SOCIAL HEALTH INSURANCE:*PESO* FOR HEALTH

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Social Health Insurance defined

- Scheme for mobilizing and utilizing resources through *risk-sharing mechanisms* to finance the health care needs of members in a manner that *reflects values of solidarity and shared responsibility for health care**

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

Why the need for social health insurance*

- Members:
  - Issue of affordability and accessibility of health care services to those who could barely spare money for their health needs.
  - Poor health seeking behavior.
  - Empowerment of members and relief from anxiety.
- Local government:
  - Political mileage
  - Cost-recovery

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

Why the need for social health insurance (SHI)*

- Service providers:
  - Broader client base
  - Increased predictability of income
- Insurers:
  - Service fees
  - Increased institutional influence
  - Increased services to members
  - Opportunity for growth
  - Social capital (member-driven SHI)

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

SHI vs. For Profit Insurance*

	For-Profit	SHI
Objective	Maximize profit, with improved health care as by-product	**Short-term: improved access to basic health services, equity** **Long-term: improved health status & quality of life; community welfare first, with economic surplus as a by-product**
Assumed behavior of members & service providers	Individuals will pursue self-interest even if at excessive cost to the system	Individuals recognize interdependence with others in society and acts towards achievement of group objectives

*: SHI manual, Elmer Soriano,Shine project, 1999

SHI vs for profit insurance..cont'd

Resource generation	Premiums.interest income.Income from investments	Voluntary contibutions.donations ,sharing of resources.group income generating project
Delivery mechanism	Large organizations maximizing efficicency via centrally-controlled,functionally-defined processes	Local initiative & participation.interdependent communities.
Types of health benefits	Prioritizes the most profitable,usually curative	Prioritizes cost-efficiency, usually a balance between curative and preventive

SHI vs. For Profit…cont'd.

Payment scheme	Usually in cash through regular salary deductions	**Depends on capability of members,payment in kind, timing may be based on harvest seasons**
Cost-control mechanisms	Administrative,contracts,be-nefit ceilings,financial incentives &disincentives.gatekeepers	**Social controls.Voluntary self-restraint**
Social techniques	Command systems.contracts.services agreements.economic & financial incentives/disincentives	Value systems,social processes,community organizing,Health ensuring behaviors, immunization,sanitation, social control
Role of members	Client	Client & co-operator of SHI project

SHI concepts*:

- Risk sharing
- Moral hazards (member or provider induced)
- Adverse selection - more sick members than healthy.
- Cream-skimming – elderly and chronically sick are excluded because they have higher health expense

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

SHI models:

- NGO or PO model:
  - Flexibility in the structure and operating systems. Grants maybe used to subsidize operation of SHI. However, so much dependence on grants may prevent financial sustainability. Weak organizational structures may also threaten viability of the SHI.

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

SHI model:

- Cooperative driven Model:
  - Efficient & effective financial, marketing and collection systems.
  - The challenge lies in persuading the top leadership and coop members to support SHI and harnessing the appropriate health financing experts to help them install it.

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

SHI: models*

- Local government unit Model
  - Strength lies in the use of government structures, resources, and influence to ensure the success of the SHI project. Its weakness lies in the vulnerability to political risks as well as to the cumbersome bureaucracy.

*: adopted from SHI Manual,Elmer S.Soriano,SHINE project, 1999

SHIPs: local government models*

SHIP	Manage-ment	Opera-tion started	Targets	active member/ beneficiary	Utilization rate
Sagada	BOD (quasi-gov't)	2003	House-holds	1085/646	61%
Roxas	Core group (gov't)	2003	House-holds	771/157	20%
Paracelis	LHB (gov't)	2004	Indivi-dual member/ students	**2853/1136**	**40%**

*: data from survey funded in part by Tateno study group of IMCJ on SHIPs in the Philippines,2006

SHIPs: local government models*

SHIP	Fund source	Services	Benefit Scheme
Sagada	Households/ government/ others	Outpatient/ In-patient	Cash reimbursements to members
Roxas	Households/ government/ others	In-patient	Cash reimbursements to members
Paracelis	Individuals/ government/ others	Outpatient (outreach/ missions)	**Cash reimbursements to service provider ie pharmacies AND goods/service subsidy at health centers & outreach**

