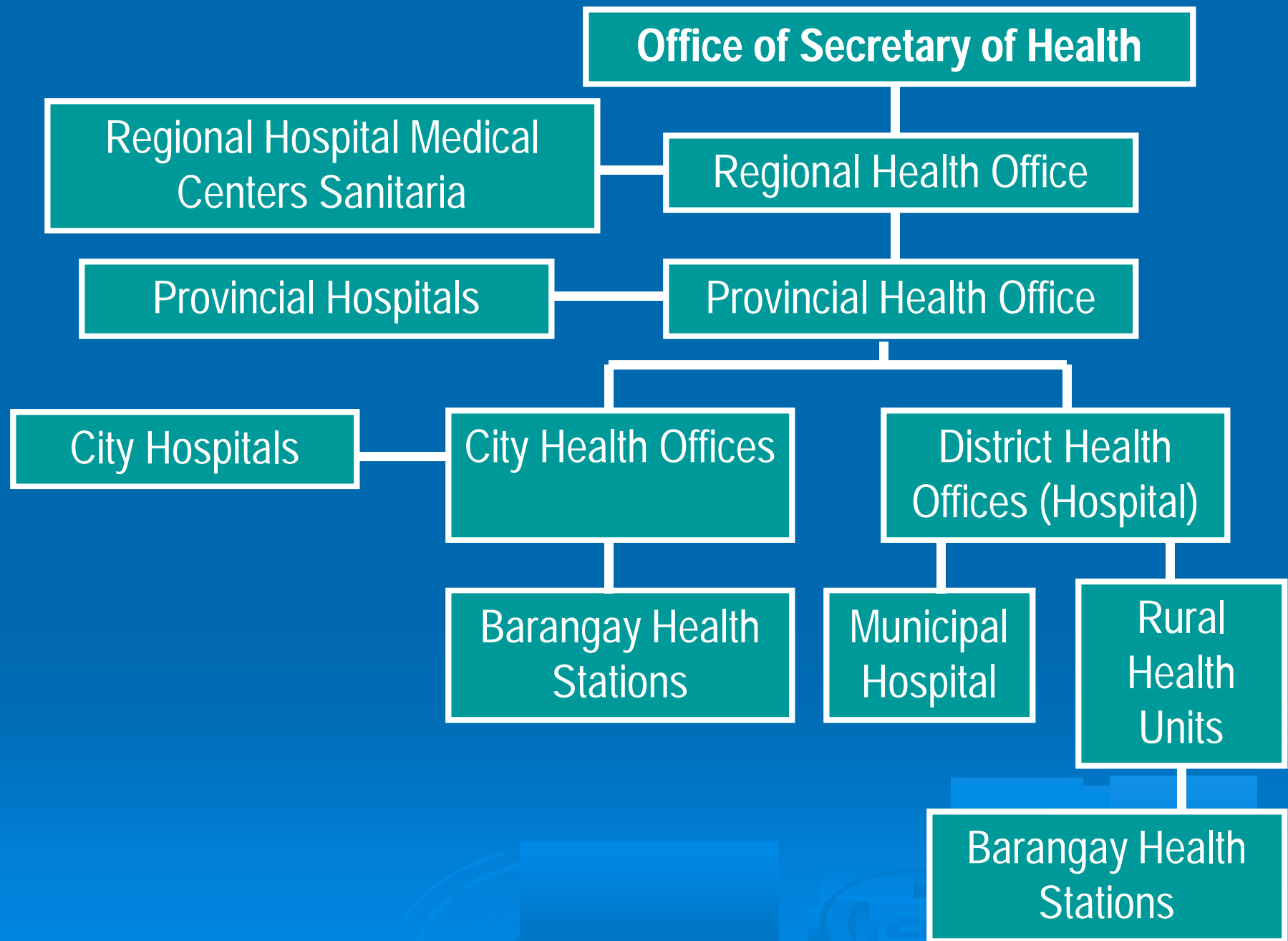




# Fifteen Years of Decentralization in Health

**NEMESIO T. GAKO, MD, MPH**  
Assistant Secretary  
Department of Health  
Manila

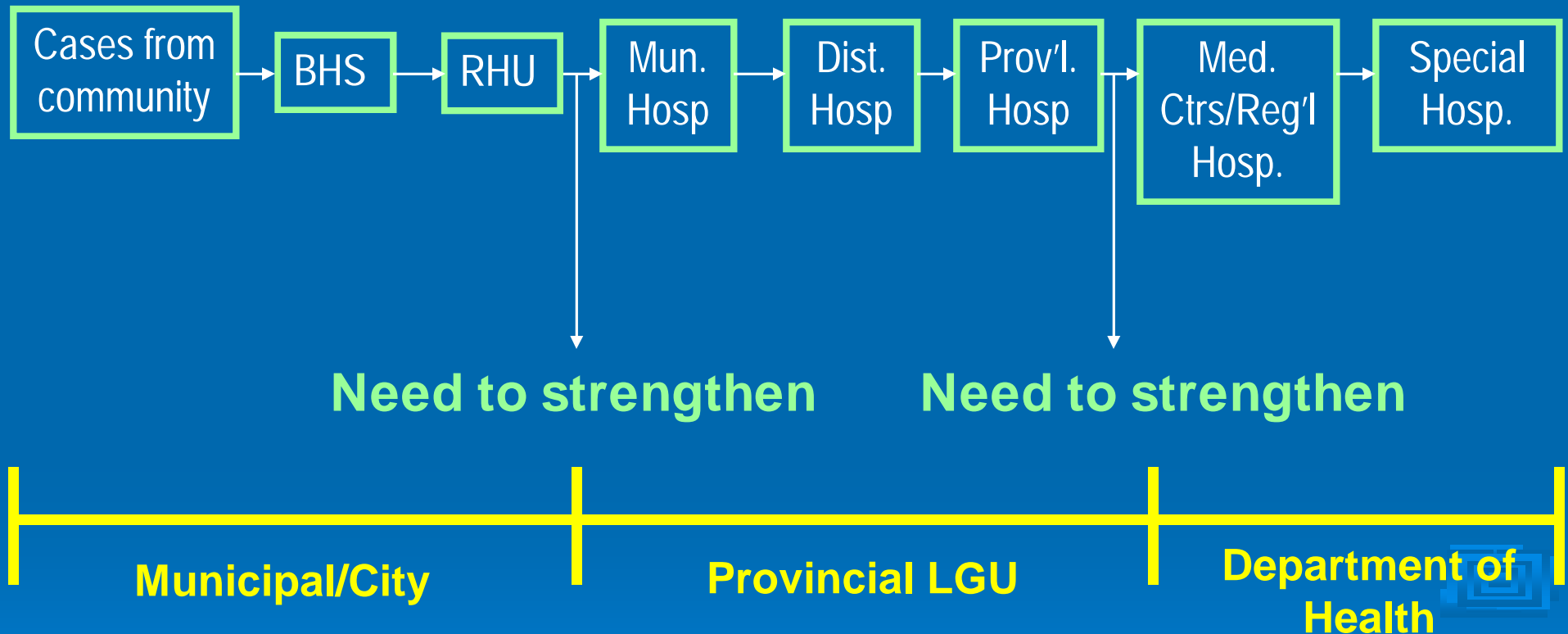


# Organization of the Health System (Public Sector)

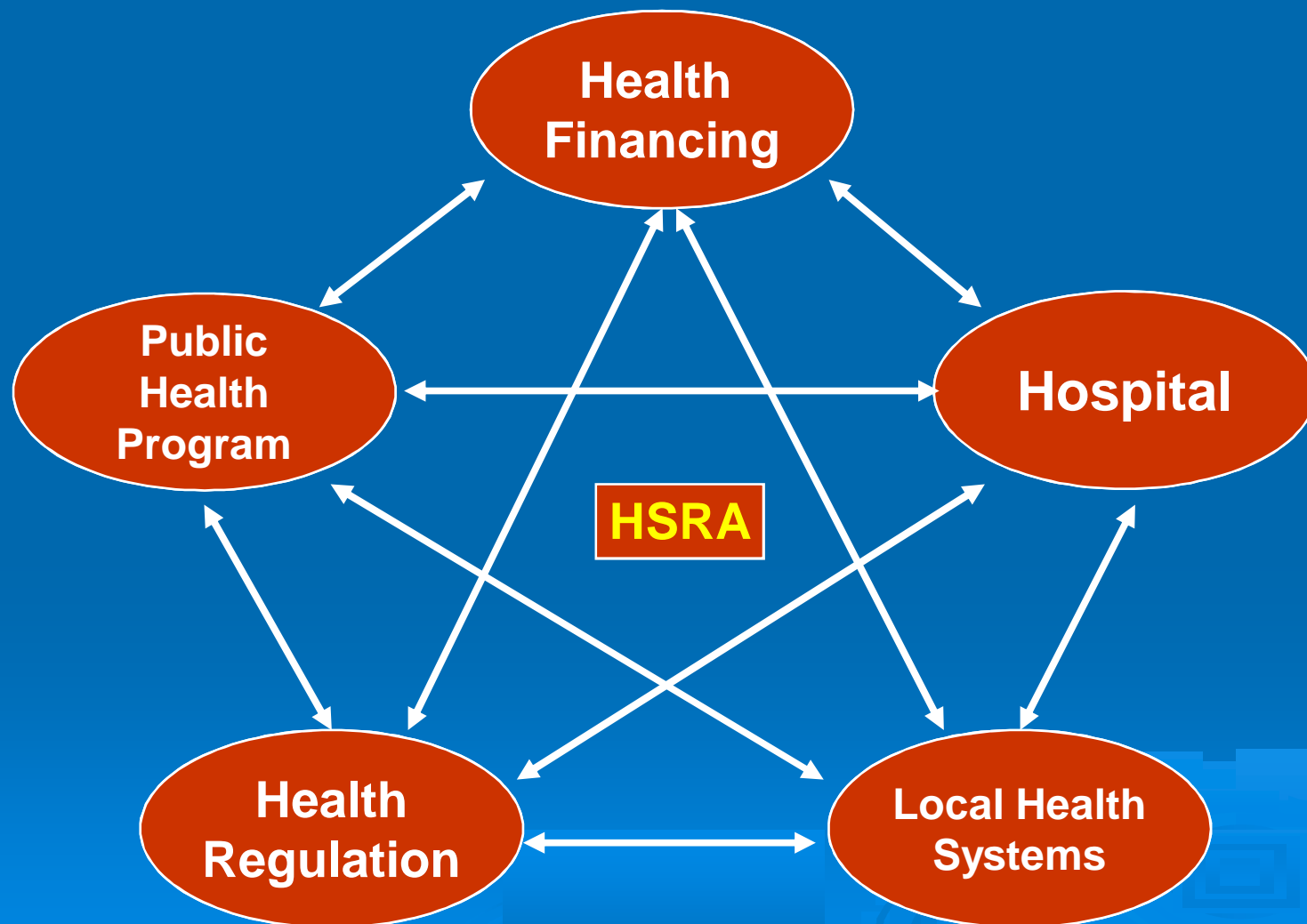
- Devolution of health services under Local Government Code of 1991 leading to fragmentation of health services
- DOH as lead agency providing national policies and plans, regulations, standards and guidelines on health, including tertiary and specialized health care
- LGUs as direct providers of health services, particularly public health programs and primary, secondary and general tertiary hospital care.



