

2nd International Congress on Quality and Performance in Healthcare: Promoting Hospitals and Safety



International Experience on Hospital Promotion - Reimbursements The Case of the Philippines

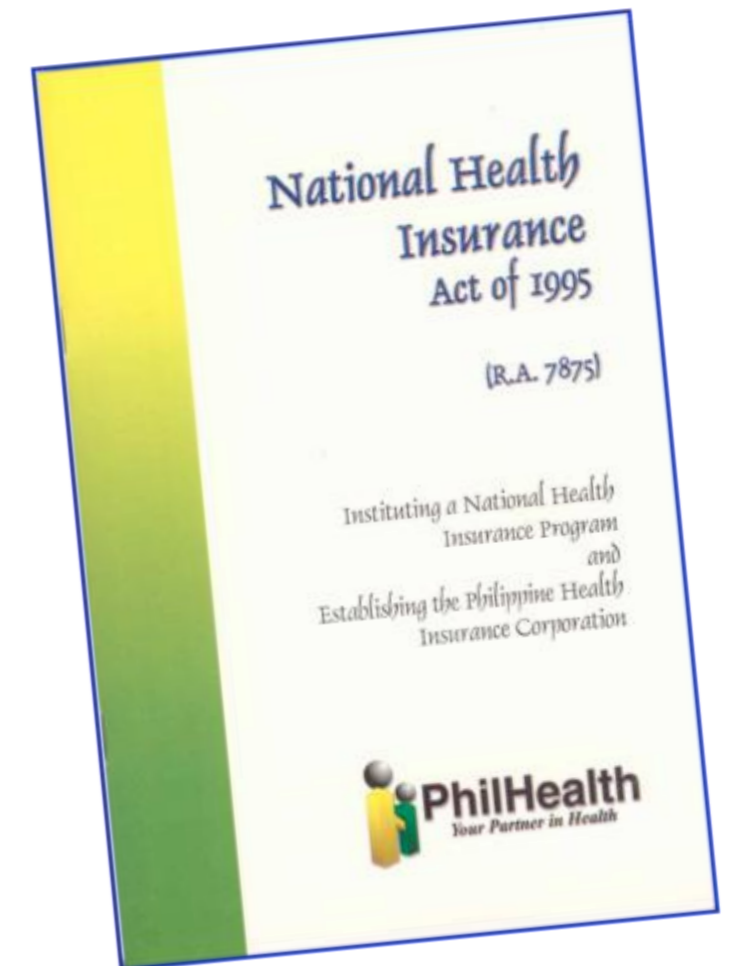
Philippine Health Insurance Corporation
(PhilHealth)

Antalya, Turkey
April 28 - May 1, 2010

1995

Republic Act 7875 established the **National Health Insurance Program**.

The mandate is to provide universal health insurance coverage.