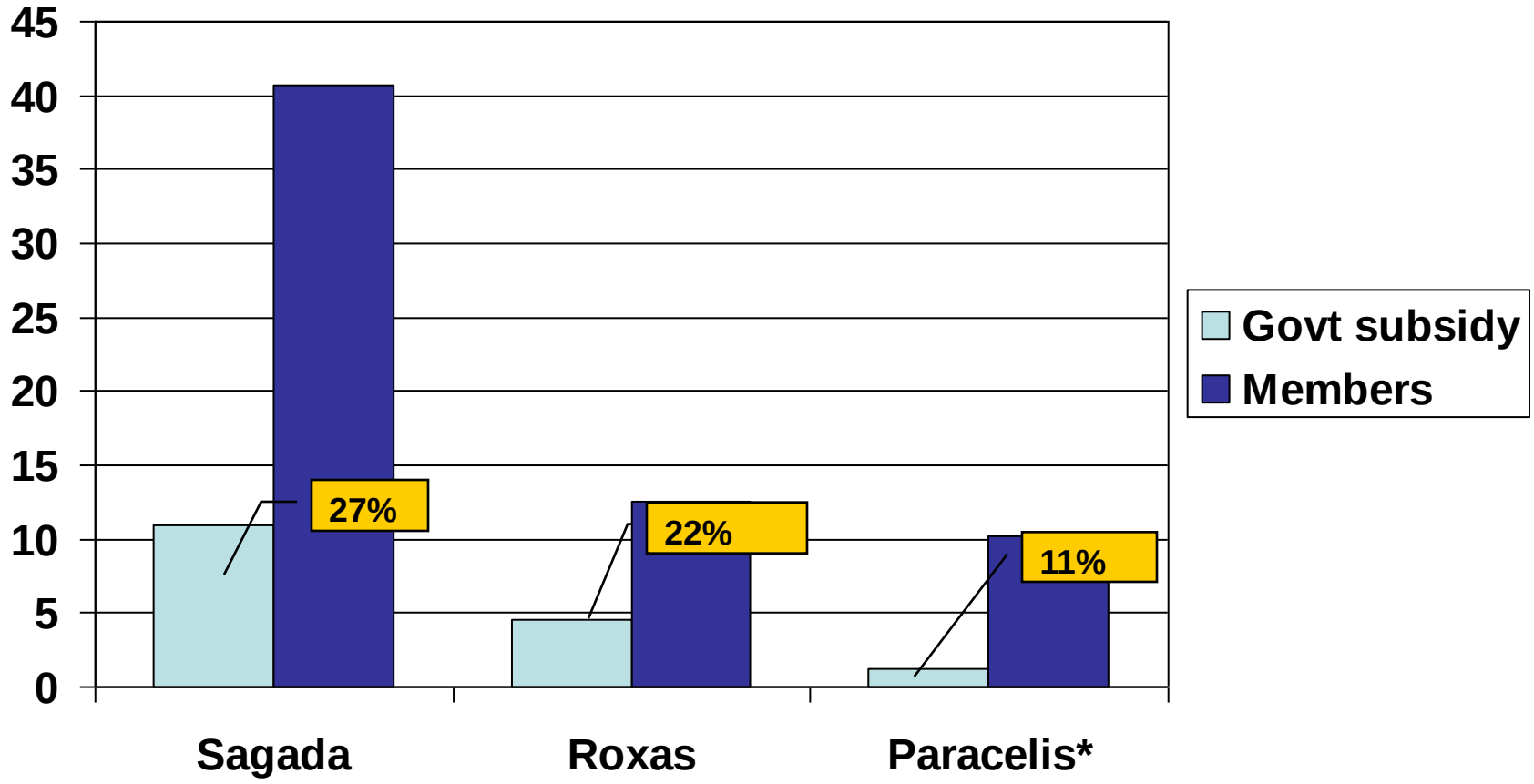
*: survey funded in part by Tateno study group of IMCJ on SHIPs in the Philippines,2006

SHIPs: local government models*

SHIP	HEALTH PLAN		
	Membership	Annual dues	Benefit/year
Sagada	US$ 0.50/ household	US$6.00/ household	US$37.50 OPD-12.50 IPD-25.00
Roxas	none	US$ 9.00 (regular) 4.50 (indigent) *plus* 4.50(subsidy)	37.50
Paracelis	US$0.25/ member (lifetime)	3.00 (regular) 0.25 (schoolers)	25.00(regular) 12.50 (schoolers)

*: survey funded in part by Tateno study group of IMCJ on SHIPs in the Philippines,2006

Fig. 1 Proportion of government cash subsidies vs. members contribution (in thousand US$)



*: additional 26% non-cash through goods & services

ISSUES & CONCERNS on SHI: (government model)

- FINANCIAL:
  - Collection barely covers disbursements.
  - Political risk (no commitment for regular local government counterpart)
- MANAGEMENT:
  - Ride-on workload for bureaucracy
  - No regular/permanent staff
- SERVICES:
  - Limited to basic IPD/OPD services

PESO FOR HEALTH (PARACELIS)

- It is a community healthcare financing scheme. It is a SOCIALIZED endeavor whereby healthy people help sick people get well. It enhances community empowerment and participation to care for one's own health. This encourages clients to utilize primary service providers (village heath stations) to improve their preventive and curative health seeking behavior.
- **A component of Community Health Outreach Program Paracelis (CHOPP)**

GOAL: TOWARDS ACHIEVING UNIVERSAL HEALTH INSURANCE FOR ALL

GENERAL OBJECTIVE:

- To provide and ensure quality, equitable and affordable health care to all.