# Continuum of Health Care



*DOH considers the interrelationships of different aspects to health care*





# *Looking back ...*

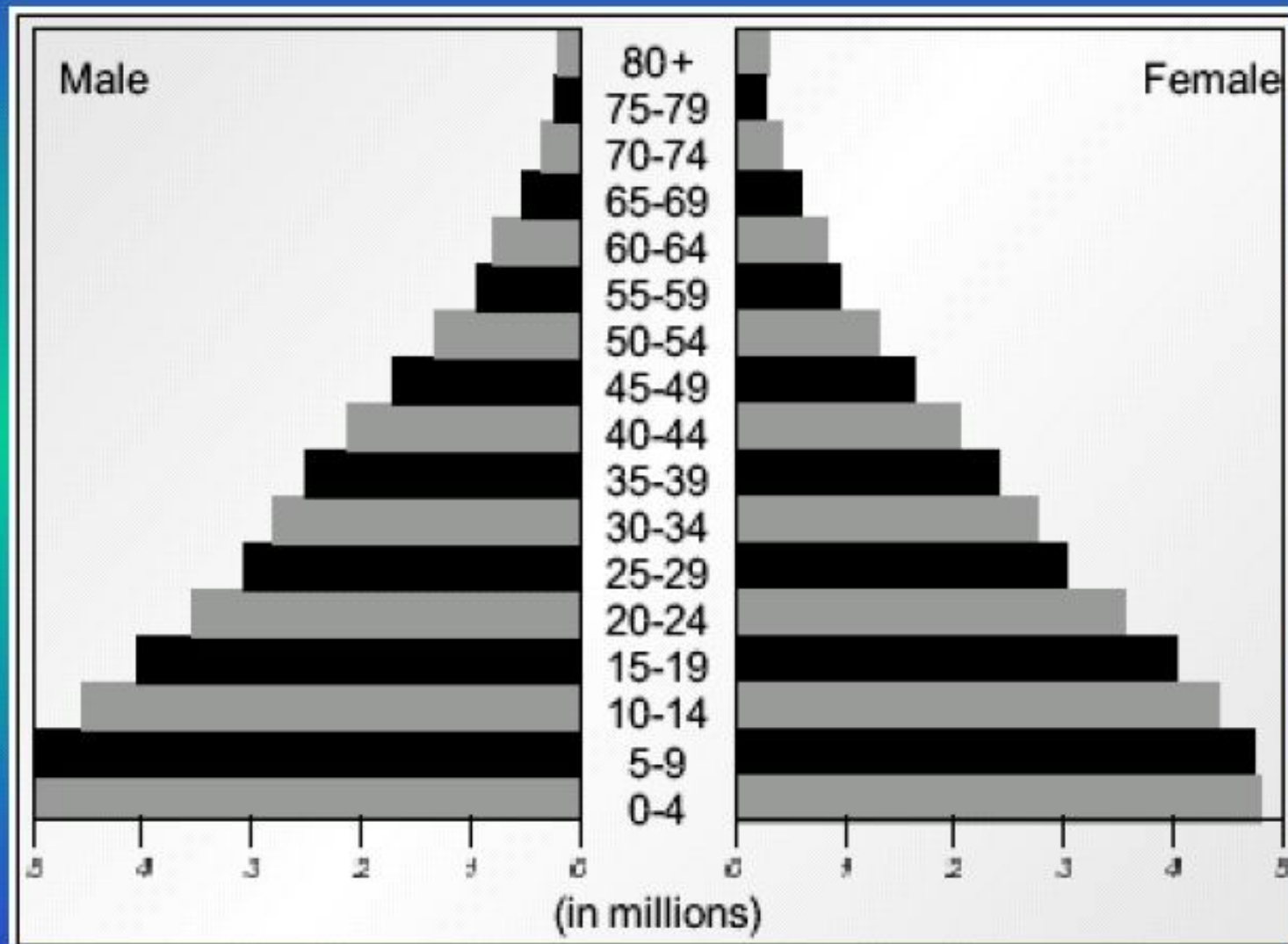
- National Oversight Committee – inventory and transfer of physical, material and health human resource assets
- Comprehensive Health Care Agreement (CHCA)
- Nationwide Program Campaigns (polio, measles, hataw, etc.)
- Matching Grant Program and other various local grants
- Conduct of Health Summits with recognition & awarding of Outstanding LGUs in Health
- Provision of 1-2 M pesos per Province nationwide
- Sentrong Sigla Program
- Health Passport Program in 1 city and 3 provinces
- Re-engineering of DOH and creation of CHDs thru the budget



