



Policy Simulation of the Aquino Health Agenda in Expanding Access to Health Care Services in Selected Regions in the Philippines

**By
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Health



Human
Development

Access to
Health Care
Services



Essential

However, not everyone, especially the poor, can have access to health care services.

Financial
Problems

Physical
Problems of
Health Facilities

Low
Accessibility to
Health Facilities

The diagram consists of a light green arrow pointing from left to right. Inside the arrow, there are two rounded rectangular boxes. The first box on the left is olive green and contains the word 'Philippines'. The second box on the right is purple and contains the text 'Aquino Health Agenda'.

Philippines

Aquino Health
Agenda

3 Strategic Thrusts of the Aquino Health Agenda

First

- Upgrading of health facilities through the Health Facilities Enhancement Program (HFEP)

Second

- Expansion of health insurance coverage through the National Health Insurance Program (NHIP)

Third

- Attainment of the health-related Millenium Development Goals (MDGs) in 2015

Aquino Health
Agenda

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graph TD; A[Aquino Health Agenda] --> B[Policy Goal of Expanding Access to Health Care Services]; B --> C[Regions in the Philippines];
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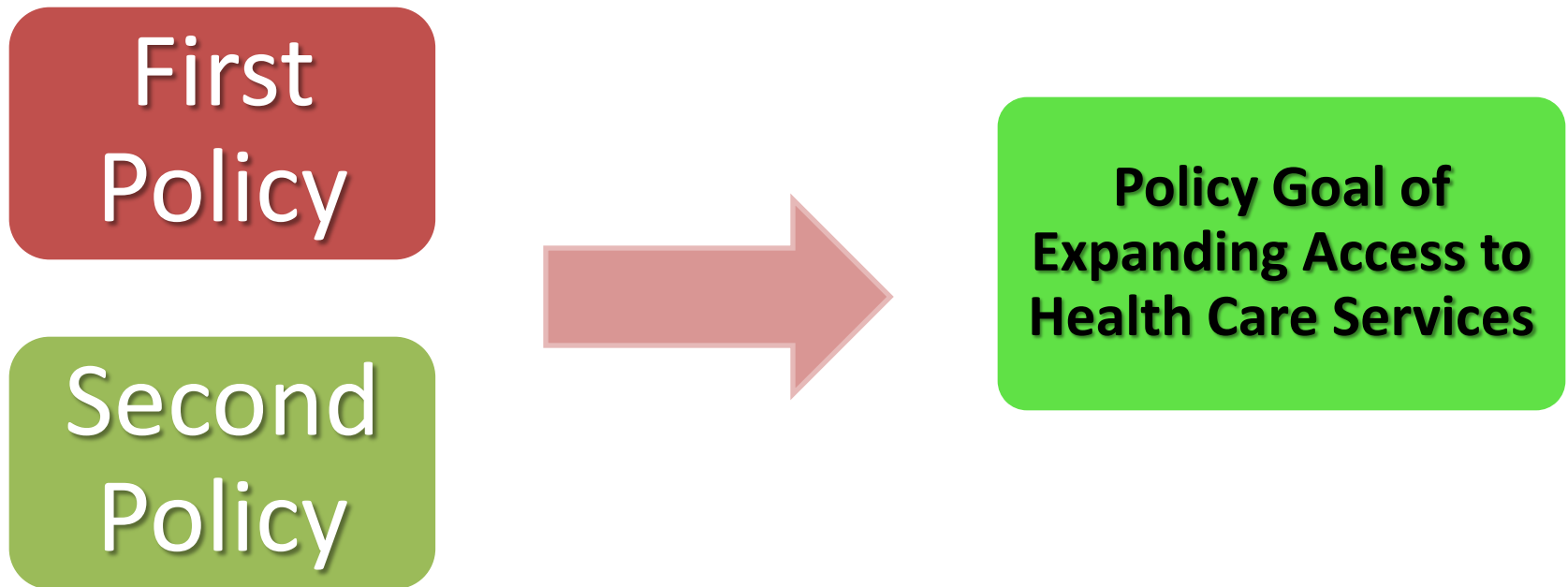
Policy Goal of
Expanding Access to
Health Care Services