86%

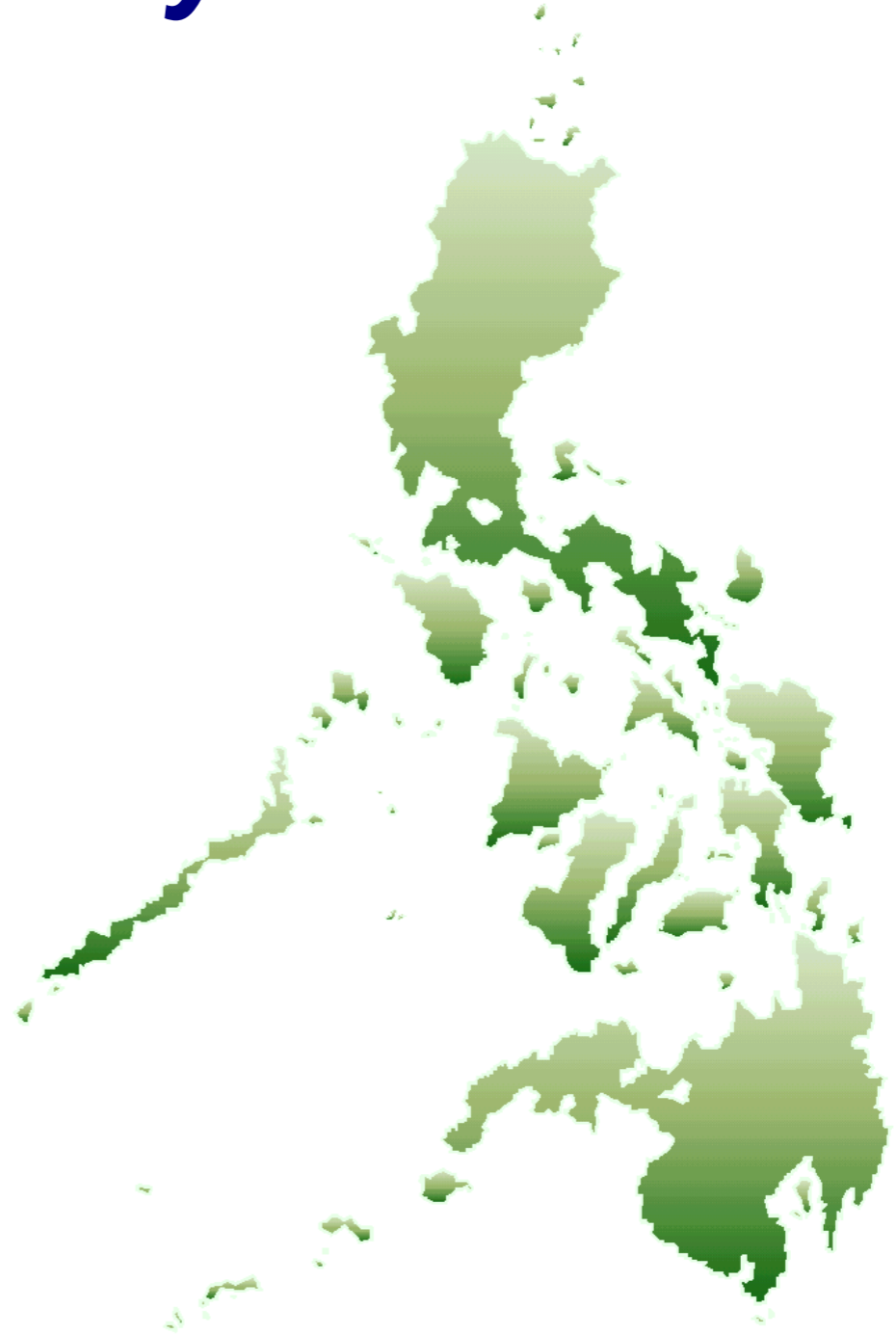
of Filipinos are now covered by PhilHealth

It is the biggest social security institution in terms of membership.

PhilHealth is single biggest source of health funds.

PhilHealth paid Ph P24 billion in 2009.

90% of providers are accredited by PhilHealth



Employed Members

Employees in the government and private sectors are compulsorily covered by PhilHealth and their monthly premiums are equally shouldered by the employer and the employee



Overseas Worker Members

Overseas workers are also covered for their confinements abroad as well as coverage for families left behind



Individually Paying Members

Composed of self-practicing professionals and self-employed individuals and they pay their own premiums





Lifetime Members

Members who have reached the age of retirement and have paid at least 120 monthly contributions are entitled to lifetime coverage without having to pay additional premiums



Sponsored Members

Less privileged Filipinos are given access to quality health care services under the Sponsored Program wherein PhilHealth partners with local governments and other corporate and individual sponsored for the premiums of indigent families.

The current benefit package

In-patient benefits: professional fees, drugs, laboratory exams, room and board and operating fees



PhilHealth also covers outpatient services like day surgeries and emergency care

Portable nationwide; even confinements abroad

How do PhilHealth pays its providers?

