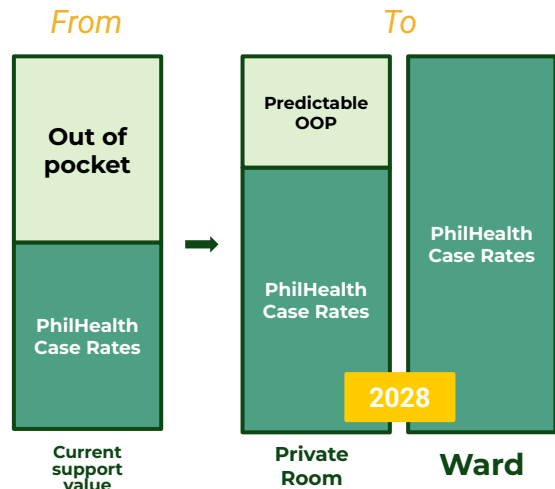# Health Insurance and Environmental Stewardship: A Vital Connection

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PhilHealth Acting President and CEO
March 20, 2025
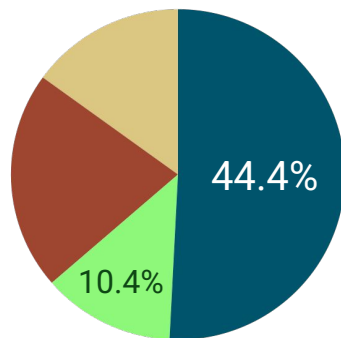
RISE Mission:
30 Months Forward, 30 Days at a Time

Increase Support Value, Cover Outpatient Medications, Lower Out- of-Pocket (OOP)

From

To

Out of pocket

PhilHealth Case Rates

Predictable OOP

PhilHealth Case Rates

2028

PhilHealth Case Rates

Current support value

Private Room

Ward

No co-pay in ward, predictable co-pay in private room

Share of Current Health Expenditure (CHE)

44.4%

10.4%

2023: CHE 1.24T
10.4% = 126B

Desired Share of Current Health Expenditure

25%-35%

25%-35%

● Out-of-pocket ● PhilHealth ● DOH and LGUs ● Voluntary Health Insurance
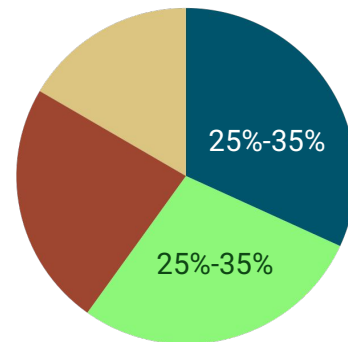
600-900B by 2028 *(to be validated by experts)*

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BAGONG PILIPINAS

RISE Mission:
30 Months Forward, 30 Days at a Time

Every month, tangible improvements

Regain member and provider trust	▶	Increase support value for high cost / high burden diseases
Ease administrative burden	▶	Faster claims and accreditation processes
Strengthen institutional capacity	▶	Engage trusted experts; Recruit talent for key positions

Sama-samang pag-angat para sa Bagong Pilipinas

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BAGONG PILIPINAS

Improve PhilHealth Share to CHE and OOP
Provide First Patient Encounter (FPE) to 50% of the population
Accreditation and Network Contracting

FILIPINOS

1. Increase support value
2. 90% of registered PhilHealth members with ID (indirect contributors)
3. Share of primary care payments versus total payments
4. 90% Satisfaction (Anti-Red Tape Authority)
5. Member Awareness (90%)

PROVIDER

6. <1% Return-to-Hospital (RTH) claims
7. Claims *payment* 7 days Turnaround Time (TAT)
8. Claims processing efficiency (backlog & current: 100%)
9. Resolution/Investigation of filed cases (from 40% to 90%)
10. Incentivization of providers
11. Improve provider payment mechanism (Disease-related groups; blended capitation)
12. Increase access points (accreditation/contracting)

EMPLOYEE

13. Employee engagement index *(combination of satisfaction, performance, work environment, career development, etc)*
14. Level-up Program for Institutionalizing Meritocracy and Excellence in Human Resource Management (PRIME-HRM) certification

ORGANIZATION

15. At least 90% Collection efficiency
16. Sustain Quality Management System (QMS)/International Organization for Standardization (ISO) Cert
17. At least 90% Budget Utilization Rate
18. 85% Medical loss ratio

Optimize System
- Integrate 69 siloed systems

Clarify Actuarial Assumptions
- Sheets of Formulae

Standardize FS
- One FS, One number
- Costing of new benefits

Clean up the member List

Quasi-judicial function - "sphere of trust"
Procurement

Vital Connection: SHI and ES require collective action to prevent future harms

Environmental impacts on public health

- **Air pollution** increasing respiratory diseases (asthma, chronic obstructive pulmonary disease (COPD), and acute respiratory infections)
- **Water contamination** causing various illnesses
- **Climate change** expanding the range of infectious diseases
- **Extreme weather events** creating physical and mental health emergencies
- **The amount of claims* for diseases** attributed to environmental issues has been increasing annually**

Disease	2022	2023	2024
Asthma	461M	762M (+65%)	**1.05B (+38%)**
COPD	206M	330M (+60%)	**473M (+43%)**
URTI	153M	314M (+105%)	**489M (+56%)**
Leptospirosis	21M	36M (+76%)	**39M (+8%)**
AGE	864M	1.25B (+44%)	**1.74B (+40%)**
Dengue	1.92M	1.54M (-20%)	**3.28M (+113%)**
Malaria	254K	542K (+113%)	**1.08M (+100%)**

*source: 2022-2024 Paid Claims Data
**Asthma, COPD, URTI, Leptospirosis, AGE, Dengue, Malaria