Regions in the
Philippines

Statement of the Problem

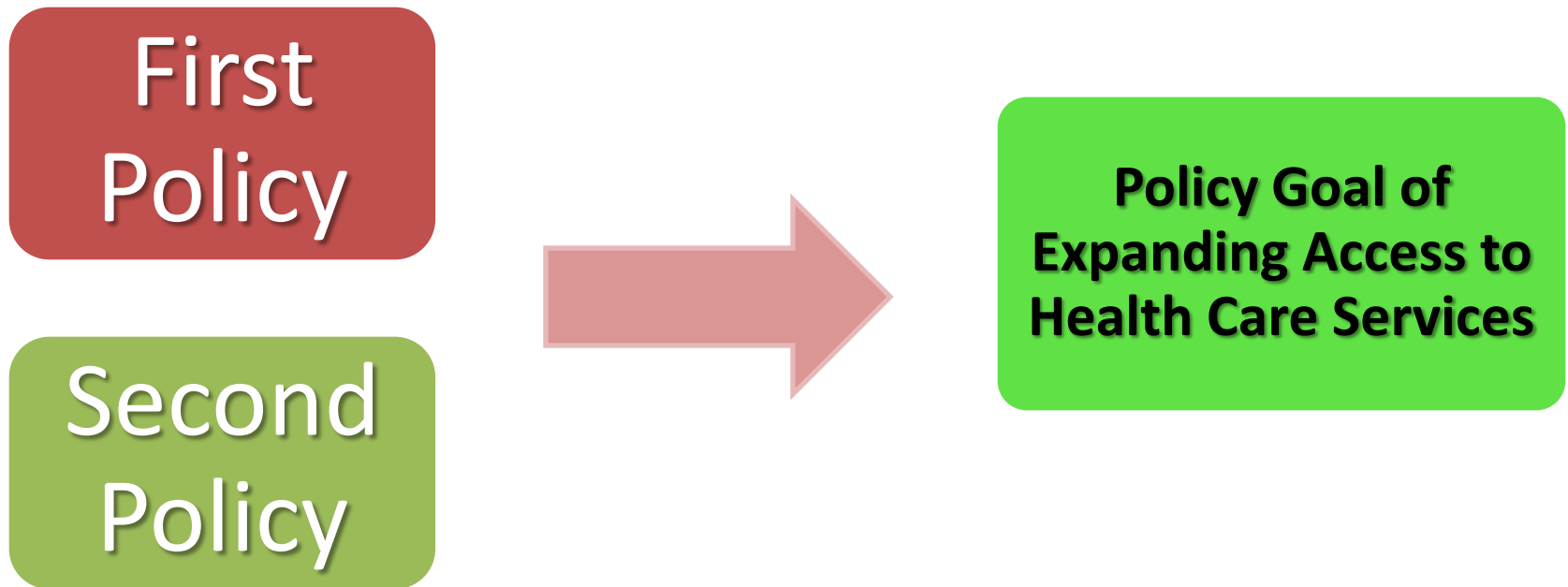
First Specific Question



**Distribution of benefits or government spending across income groups –
EQUITY or Pro-poorness**

Statement of the Problem

Second Specific Question



**Cost Effectiveness – EFFICIENCY or
Attaining greater outcomes with the