PhilHealth uses the following Provider Payment mechanisms:

Fee For Service

Capitation

Case Payment

Fee-for-Service



The hospital files a claim with PhilHealth for benefits deducted from the members' bill



PhilHealth then reimburses the hospital

Fee-for-Service



Charges for room and board per day

Costs of drugs and laboratories



Per day visits of professionals for medical cases

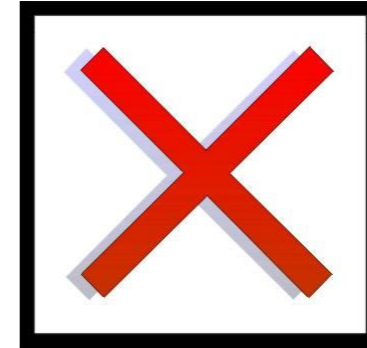
Based on “relative value scale” for surgical cases



Fee-for-Service

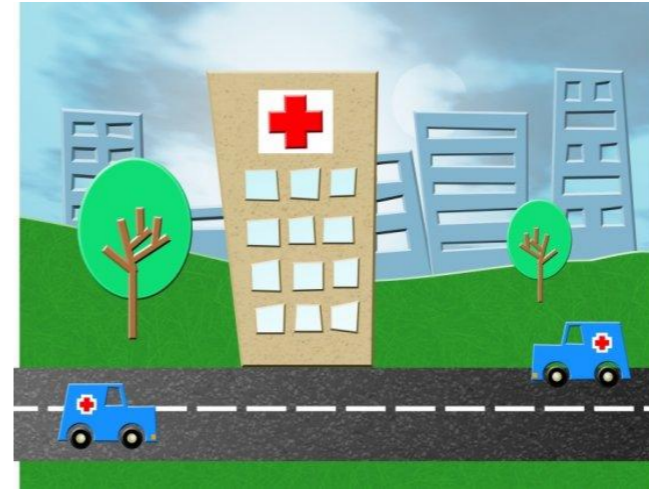


Each item are
accounted and
reimbursed by
PhilHealth



Prone to unnecessary
provision of services
(extra hospitalization
days, unnecessary
diagnostics and drugs)

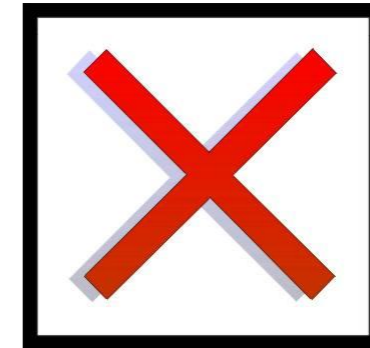
Capitation



PhilHealth's current payment scheme for the outpatient primary care package for members of the Sponsored Program.

Payment is per enrolled family in the program.

Capitation



Preventive health intervention is driven

Budget is controlled

Providers are pre-paid,
no waiting time for
reimbursements

Prone to unnecessary
referrals to higher level
facilities and under
provision of service; or
the provider absorbs the
loss

Per Case



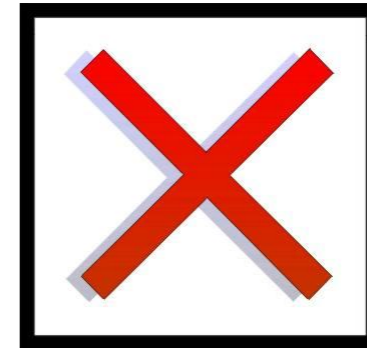
This is the payment per medical case regardless of the length of stay or treatment case.

This is currently being used for the following benefit packages: normal deliveries, cataract extraction, treatment of tuberculosis, among others.

Per Case



Fee is pre-determined



Prone to under provision of service

Co-payments may still be significant

Where are we headed?

PhilHealth should come up with a provider payment mechanism that would:



Minimal co payments



Fair price



Sustainable for
PhilHealth

Where are we headed?

PhilHealth is moving towards more case payments and contracting with preferred providers.

**Thank you and
Mabuhay!**



www.philhealth.gov.ph

The National Health Insurance Program