SPECIFIC:

- To provide financial instrument for a cash-less access and utilization of outpatient and outreach services.

PARACELIS, MOUNTAIN PROVINCE

TOTAL POP: 23,178

TOTAL HOUSEHOLDS: 4470

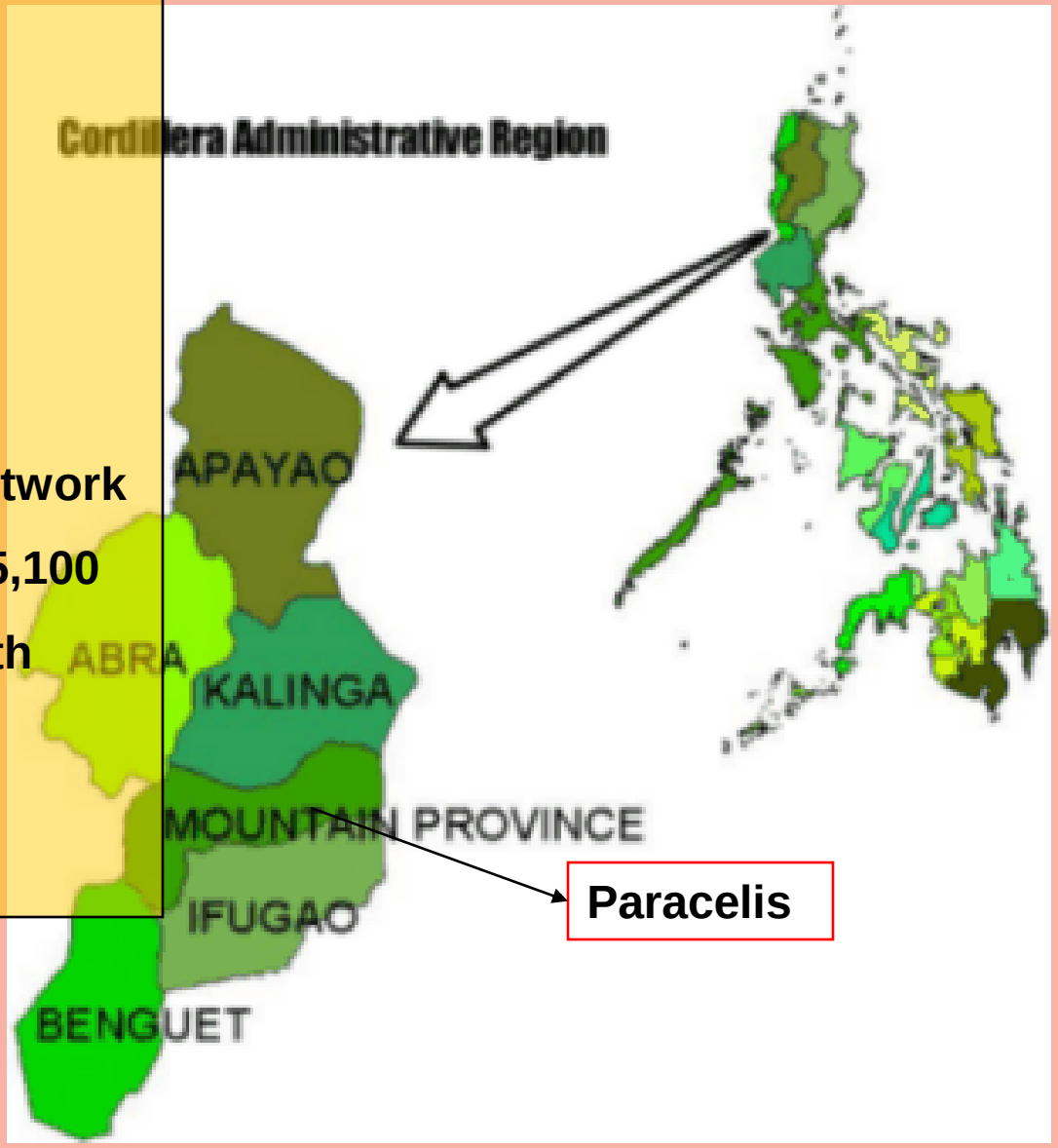
PhilHealth members: 869 households (19%)