least cost**

Scope and Limitations

Analyzed only three out of sixteen regions in the Philippines

ARMM

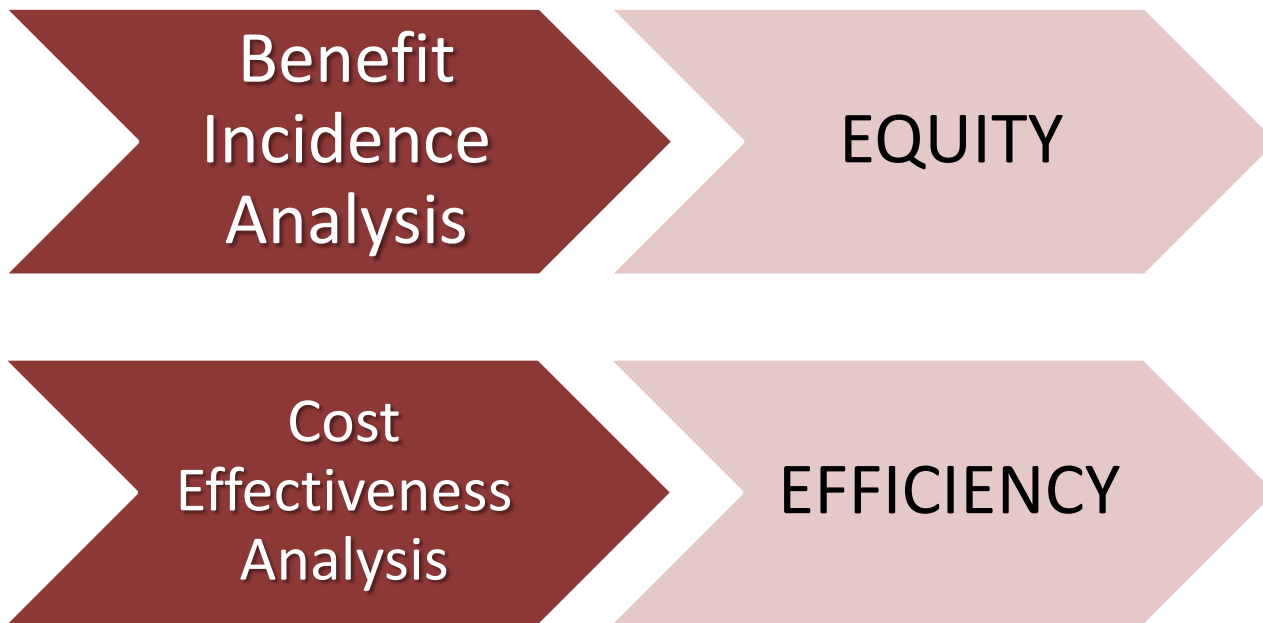
Eastern
Visayas

Bicol
Region

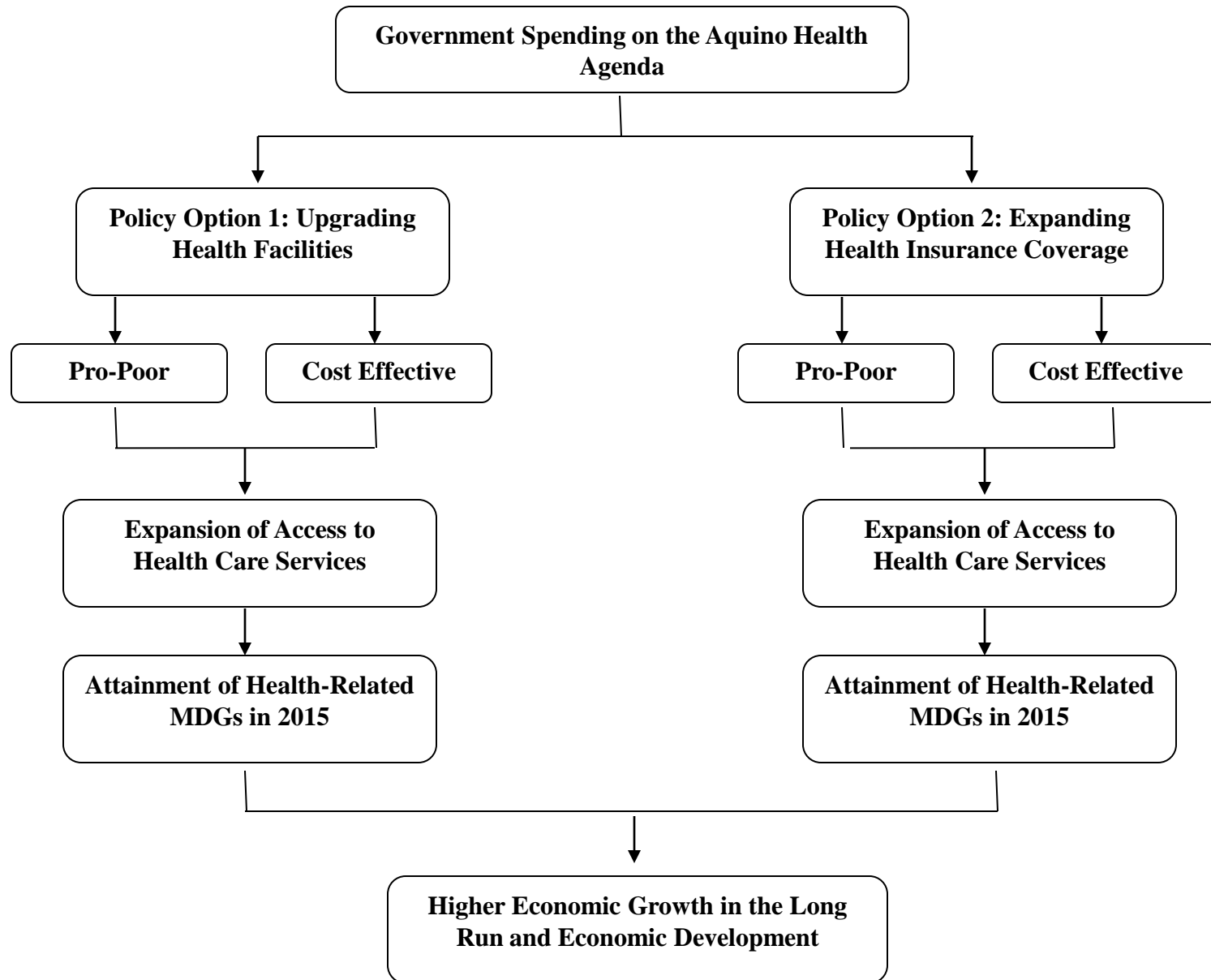
CRITERIA: Number of Beneficiaries of the Aquino Health Agenda (NHTS-PR Families of DSWD) and Poverty Incidence