Vital Connection: SHI and ES require collective action to prevent future harms

Financing and benefit design can shape behaviour of key actors (providers and patients)

Incentivize sustainable behaviors that reduce health risks

- Provider payment mechanisms towards primary care to improve health-seeking behavior
- Cover counseling for healthy habits
- Strategic Use of co-pay to ensure appropriate access and service utilization

Adopting Standards of "Green" or Healthy Hospitals

- Incorporate in accreditation and contracting requirements
- Consider inclusion in the benchbook for potential provision of incentives
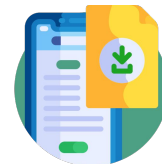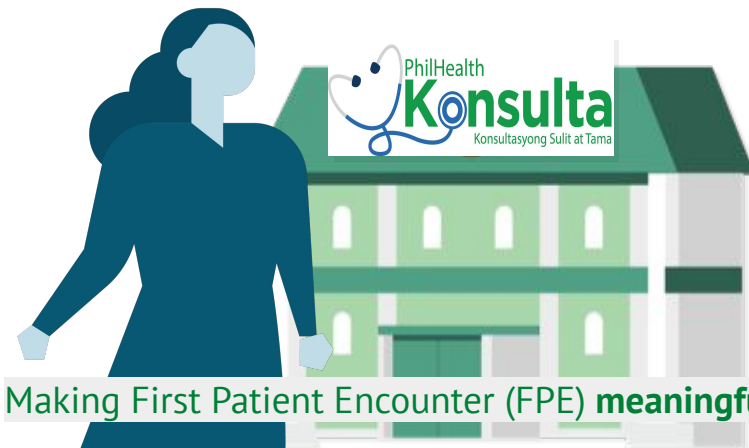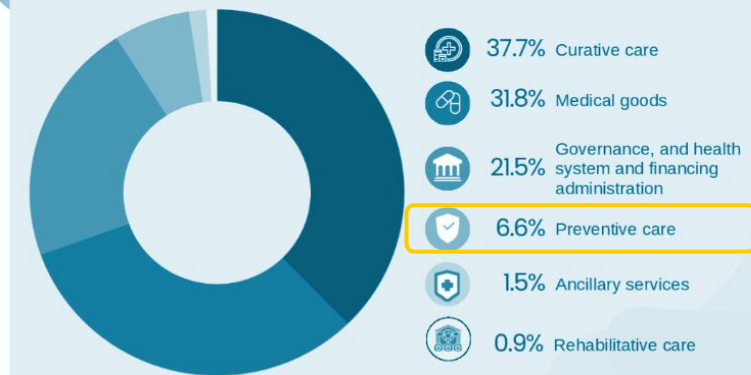
Paperless Transaction

- Digitization of processes
- Increase efficiency by ensuring interoperability of systems
- Facilitate ease of access to information

Shifting payments to Primary care - a venue to shape behaviour of Filipinos

For *2025*, we project that **20% of total benefit payout** will be used for primary care services

Currently, **only 6.6%** of total CHE goes to preventive care

PERCENT SHARE OF CURRENT HEALTH EXPENDITURE BY HEALTH CARE FUNCTION

- 37.7% Curative care
- 31.8% Medical goods
- 21.5% Governance, and health system and financing administration
- 6.6% Preventive care
- 1.5% Ancillary services
- 0.9% Rehabilitative care

PUROKALUSUGAN
TUNGO SA PRIMARY HEALTH CARE: KALINGANG RAMDAM NG BAWAT PILIPINO

PhilHealth **Konsulta**
Konsultasyong Sulit at Tama

Making First Patient Encounter (FPE) **meaningful**

Health promotion, disease prevention, health maintenance, counselling, patient education, diagnosis and treatment of acute and chronic illnesses

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BAGONG PILIPINAS

"Green" Hospitals

Savings from operating energy-efficient and climate-resistant facilities **can be funneled back to financing services**

"Southeast Asia's hospital operations have contributed to more than 63 million metric tons (MMT) of carbon emissions every year. Additionally, the Philippines' health care system has emitted more than 5.22 MMT of carbon dioxide annually, ranking it as 36th among 68 countries."

Source:https://healthcareclimateaction.org/CLI_MaryJohnstonHospitalPhilippines#:~:text=Southeast%2
0Asia's%20hospital%20operations%20have,36th%20among%2068%20countries

The DOH released the 1st edition of the Green and Safe Health Facilities Manual in 2021

- Hospitals are significant energy consumers (operating 24/7 with necessary cooling/heating equipments, etc.)
- Green hospitals lead to the establishment of climate-resilient healthcare systems
- With shift towards outcomes-based financing, we want to incorporate efficiency and sustainability in value-based payment

Paperless Transaction

- Digitization: a PhilHealth priority
- Documents for claims submission, processing, and review require use of multiple paper
- We are shifting to strengthened digital systems not only to reduce paper but to also **improve the efficiency of processes and interoperability of systems** among health care providers

ePhilHealth Systems under the eGOVPH app

PhilHealth, integrated na sa eGov PH Super App
Download now!

- New Membership System that enables applicants to register in PhilHealth
- Digital National ID integration enabling streamlined and secure verification of identity
- eKonsulta which makes users register to any Konsulta Package Provider (KPP)
- Contributions allowing users to check their payment history and status
- Health Insurance System where users can access and manage their health insurance details including policy information and coverage
- eClaims System to view member's claims history

- **ONE STOP SHOP** Integrated one-stop portal
- NHDR expansion to include more comprehensive health records and data, improving accessibility and quality of healthcare services
- New website allowing users to experience improved PhilHealth website
- National Health Data Repository (NHDR) allowing users to view their personal information and beneficiaries

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