Income Class: Third, largely agricultural

Geography: hilly, poor road network

Physician:Population ratio: 1:5,100

1 district hospital, 1 Main health center, 9 health stations



Conceptual background of the Community Health Outreach Program

- OFFSHOOT OF Mass Health Screening (MHS) CONCEPT, SAKU CENTRAL HOSPITAL, JAPAN
- ISSUES OF ACCESSIBILITY, AFFORDABILITY AND AVAILABILITY OF HEALTH SERVICES
- NEED FOR GRASSROOT INNOVATION OF THE HSRA (FOURMULA1 FOR HEALTH)

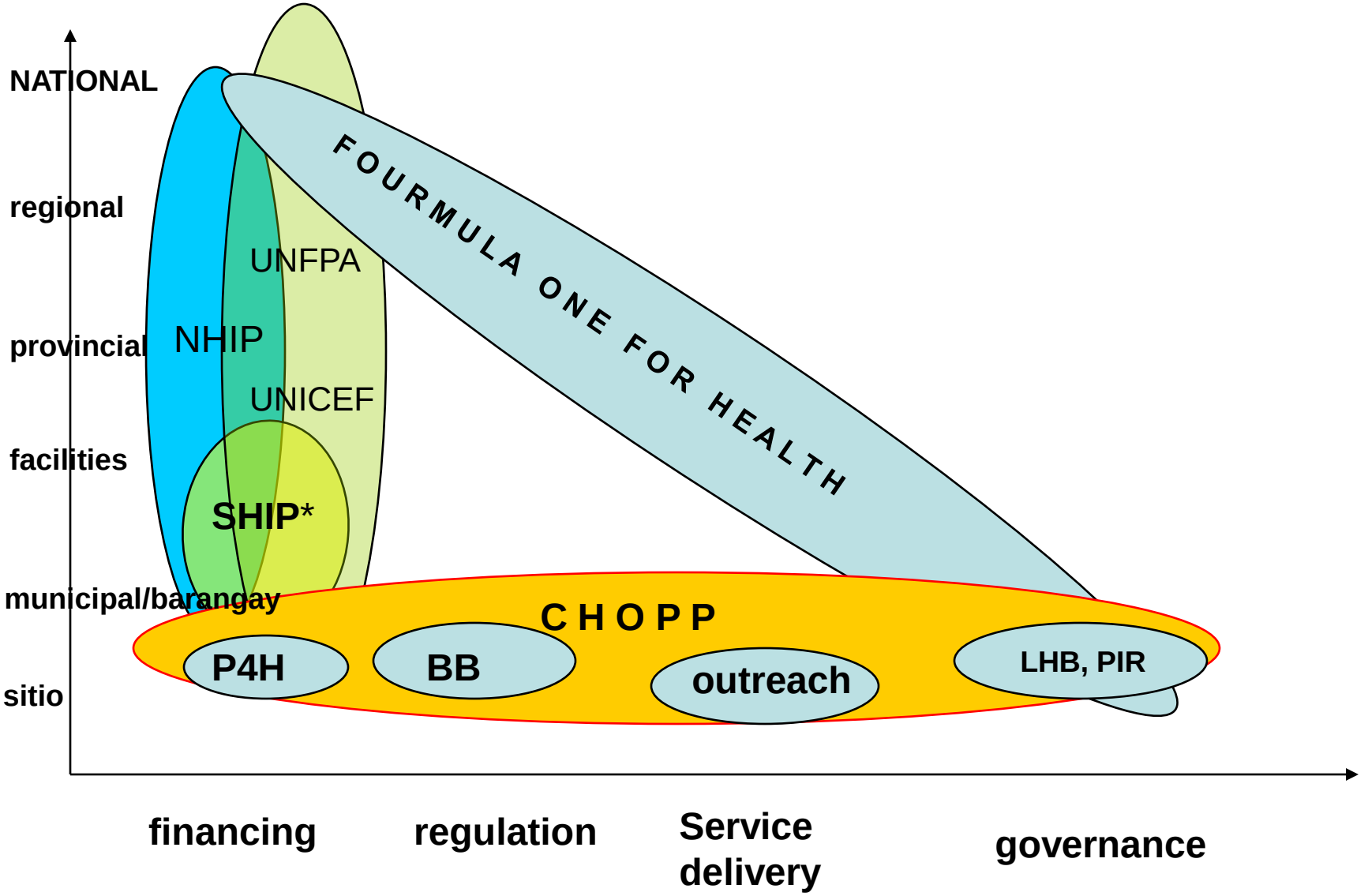
FOURmula ONE as Overall Frame

- **Goals**
  - **Better health outcomes**
  - **More responsive health system**
  - **Equitable health care financing**