Scope and Limitations

Simulated in terms of their distribution of benefits across income deciles (equity) and in terms of their cost effectiveness (efficiency)



Conceptual Framework of the Study



Policy Goal

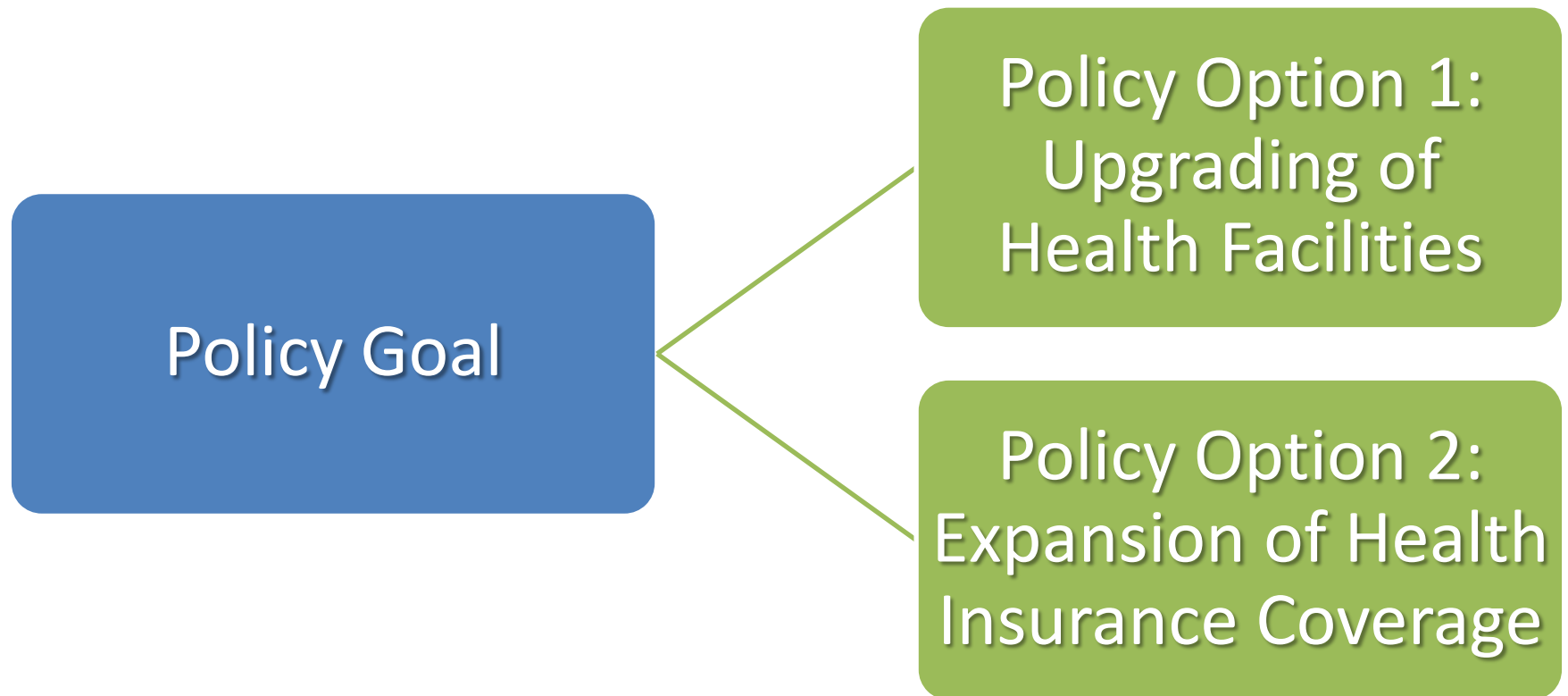
General: Expanding Access to Health Care Services in the Selected Regions in the Philippines

- Reason: Universal Health Coverage is impossible to achieve within a span of six years.