*Thus ... after 15 years ...*



# Population Pyramid, Philippines 2004

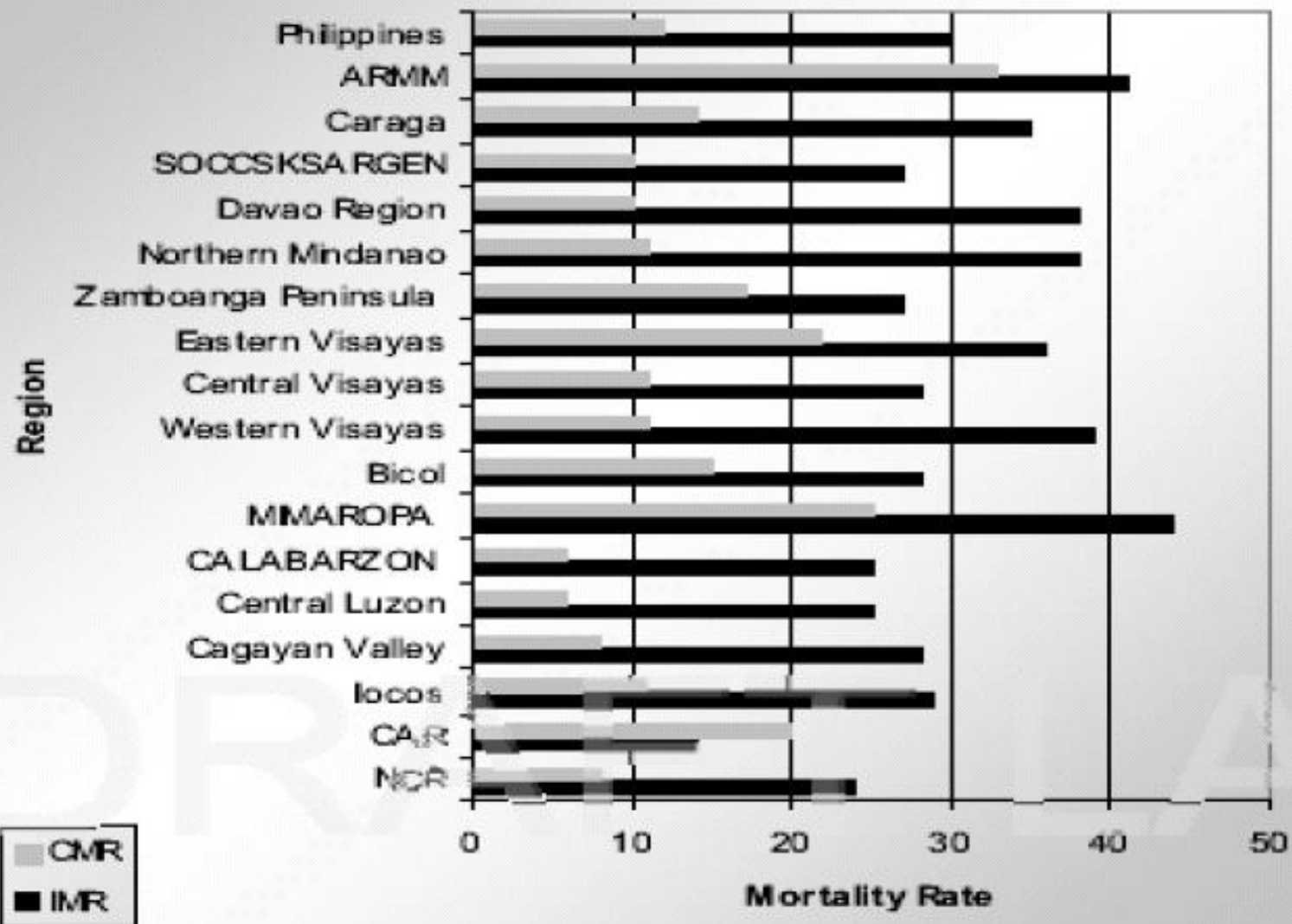


Source: Philippine Statistical Yearbook, 2004



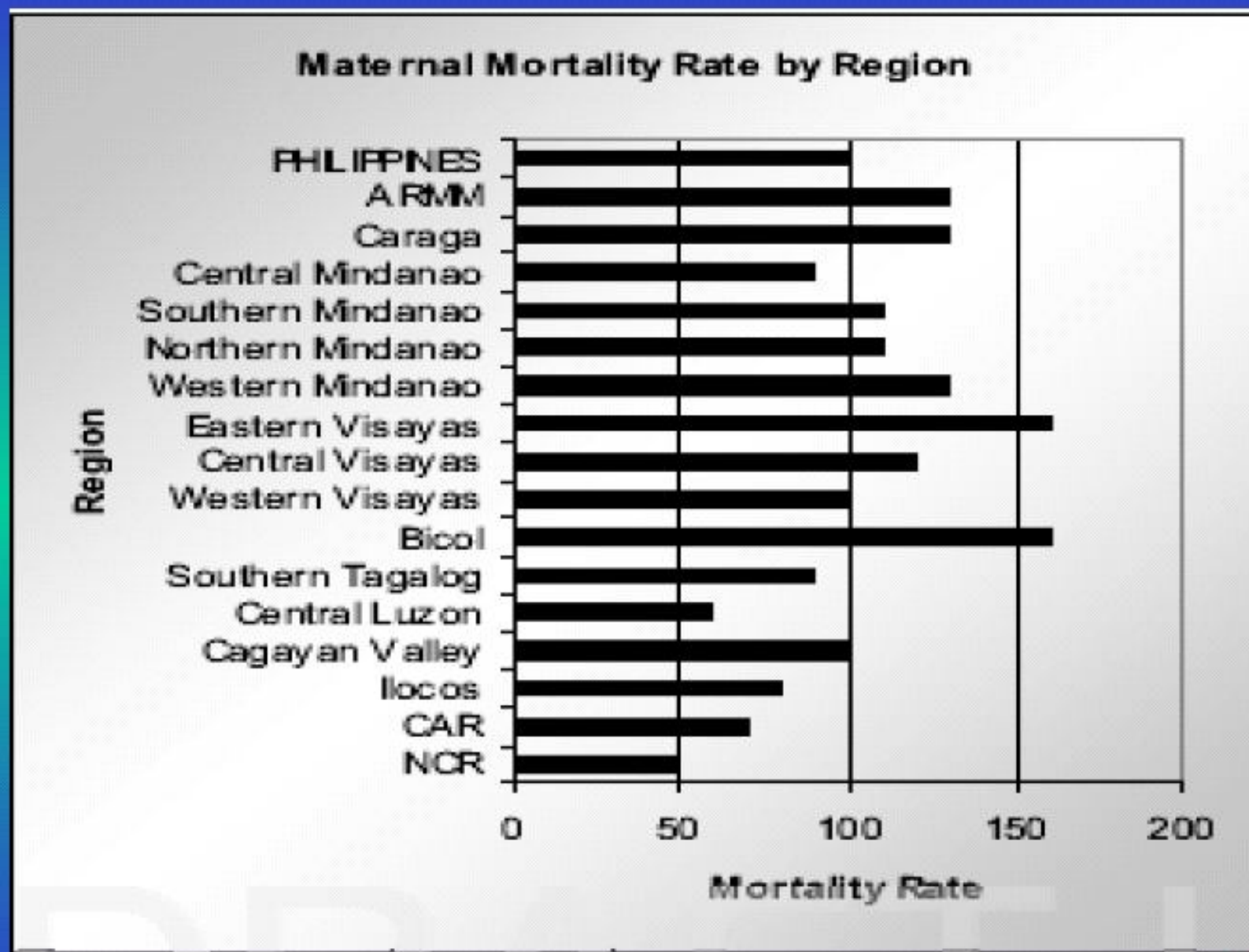


### Infant and Child Mortality Rates by Region



Source: National Demographic and Health Survey, 2003

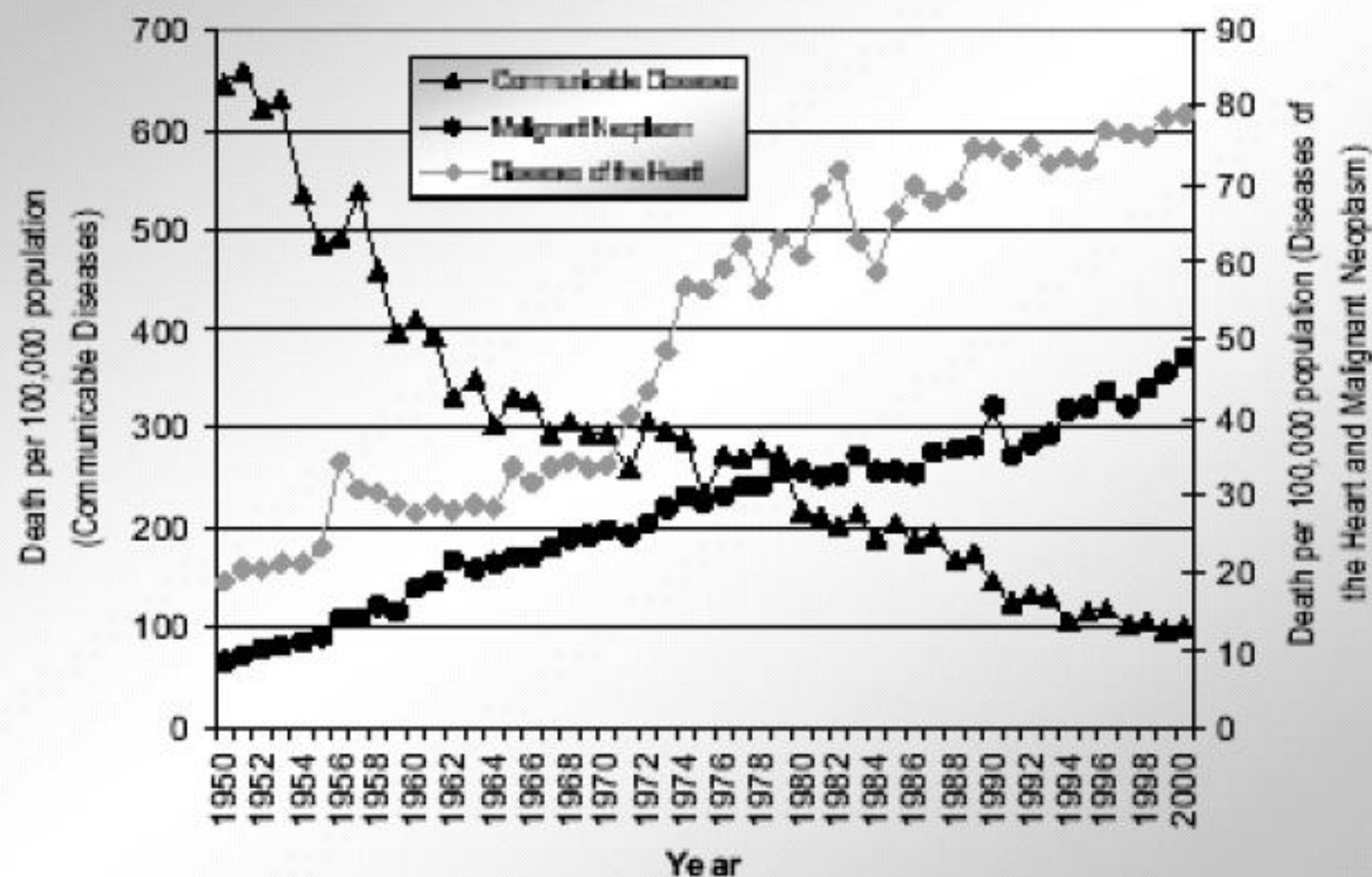




Source: Philippine Health Statistics, 2000



### Mortality Trends : Communicable Diseases, Diseases of the Heart and Malignant Neoplasm



Source: Philippine Health Statistics, 2000





# Health Care Facilities

- Local health facilities are poorly-equipped and poorly-staffed.
- Regional and national hospitals are congested.
- Health facilities in the public and private sectors are unevenly distributed.
- National-local and public-private networking and patient referral systems are inadequate.



## Number and Bed Capacity of Government and Private Hospitals

Hospital	Number	Percent
Government	661	38
Private	1077	62
Total	1,738	100
Bed Capacity	Number	Percent
Government	45,395	53
Private	39,771	47