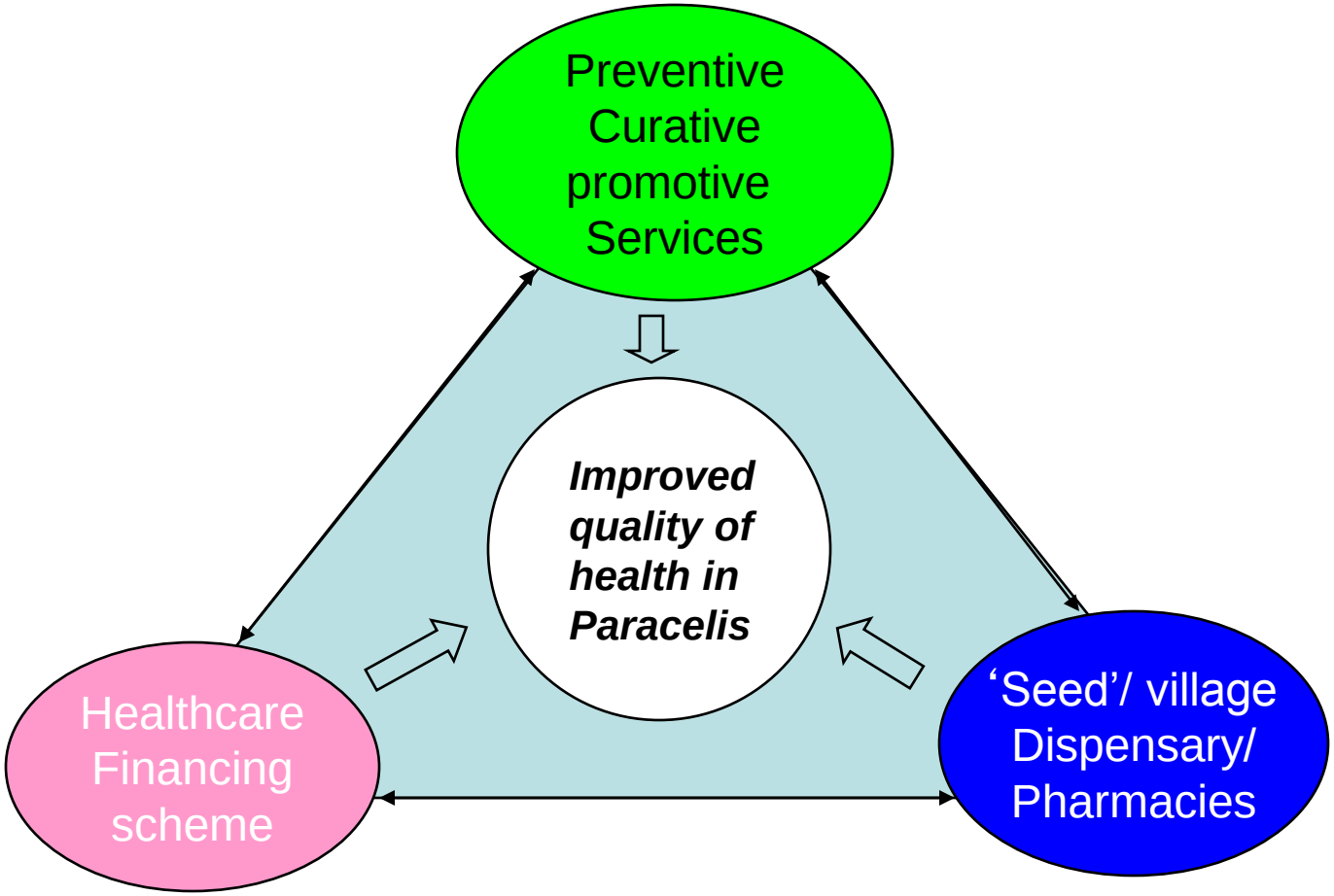
FOURmula ONE as Overall Frame

- **Four Thrusts**
  - **Financing (more, better & sustained)**
  - **Regulation (assured quality & affordability)**
  - **Service Delivery (ensured access & availability)**
  - **Governance (improved performance)**

Cross-cutting package at grassroot level



CONCEPT: Unified, dynamic and responsive healthcare services at grassroot level



" The whole is greater than the sum of its parts.."