Specific: Increasing Number of Live Births Attended By Skilled Health Personnel

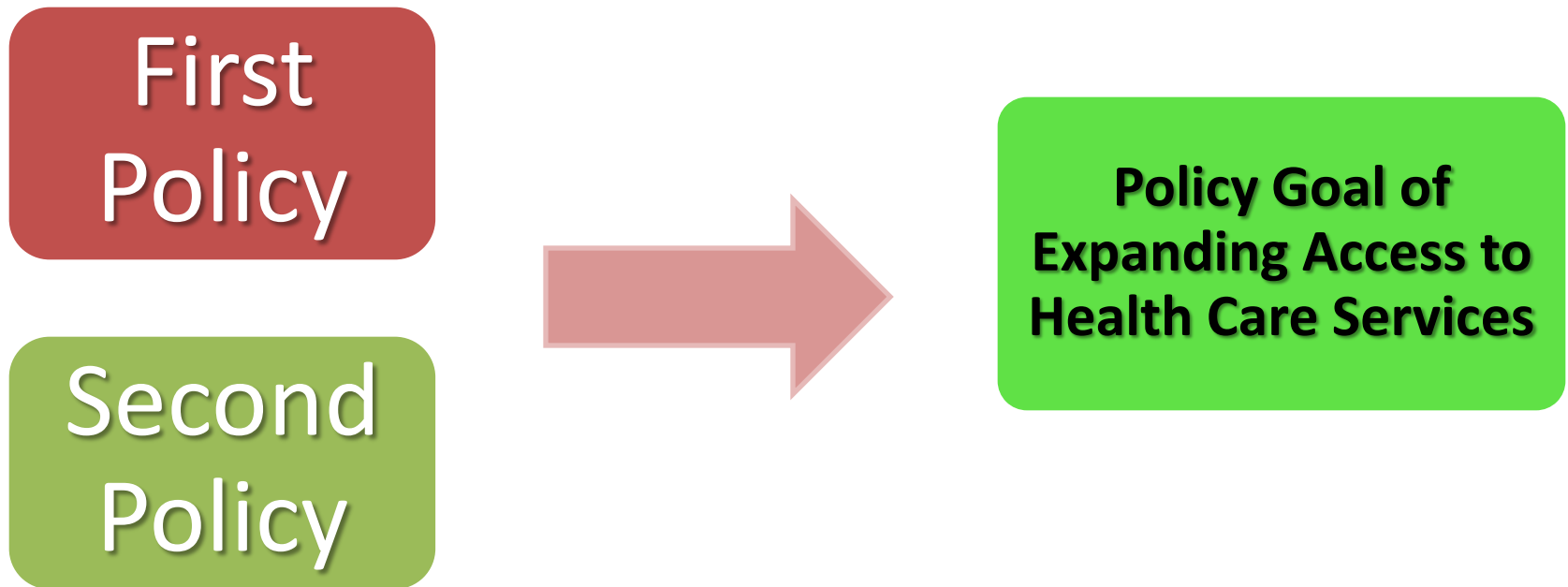
- Reason: MDG 5: Improving Maternal Health → low probability to be achieved in 2015
- Reason: Equipment under HFEP are related to improving maternal health

Policy Options



Statement of the Problem

First Specific Question



Distribution of benefits or government spending across income groups -
EQUITY

Benefit Incidence Analysis Results

HFEP and NHIP budgets

NHIP budget > HFEP budget

Region	HFEP Budget (in pesos)	NHIP budget (in pesos)
ARMM	23,069,935.18	663,279,792.7
Eastern Visayas	75,036,576.56	598,573,340.9
Bicol Region	57,811,140.17	626,514,810.9

Benefit Incidence Analysis Results

Distribution of Total Health Subsidy – Poorest Group

Regions	Without Policy Intervention	With HFEP Policy	With NHIP Policy
	% Share in Total Health Subsidy	% Share in Total Health Subsidy	% Share in Total Health Subsidy
ARMM	23.4571%	23.4571%	47.5464%
Eastern Visayas	21.4767%	21.4767%	40.0796%
Bicol Region	19.8909%	19.8909%	34.5133%

Benefit Incidence Analysis Results

Distribution of Total Health Subsidy

ARMM, Eastern Visayas and Bicol Region – the poorest group benefits from government spending on health with or without policy intervention

NHIP - increased the percentage share of the poorest group in the total government spending on health.

HFEP – shares of the poorest group remained the same

In terms of distribution of total health subsidy, NHIP is more pro-poor.