Total	85,166	100

Bed to Population Ratio = 10.7 beds per 10,000 population

*Source: Philippine Statistical Yearbook, 2004*



# ***Sentrong Sigla Certification***

- The concept of SS is applied to all 2,374 RHUs/HCs out of 1,500 municipalities nationwide
  - To date, 1,441 RHUs/HCs (61%) are SS certified
  - In 1<sup>st</sup>-3<sup>rd</sup> Class municipalities, 786 (64%) of the 1,234 RHUs/HCs are certified
  - In 4<sup>th</sup>-6<sup>th</sup> Class municipalities, 662 (58%) of the 1,140 RHUs/HCs are certified
- (as of October, 2006)



- **21 hospitals were renationalized**
- **15 of 21 are provincial tertiary hospitals**
- **9 of 15 were upgraded to regional hospital or medical center level**
- **Other renationalized hospitals were 4 extension hospitals and 1 special hospital**

**Main reason: funds for operation & maintenance**

Source: BHFS, DOH, Manila 2006

## Net Satisfaction with Most Used Health Facility by Area Philippines, 2000

	Philippines	Metro Manila	Luzon	Visayas	Mindanao
Over-all satisfaction	87	87	88	88	83
For-profit hospital	96	95	96	100	93
Traditional healers	94	100	88	97	93
Non-profit hospital	91	100	71	100	100
RHU	82	100	90	81	62
Government hospital	79	72	85	70	76
BHS	74	50	59	84	75

Source: Filipino Report Card on Pro-poor Services, World Bank, 2000



# Health Human Resources

- The Philippines is producing more and better human resources for health, compared to most Asian countries
- Human resources for health are enormous but unevenly distributed in the country



# Benefits under Magna Carta

1. Subsistence
2. Laundry
3. RATA for RHP
4. Masteral
5. Hazard
6. Longevity
7. Compulsory retirement
8. Medico-legal allowance

# ***Status of Magna Carta Benefits***

- 97-98% of municipalities provide subsistence and laundry allowance
- 87% of municipalities provide for RATA
- 22% of municipalities provide hazard pay
- 11% provide medico-legal & longevity
- 1.5% provide remote assignment pay
- Not all who provide for MC benefits provide the benefits in full
- Practically all municipalities regardless of income class provide subsistence and laundry