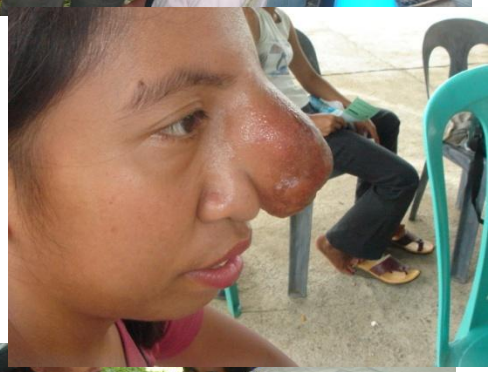
Strategic components

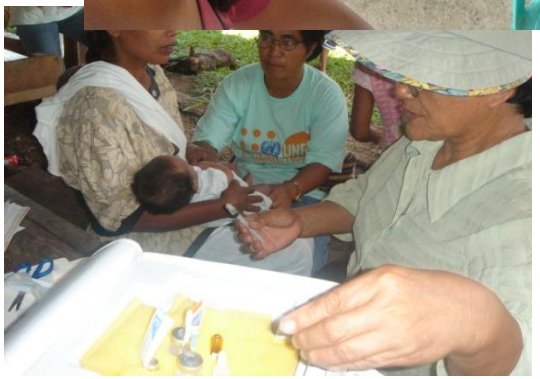
- **DOORSTEP DELIVERY OUTREACH (PARTICIPATORY&INTEGRATIVE)**:
  - EARLY DISEASE DETECTION AND TREATMENT (MHS CONCEPT)
  - HEALTH EDUCATION/PROMOTION
  - REFERRAL
- **PROVISION OF LOW COST QUALITY MEDICINES (PARTNERSHIP BOTIKA/PHARMACY)**
  - DRUG OUTLET IN MAJOR SITIOS IN ALL BARANGAYS
- **SOCIALIZED HEALTHCARE FINANCING(PESO FOR HEALTH)**
  - REGULAR SCHEMES (COMMUNITY)
  - SPECIAL SCHEME (SCHOOLS)

Doorstep delivery outreach

Doorstep delivery outreach

- Treatment of diseases ie restorative therapy for dental caries
- Referral of cases to appropriate service providers ie TB-DOTS
- Disease prevention ie vaccination (REB)
- Promotion(P4H)





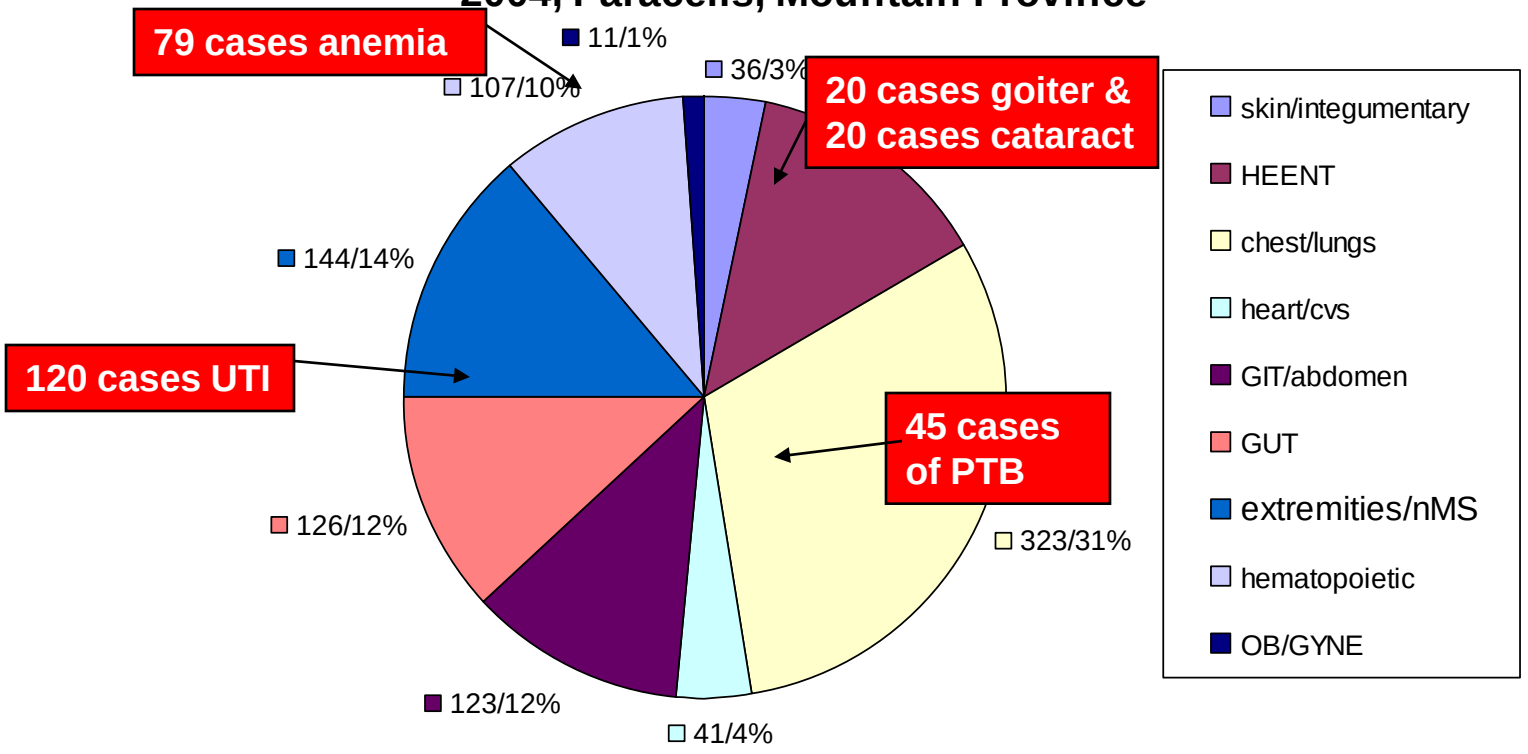
Participatory integrative outreach . . .

