

Activity Completion Summary

Strengthening primary care delivery (P149398)

1. Intended results

This activity intended to improve the population's access to effective and efficient primary health care services, potentially leading to better health and enhanced financial risk protection, especially for the poor.

The following specific results were expected to be attained:

- (a) an expanded primary care benefit package as a Philhealth benefit under the UHC plan,
- (b) improved tools for more effective targeting of the government investments in the health service delivery network, and
- (c) development of policy options for strengthening the private sector's participation in delivering the primary health care services.

To achieve these results the following activities were planned:

- (i) review of the current primary care benefit package and identification of new services and interventions,
- (ii) costing of the candidate interventions and services,
- (iii) actuarial analysis of the expanded primary care package,
- (iv) assessment of the PhilHealth's financial management and actuarial capacities;
- (v) development of the primary health care service capacity assessment tool (e.g. adapted Service Availability and Readiness Assessment), and
- (vi) the development of a policy note on leveraging the private sector for primary care provision under UHC.

2. Results achieved

2.1 Expansion of the primary care package

The work commenced in June 2014, following an extended set of policy dialogue events with the Department of Health and the PhilHealth executive management. The Government requested the World Bank, together with other development partners, to finance a technical assistance (TA) package focusing on: (i) costing of the candidate services and interventions, (ii) actuarial assessment of the expanded primary care package and review of the PhilHealth's financial management and actuarial capacities, and (iii) updating technical requirements and PhilHealth accreditation criteria for the primary care service providers.

The work was carried out by a Technical Working Group (TWG) composed of PhilHealth experts and consultants, supported by the World Bank and UNICEF. The TWG completed its tasks by December 2014. The new expanded Primary Care Benefit package called Tsekap was officially launched by Philhealth in February 2015 (see attached copy of the PhilHealth Circular # 002-215).

This TA effectively expanded the Philhealth primary care package to include the following: (a) comprehensive health profiling (health check-up) upon enlistment with a primary care provider, (b) general consultations, and (c) diagnostic tests and medicines for common medical conditions based on the opinion of the primary health care provider. Importantly, medicines would be prescribed and dispensed in full course. The detailed list of diagnostic services and medicines covered by the expanded primary care package are listed in the annex of Circular # 002-215. The services and medicines included in the new primary care package address the prevention and early treatment of the bulk of the health conditions accounting for a substantial burden of disease in the country.

The TWG also developed a detailed Manual of Procedures for the implementation of the new primary care benefit package.

An important new design element of the expanded primary care package was that beneficiaries can now enroll with any accredited health care provider of their choice regardless of geographic location, while before beneficiaries could enroll only with the providers registered in the same location where the beneficiaries resided. Once signed up, the beneficiary must remain with the same provider for a minimum of one year. Removing the geographic restriction on provider choice should improve access to services.

The new primary care benefit package exempts poor (indigent program and sponsored program) members and dependents from co-payments for services and medicines, in both public and private facilities.

With the inclusion of medicines in the expanded primary care package, a new set of accreditation rules and standards were developed for drug outlets. These standards are included in the attached circular.

Based on the costing of services and actuarial analysis, it was estimated that the primary care package would cost P800 per family. Out of this P400 would be fixed, and the remaining P400 would be variable depending on the completion of patient profiling by the health care provider: incomplete profiling would only earn the provider P200. The remaining P200 will only be paid upon the completion of profiling.

2.2 Assessment of actuarial and financial management capacity of PhilHealth

In June 2014 the World Bank carried out a quick assessment of the actuarial and financial management capacities of PhilHealth, as part of the broader technical assistance related to the expansion of primary health care benefit package. The outcomes of the assessment were shared with the PhilHealth in the form of a brief policy note and discussed with the CEO and his immediate staff.

The assessment reveals that PhilHealth's actuarial capacities are not sufficiently strong to carry out its function. Poor actuarial capacity is further undermined by weak data on membership, premium payment status, and incurred and paid claims. Actuarial projections are likely to be based on overestimated assumptions, which may lead to an unrealistically optimistic picture. International Financial Reporting Standards, recommended by the Philippines Accounting Standards Council, are not consistently adhered to.

Audit reports are not fully disclosed and their recommendations have been poorly implemented. Doubts are raised whether Philhelath may be as financially sustainable as its accounts suggest.

The assessment was carried out in a very short period of time. It was not intended to be a comprehensive and in-depth examination of all the aspects of actuarial and financial management functions. The purpose of the assessment was to 'scan the surface' and identify the issues that could be perceived as risks for the implementation of the expanded primary care package.

2.3 Improved tools for more effective targeting of the government investments in the health service delivery network

The team planned to customize the Service Availability and Readiness Assessment survey (SARA) for the Philippines context and carry out the survey of primary health care facilities throughout the country. The World Bank team reviewed the standard set of questionnaires and provided WHO and the DOH with recommendations for modification/adaption of the core module.

The survey was estimated to cost \$200,000, and could only be implemented through pooled funding. The World Bank pledged \$50,000 and WHO \$40,000. The remaining gap was expected to be filled by DOH and the Global Fund for TB, HIV/AIDS and Malaria. However funding from DOH and the Global Fund did not materialize and therefore the activity had to be cancelled.

2.4 Policy options for strengthening the private sector's participation in delivering the primary health care services under the UHC scheme

The team planned to carry out a brief study among private sector primary care providers to understand the bottlenecks to their participation in the UHC funded service provision and explore opportunities for their greater involvement. The study was intended to be financed by 50K from the AusAID-funded joint WB-IFC Trust Fund managed by then-SD team. However, the funding did not materialize and the activity was cancelled.

3. Issues

Despite the notable progress with regard to expanding the population's coverage with primary care services, quality of care still remains a major issue. It is unfortunate that due to the lack of funding the SARA survey could not be implemented¹. As PhilHealth rolls out its new primary care package in 2015, there will be need to close monitoring of the impact of the package in terms of access to services and out-of-pocket expenditures. The need to establish a robust quality monitoring system still remains. With the imminent changes in the government after 2016 elections there will be an opportunity to put the

¹ Fortunately, the Bank is implementing a quality of care survey of 240 rural health units as part of the i3QUIP evaluation, under the same PAAA pillar.

quality of care on the priority agenda of the new administration. The World Bank has a comparative advantage to support the government in measuring and improving the quality of care.

4. Attachments

- Final consultant report on the costing of expanded benefit package
- PPT on the costing of expanded benefit package
- PhilHealth Circular 002-2015 on the implementation of Tsekap (expended primary care package)
- Final consultant report on the assessment of PhilHealth’s actuarial and financial management capacities
- Policy note on the assessment of PhilHealth’s actuarial and financial management capacities

5. Budget and expenses

	Planned		Actual expenditures			
	BB	Bank executed TF	BB labor	BB travel	BB Other (consultants etc)	Total actual expenditures
FY14	\$150,000 of which \$75,000 variable	\$50,000 of which \$40,000 variable	\$95,246	\$41,629	\$40,491	\$177,368
FY15			\$13,134	\$1,278	\$278	\$14,690