Benefit Incidence Analysis Results


Analysis of the Suits Index – common summary measure of benefit incidence or distribution of government spending

Suits Index	Interpretation of Government Spending
Negative (-)	Pro-poor; Majority of the benefits go to the poor
Positive (+)	Poorly Targeted; Majority of the benefits do not go to the poorest group
Greater than the Gini Coefficient (common summary measure of distribution of income)	The poorest group gets a smaller share of the benefits from government spending than they do of income
Less than the Gini Coefficient	The poorest group gets a bigger share of the benefits from government spending than they do of income

Benefit Incidence Analysis Results

Analysis of the Suits Index – Total Health Subsidy

Region	Suits Index (Without Policy Intervention)	Suits Index (HFEP)	Suits Index (NHIP)	Gini Coefficient
ARMM	-0.445013	-0.445013	-0.740006	0.294824
Eastern Visayas	-0.335455	-0.335455	-0.592664	0.484084
Bicol Region	-0.285559	-0.285559	-0.511455	0.416391



Benefit Incidence Analysis Results

Analysis of the Suits Index

With either HFEP and NHIP, government spending on health in ARMM, Eastern Visayas and Bicol Region are pro-poor.

With either HFEP and NHIP, the poor in the said regions have a higher percentage share in total health subsidy than in total income.

However, the suits indices with NHIP are more negative than those of with HFEP.

Thus, NHIP is more pro-poor than HFEP in the said regions

Benefit Incidence Analysis Results

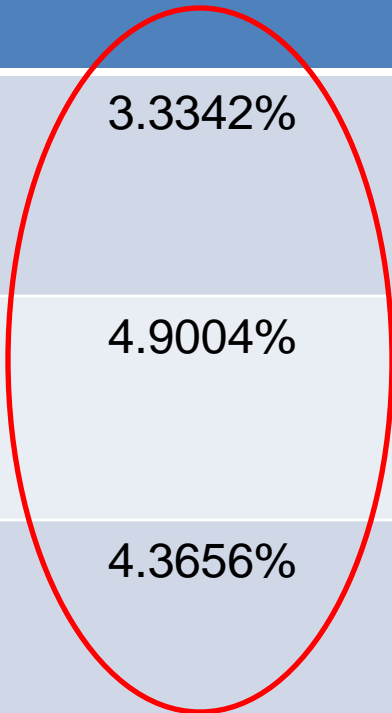
Subsidy Rate

measures how much of the total expenditure of a group are covered by the government spending on health for the group

Benefit Incidence Analysis Results

Subsidy Rates (First Decile) – Government Hospitals

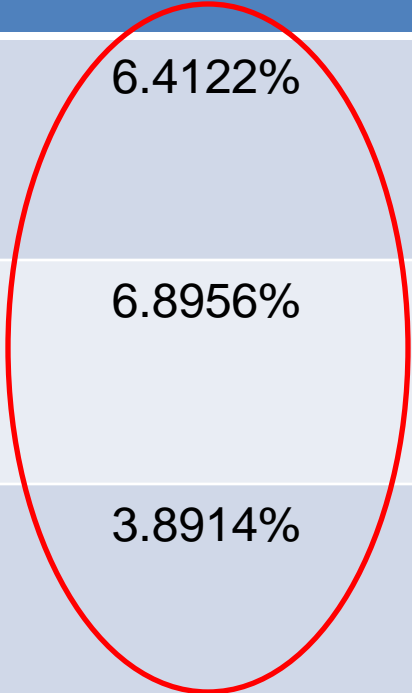
Regions	Without Policy Intervention	With HFEP Policy	With NHIP Policy
ARMM	0.3001%	0.3334%	3.3342%
Eastern Visayas	1.2082%	1.3559%	4.9004%
Bicol Region	1.4267%	1.5378%	4.3656%



Benefit Incidence Analysis Results

Subsidy Rates (First Decile) – Rural Health Units

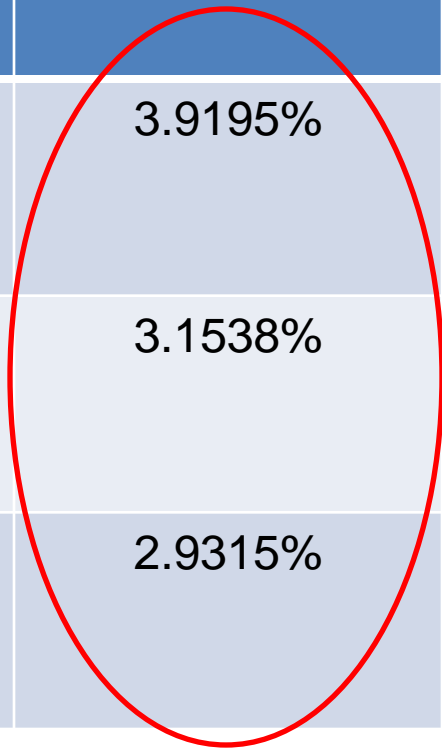
Regions	Without Policy Intervention	With HFEP Policy	With NHIP Policy
ARMM	0.5772%	0.6379%	6.4122%
Eastern Visayas	1.7001%	1.9736%	6.8956%
Bicol Region	1.2718%	1.3724%	3.8914%