- Health IEC/advocacy
  - UNFPA ie film showing
  - GFMC ie bednet distribution and malaria IEC
  - Regular IECs: sanitation, TB, nutrition

BENEFITS/RESULTS:

Mass Health Screening: incipient diseases detected, treated and referred

Fig.1 Impressions by body systems, all barangays, CHOPP 2004, Paracelis, Mountain Province



Health preservation

- September 19-21, 2006: 400 cases ART (Atraumatic Restorative Therapy – “pasta”) in schools.

Socialized healthcare financing

- Community (Regular)
  - PhP120/1000

- Schools (special)
  - PhP20/500

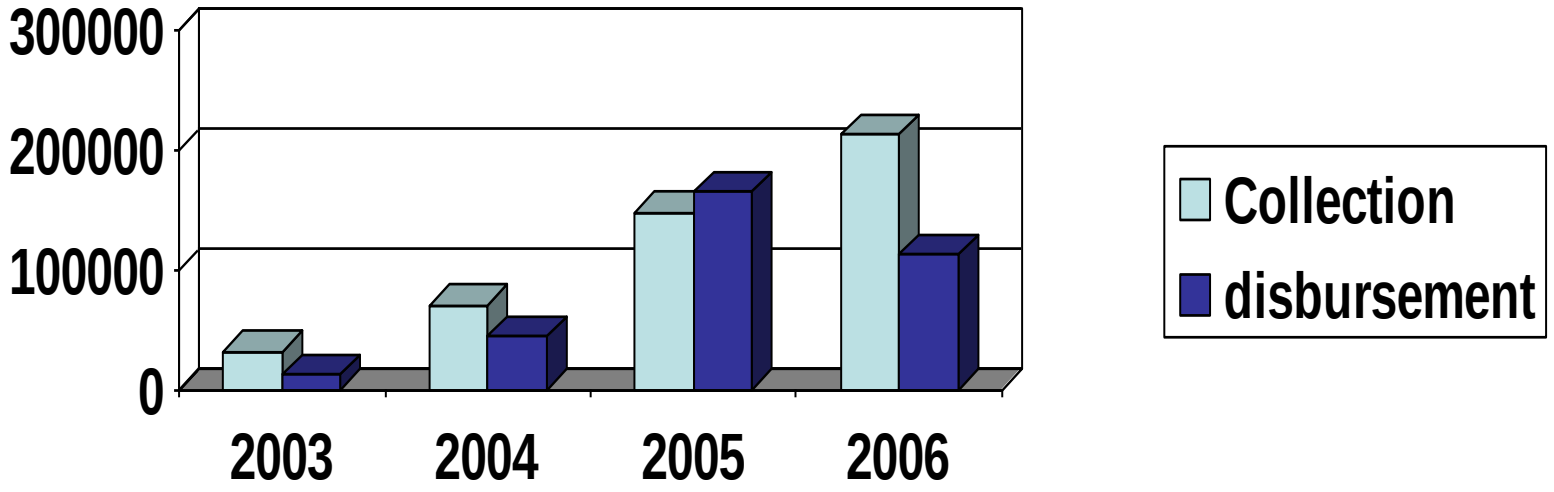
BENEFITS/RESULTS:

Responsive and sustainable healthcare financing

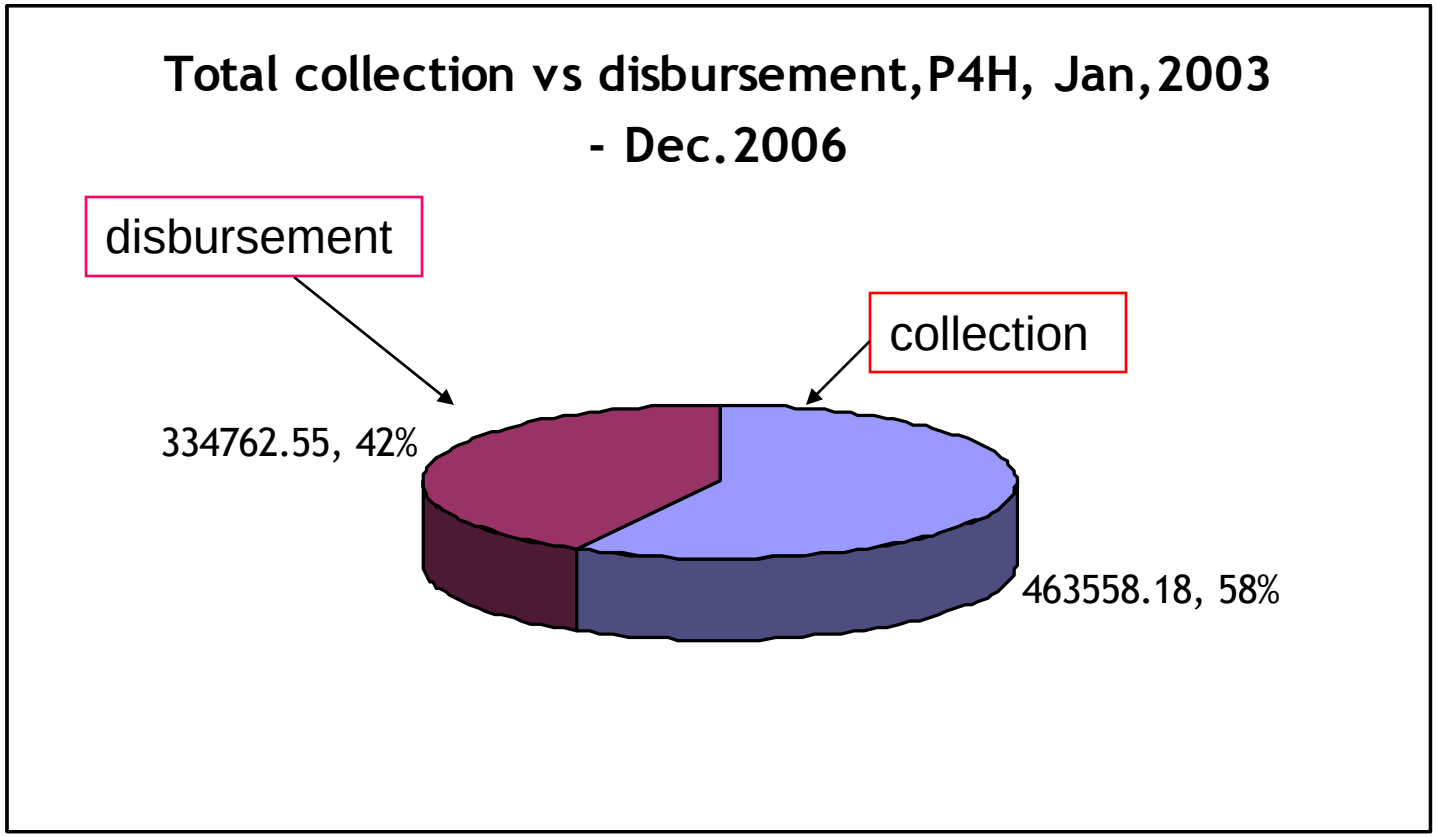
- “ Where you need it, when you need it” schemes both for community and schools developed
- No out of pocket payment
- Co-sponsorship between municipal LGU and NGO

P4H: financial status

- The are 7,072 members to date (36.5% of total population [NSO=24,817])
- Active members: 3,136 (Jan. – Dec.06)



P4H: financial status



PESO FOR HEALTH

- Total members to date: 7,072 (95% of CHOPP target up to 2007 of 7,445)
- **Special scheme for schools: 1,894 enrollees**
- Benefit/claims: 1,136 members (50% less 2005 level)
- Collection: P212,705.98; Disbursement: P100,278.48
- All disbursement prioritized for medicines
- During outreach we served 397 P4H members, 109 PHIC members and the rest sponsored by LGU officials or health workers or paid in cash.

How did we do it?

- Innovation:‘Doorstep’ delivery of services
- Partnership and linkaging with NGOs,NGAs,and volunteers
- Participatory and integrative outreach
- Socialized healthcare financing
- Affordable and readily available services
- Political support
- Committed and dedicated health providers

SUSTAINABILITY

- Localized: based on local health office's capability and resources.
- Institutionalization
- Socialized healthcare financing schemes
- Participatory approach
- Political support


Maraming Salamat Po..