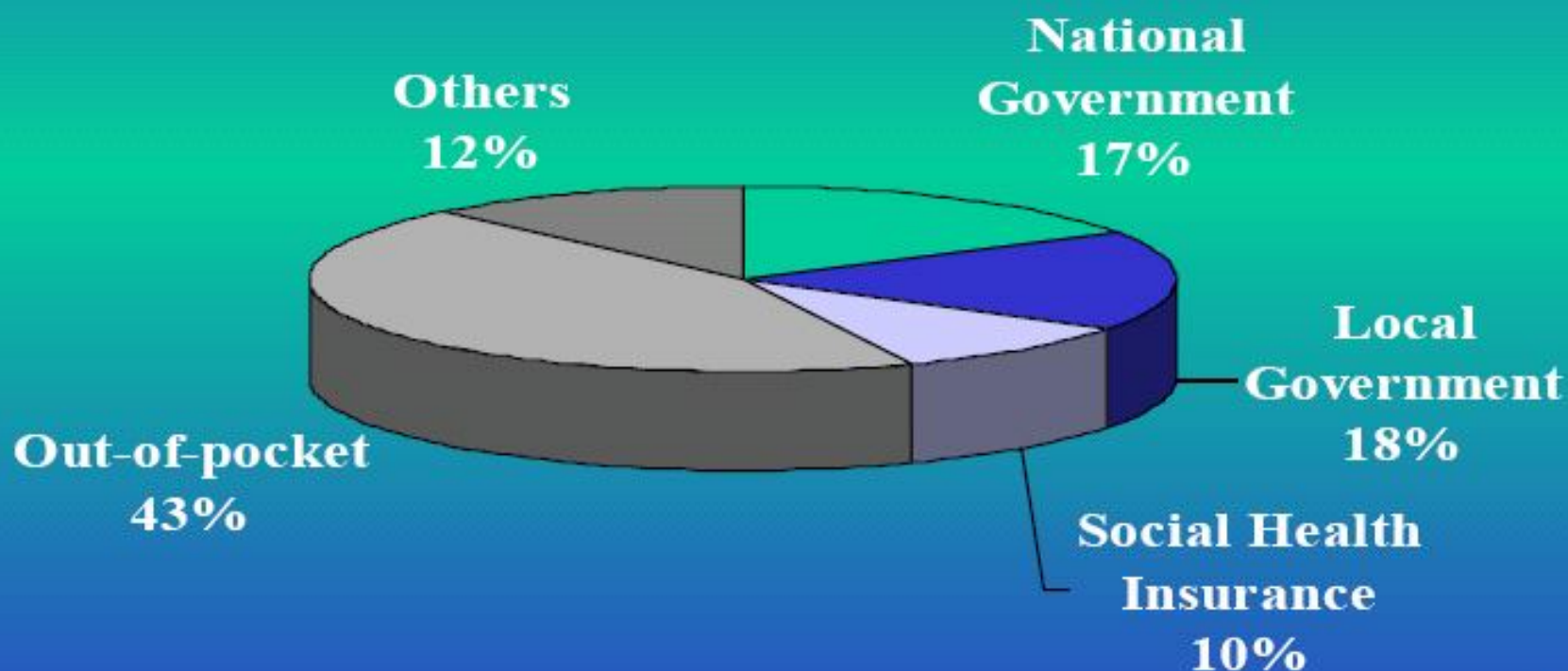
Source: CBERD, De La Salle University, March 2006

# ***Some Consequences ...***

- 85% of all Filipino nurses are working outside of the Philippines in at least 46 countries
- 200 hospitals closed down within the past 2 years (PHA, November 2005)
- 800 hospitals partially closed down (with 1 to 2 wards closed) (PHA, November, 2005)
- Nurse to patient ratios in provincial and district hospitals now 1:40-1:60
- Loss of highly skilled nurses in all hospitals across the country
- The Philippines is a major source of health professionals to other countries.
  - Leading exporter of nurses to the world
  - Second major exporter of physicians
- Large exodus of nurses and physicians (as nurses) in the last four years has been unparalleled in the migration history of the country.



