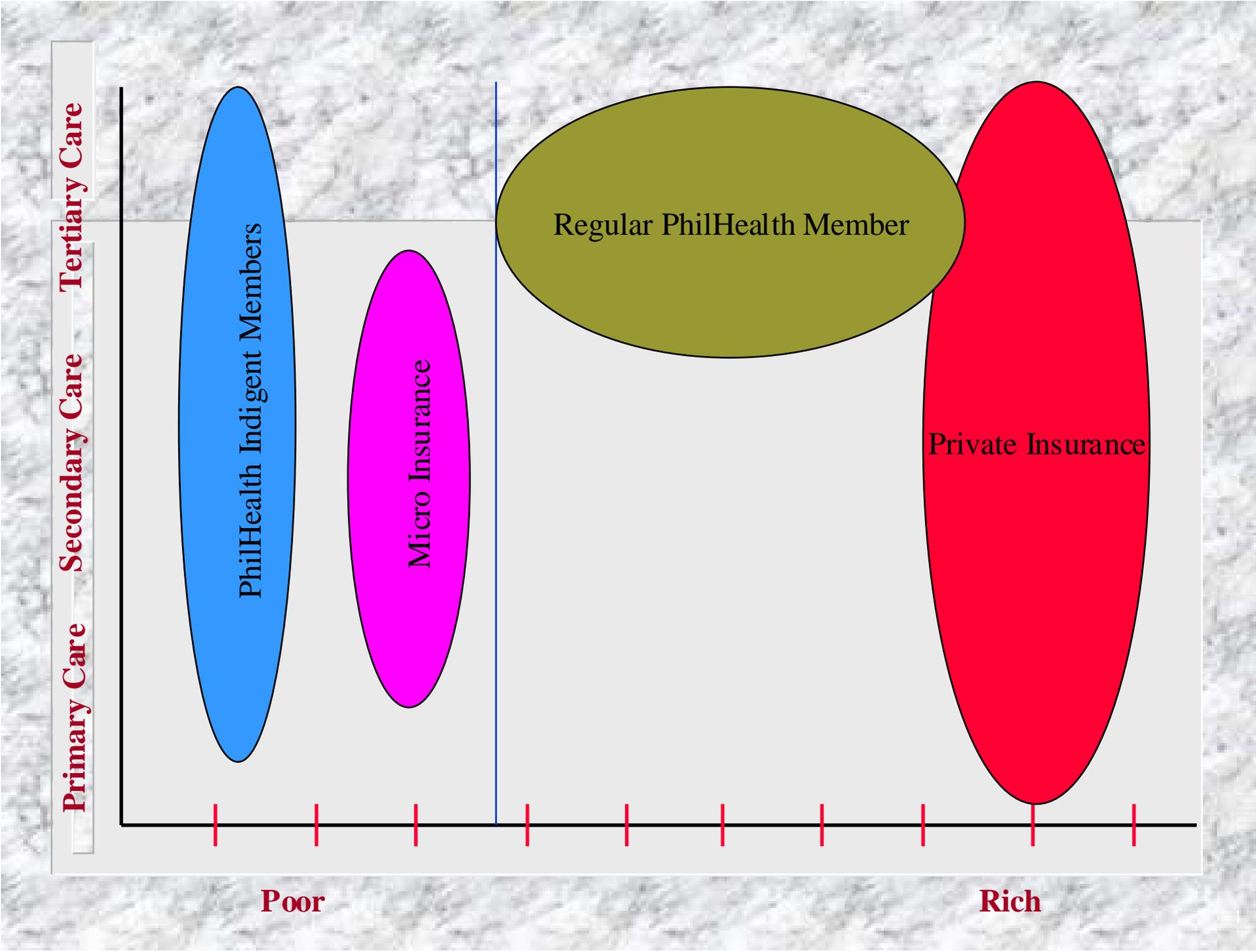
Micro Insurance

Regular PhilHealth Member

Private Insurance

Poor

Rich



PhilHealth

(Philippine Health Insurance Corporation)

- MEDICARE 1969
- Administers the National Health Insurance Program since 1995
- Hospitalization, some out-patient surgeries, hemodialysis, chemotherapy maternity care, TB-DOTS, Out-patient Benefit Package (for indigents), SARS, Avian Flu & HIV/AIDS Package
- Mandate of universal coverage by 2015
 - As of December 2005, there are 13.42 million members approximately covering 54.60 million beneficiaries or 64% of the Philippines' total population
- 1,574 hospitals (40% public), 20,000 professionals, 1,200 out patient clinics

PhilHealth's Membership Programme

- Employed
- Individually Paying Program
 - Self-employed
 - Overseas migrant workers
- Indigent Program
- Non-paying (retirees)