Benefit Incidence Analysis Results

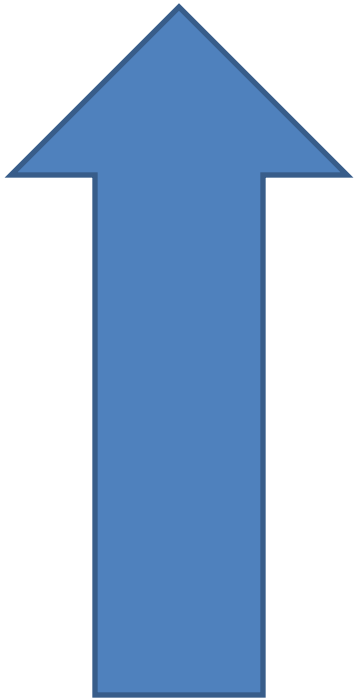
Subsidy Rates (First Decile) – Barangay Health Stations

Regions	Without Policy Intervention	With HFEP Policy	With NHIP Policy
ARMM	0.3528%	0.4585%	3.9195%
Eastern Visayas	0.7776%	0.9170%	3.1538%
Bicol Region	0.9581%	0.9993%	2.9315%

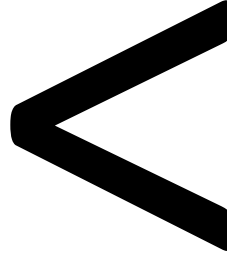


Benefit Incidence Analysis Results

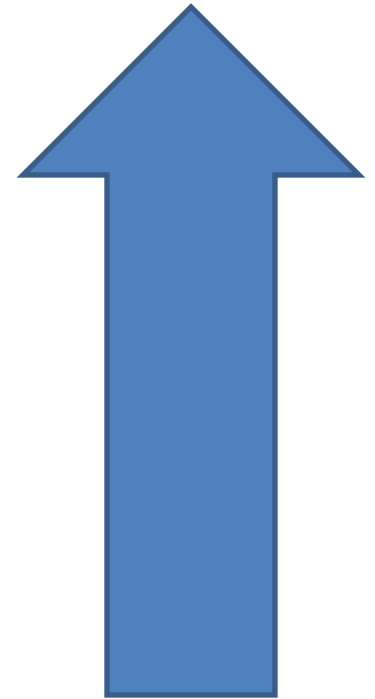
Subsidy Rates



HFEP



NHIP



Benefit Incidence Analysis Results

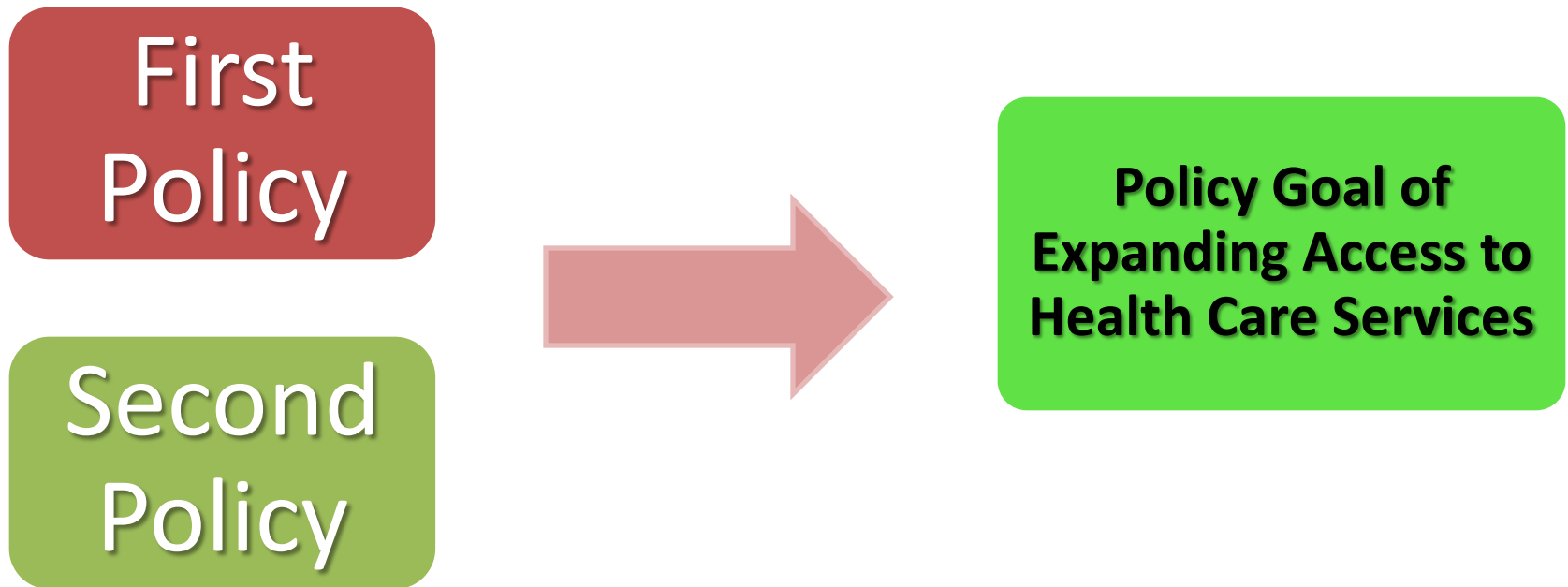
Summary of BIA Results

NHIP – more pro-poor than HFEP

Policy Options	Budgets	Distribution of Total Subsidy	Suits Index	Subsidy Rates
HFEP	NHIP>HFEP	No Change	No Change	Increased
NHIP		Increased Share of the Poorest Group	More Negative	Increased, greater than that of HFEP

Statement of the Problem

Second Specific Question



Cost Effectiveness - EFFICIENCY

Cost Effectiveness Analysis Results

Summary of CEA Results

Provinces	HFEP CE Ratio	NHIP CE Ratio
ARMM	340,638.570	452,281.812
Eastern Visayas	67,923.95	32,903.82
Bicol Region	20,056.66	24,979.86

Conclusions

Expected at the national level that expanding health insurance coverage will be more pro-poor and cost effective

Pro-pooriness: Regional Level reflects that of the National Level

Cost Effectiveness: Results vary at the regional level. Some regions do not reflect what is expected at the national level.

Conclusions

The government should concentrate on expanding health insurance coverage under NHIP in all selected regions in the Philippines - EQUITY

The method of implementation of NHIP might differ among the selected regions in the Philippines, since NHIP might be more pro-poor in some regions compared to the other regions.

Conclusions

**The government should focus on
expanding health insurance coverage
under NHIP in Eastern Visayas –
EFFICIENCY**

**The government should focus on
upgrading health facilities in ARMM and
Bicol Region – EFFICIENCY**

Conclusions

Highly recommended that both policy options should still be implemented – BOTH POLICY OPTIONS ARE COMPLEMENTARY

Upgrading health facilities is beneficial in addressing the problem of low accessibility to health facilities of the people, especially of the poor and the physical problems of health facilities.