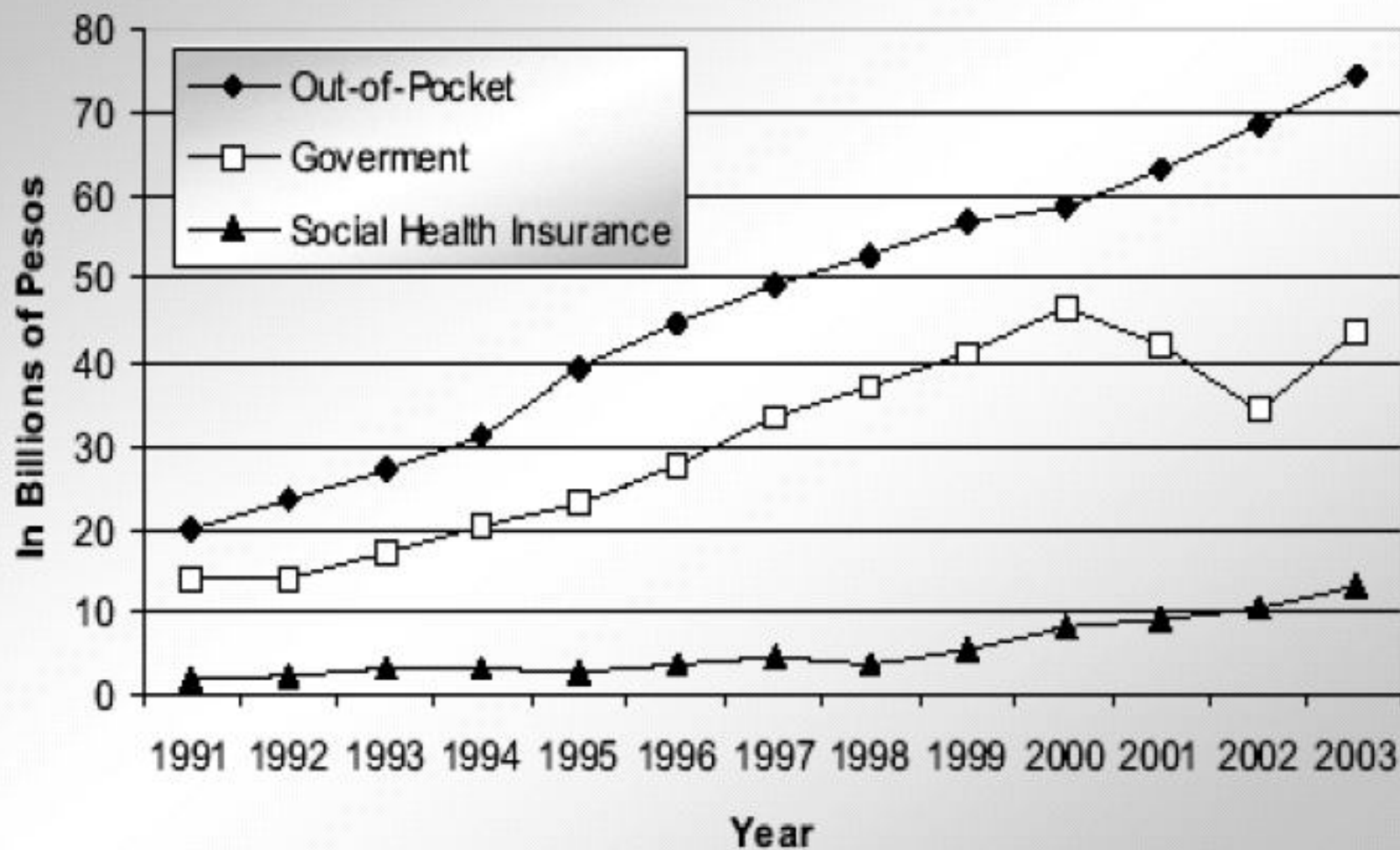
# Distribution of Health Expenditure by Source of Funds



*Source: Philippine National Health Account, 2003*



## Trends of Health Expenditure by Source of Funds



Source: Philippine National Health Account, 2003



# Significant PhilHealth Coverage

- Total population enrolled= 74%
- Poverty incidence= 34% of total population
- Indigent enrolled= 33% or 30.6M or 6.1M poor families



## ***Management approach ...***

- **Concept of HSRA Convergence Sites:  
37 provinces from 1999-2004**
- **Concept of F1 sites in 16 provinces of  
the Convergence sites**
- **Concept of the Interlocal Health Zones  
(ILHZ) with 64 functional out of 132 in  
Convergence sites and 41 functional  
out of 55 organized in F1 sites**

# ***The Local Health Boards***

- **All LHBs nationwide are said to be organized**
- **However, those functional are ...**
  - **only 41 (55%) Provincial LHBs**
  - **only 66 (57%) City LHBs**
  - **only 910 (65%) Municipal LHBs**

Source: BLHAD, DOH, Manila 2006

# ***Some decentralization constraints***

- 1. Unreliability of submitted data & info**
- 2. Reporting at the discretion of the LGU health workers**
- 3. Religious convictions of LGES**
- 4. LGU still think primary function of health still with DOH**
- 5. Poor relationship between LGE and health personnel**
- 6. Magna Carta benefits not given uniformly**
- 7. Health not priority of some LGUs.**
- 8. Security of tenure of health workers not guaranteed**
- 9. Continuous dependence on grants and provisions of even essential drugs and medicines from DOH**
- 10. Assets intended for health services used for other purposes (e.g. ambulance, Toyota pick-up, motorcycles, meds dispensing in office of LCes)**
- 11. More health workers entered politics/ go abroad.**
- 12. Change in leadership needs understanding of LGU's mandate under devolution**



# ***Recommendations***

- 1. LGU to give priority to health. (commitment)**
- 2. Specify the Health Sector budget in the IRA of the LGUs.**
- 3. Strengthen ILHZ and LHB.**
- 4. Increase PhilHealth enrollment by LGUs.**
- 5. Assert the regular & full implementation of the Magna Carta benefits to all health workers without exception. (Magna Carta benefits be a regular item in budget)**
- 6. DOH to provide continuous training and guidance on health matters to LGUs.**

# LGUs must consider that HEALTH combines the discipline of :

- Medical science
- Economics
- Behavioral & social sciences
- Marketing
- Politics



## ***In conclusion...***

***although funds improves the LGUs' capability of implementing health programs.***

- **it does not follow that the poorer the areas, the poorer the health status.**
- **the health status of the population is dependent on the knowledge; level of education; and the leadership and commitment of the local chief executives to health.**

*Source: Local Government Assistance & Monitoring Service Manuscript, 1995*



Thank you