	Members, millions		Beneficiaries, millions	
	Number	Percentage	Number	Percentage
Employed	8.3	61.8 %	30.68	56.2%
<i>Government Sector</i>	1.85	13.8%	7.49	13.7%
<i>Private Sector</i>	6.45	48.1%	23.19	42.5%
Individually Paying Members*	2.44	18.2 %	11.14	20.4%
<i>OFWs</i>	0.55		2.67	
Sponsored Members	2.49	18.6 %	12.44	22.8%
Non-paying Members	0.2	1.5%	0.33	0.6%
Total	13.42		54.6	
*includes OFWs				

Indigent Program

PhilHealth

- Covers the poorest population (25%)
- LGU and national government share in paying the premium of Php 1200.00
- Members entitled to all benefits plus an out-patient benefit package to be availed in government out-patient clinics
 - LGU gets a capitation of PHp300.00 for every member family enrolled in OPB Package

Indigent Program

PhilHealth

Schedule of Premium Contribution					
LGU Income Classification	YEAR	National Government Share		Local Government Unit Share	
		%	Php	%	Php
1 st to 6 th city and 1 st to 3 rd municipality	1st onward	50	600.00	50	600.00
4 th to 6 th municipality	1st and 2nd	90	1,080.00	10	120.00
	3rd	85	1,020.00	15	180.00
	4th	80	960.00	20	240.00
	5th	75	900.00	25	300.00
	6th	70	840.00	30	360.00
	7th	65	780.00	35	420.00
	8th	60	720.00	40	480.00
	9th	55	660.00	45	540.00
	10th onward	50	600.00	50	600.00

Source: IRR 2004, NHIP

Linkage

- **LGU – Community members**
 - Members of the community who can afford to pay a portion of LGU's share
 - Allows the LGU to sponsor more members from the community & members have lower premiums
- **LGU – Community organizations**
 - Negotiations between LGUs and CBOs
 - More efficient
 - Complementation of benefits particularly for those CBOs that operates a HMIS
- **LGU-Community Organizations-Corporations**
 - Corporations/businesses support members to Indigent Program

Individually Paying Program

PhilHealth

- Member pays Php 1,200 per annum regardless of income
- 2.4 million members registered, 0.5 million actively paying = **ADVERSE SELECTION**

LINKAGE

Voluntary membership of community organizations

- Payment schemes that may be favorable to CBO members developed
- Usually informal sector groups, non agricultural

Savings for Health

- Year 1: Private corporations pay for premiums, members begin to save for next year's premium
- Year 2: Sharing of premiums by members and corporations
- Year 3: Members pay full
- Department of Agrarian Reform continuously supports enterprise development of members

Linkage

- PhilHealth Organized Group Interface (POGI)
 - Cooperatives acting as agents
 - Commissions for every new member recruited and for every premium paid
 - Php 10 for every new member
 - 1% - 3% of premiums collected depending on mode of payment
 - Annual premium gets 3% commission

Results of POGI

- 15% coverage = **VOLUNTARY MEMBERSHIP**
 - **LOW AWARENESS OF THE PROGRAM**
 - **INFLEXIBILITY OF PAYMENT SCHEDULES**
 - **LOW FINANCIAL PROTECTION**
 - **COMPETED WITH ANOTHER PHILHEALTH PROGRAM**
- 3% renewal rate = **PREMIUMS WERE PAID THROUGH LOANS**
 - **INTEREST OF 1.5% - 2% PER MONTH = PHP 1,416 to PHP 1,448 per year**
- **Commissions** are not enough to cover promotion of PhilHealth to members
- **Operational problems**
 - Poor MIS – could not identify members who are entitled to other benefits
 - Lack of accredited health providers near area of residence
- **PhilHealth staff lack the capacity to deal with CBOs**

Linkage

- KaSAPI
 - Supposed to be an improvement of POGI
 - Targeted bigger groups
 - Group should at least have 1000 members
 - Principle of group enrollment
 - Premium discounts given to CBOs depending on the number of members enrolled
 - Php77 – Php117 per member enrolled
 - PhilHealth developed a membership software

Initial results

- CBOS are interested to join the program: MFIs, cooperatives, rural banks
 - Leaders recognize the need to protect its members against sickness
- Difficulty for CBOs in reaching minimum number of enrolled members = **LOW AWARENESS, previous experience with PhilHealth, paying premiums is an additional burden to potential members, members could not produce required documents**
- Finding resources to pay premiums is a challenge for CBOs

Initial results

- CBOs set their minimum number of qualified members to 1,000 so they could avail of the discount
- CBOs can pass on the discount to their members or keep them to cover for expenses incurred
 - Some say discounts are not enough
- There is on-going experiment with an MFI (Green Bank) that would determine effects of PhilHealth membership to its general membership
 - Automatic membership, voluntary membership, no intervention

Facilitating Factors

- Legal basis
- Political will
- Willingness of community organizations to work with government

Hindering Factors

- Availability of quality service

Challenge

- Working relationship between government agencies and community organizations

Other Linkages

- Social Security System
 - Voluntary contribution of members through community organizations
 - “Easy Payment System”
 - Small incremental deposit in participating banks
 - Very limited access, only urban communities
 - Unsustainable