Expanding health insurance coverage is essential in addressing the financial problems of the poor in accessing health care services.

Recommendations

Government

Focus on upgrading health facilities in ARMM and Bicol Region - to achieve cost efficiency only in obtaining the policy goal.

Concentrate on expanding health insurance coverage ARMM and Bicol Region, if their objective is to attain equity only.

Focus on expanding health insurance coverage in Eastern Visayas to achieve both cost efficiency and equity

Recommendations

Government

Take into consideration the circumstances of the different regions in the Philippines in implementing health policies, so that they can determine what policy they should focus on a certain region.

ARMM and Eastern Visayas - should make sure that the poor will receive health insurance, so that the poor can afford to pay for complex services in government hospitals. – since the first decile does not have the highest percentage share in government hospital subsidy without NHIP

Recommendations

Government

Bicol Region - both HFEP and NHIP should still be implemented to fasten the attainment of the said goal.

To really increase the probability of attaining the policy goal, the government should implement both policy options of upgrading health facilities and of expanding health insurance coverage to all regions in the Philippines.

There should be an alignment in the implementation of the two mentioned policies by focusing on sites, where majority of the poor are, like the Conditional Cash Transfer (CCT) sites as determined by the Department of Social Welfare and Development (DSWD).

Recommendations

Members of the Health Sector

Should provide inputs to the government on what are the problems in the health sector and the possible solutions in addressing these problems, so that health policies can be directed in attaining the real policy goals in the sector.

Recommendations

Academe and Economists

Should check through research, if the government is really keen on achieving their policy goals in the health sector in different aspects.



Thank you.