



LEAGUE OF CITIES OF THE PHILIPPINES

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August 31, 2018

Senator Joseph Victor G. Ejercito

Chairman

Committee on Health and Demography

Senate of the Philippines

Dear Senator Ejercito,

Thank you for soliciting our inputs on Senate Bill 1896 or the Universal Health Care Bill. The League fully supports the laudable intention of the bill i.e. to provide safe, quality, affordable, and equitable health care for every Filipino by:

1. strengthening the Philippine Health Insurance Corporation
2. integrating service delivery networks at the local level through the province-wide health system and urban health systems (Section 14)
3. establishing a local health fund to finance either population-based or individual-based health services (Section 17)
4. pooling health funds for health with Philhealth (Section 9)
5. providing better incentives for health human resources specifically those serving in underserved areas (Section 18)
6. providing sanctions for erring health care providers, employers, and members (Section 33)
7. addressing the financial constraints in the fund management of Philhealth (Section 8d, 8e)
8. clearly delineating the functions of DOH and LGUs with that of Philhealth (Section 7)

While the Bill tries to address all the imperfections in the current health service provision, it overlooks some operational issues at the grassroots level pertaining to health care access. Specifically on the level where the service delivery networks will be more effective and on how the non-health related expenses can be financed.

Economies of scale is at the city-level and not at the province-level

Senate Bill 1896 proposes that the administrative and technical supervision of rural health units (RHUs) and barangay health units (BHUs) be put under the province where several service-delivery networks can be formed. We seek clarification on the extent of province's control over the RHUs and BHUs. This proposal is logical in paper but given our archipelagic set-up, it will be difficult to operationalize. Based on the 2016 DOH data that we obtained, currently there are six (6) cities without public or private tertiary hospital. These are the cities of Bais, Canlaon, Talisay, Tanjay, and Victorias in Negros Island and Science City of Muñoz in Nueva Ecija. But these cities are located in landlocked areas and it would be easy to refer Philhealth beneficiaries or in the language of the bill, its direct and indirect contributors to a nearby city. For instance in the case



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of Talisay City, Bacolod is just an hour away by car while in the case of Science City of Munoz, San Jose City is just 30 minutes away by car. Despite the absence of public and private hospitals in these cities, geographically, it is still easier to connect them to the nearby cities rather than operate in a province-wide system.

By putting the administrative and technical supervision of BHUs and RHUs under the province and not the cities, it is our humble opinion that it would create unnecessary confusion rather than solve the fragmentation of health services that the bill is trying to address.

To illustrate, in Negros Occidental alone, there are 13 cities with 322 barangays or 322 BHUs. If we apply the provision of Senate Bill 1896, the province will manage 261 barangay health units under the province-wide system just because two cities do not have a tertiary hospital. When 11 of these cities are already set-up to provide health services.

#	City	Province	Class	Class	# of Barangays
1	BACOLOD	Negros Occidental	1st class	HUC	61
2	BAGO	Negros Occidental	2nd class	Component	24
3	CADIZ	Negros Occidental	2nd class	Component	22
4	ESCALANTE	Negros Occidental	5th class	Component	21
5	HIMAMAYLAN	Negros Occidental	4th class	Component	19
6	KABANKALAN	Negros Occidental	1st class	Component	32
7	LA CARLOTA	Negros Occidental	4th class	Component	14
8	SAGAY	Negros Occidental	2nd class	Component	25
9	SAN CARLOS	Negros Occidental	3rd class	Component	18
10	SILAY	Negros Occidental	3rd class	Component	16
11	SIPALAY	Negros Occidental	4th class	Component	17
12	TALISAY	Negros Occidental	4th class	Component	27
13	VICTORIAS	Negros Occidental	3rd class	Component	26

Total 322

If you look at the current urbanization trends, by 2030, 60%ⁱ of Filipinos will be residing in cities, then it would be more prudent to prepare these cities from the influx of people through effective health service provision. Any investments that the national government will be putting in cities now will help them confront urbanization issues that are set to compound in the coming years.

Our suggestion is to standardize service delivery network for cities to urban health systems, where the locus of population resides. This will be an amendment to Section 14, lines 6-7 to read:

Section 14: Integration of Local Health Systems into Province-wide and Urban Health Systems. The public sector health system at the subnational level shall be composed of province-wide health systems and urban health systems for cities.



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Financing non-health related costs such as transportation, communication, and mobilization costs of indirect contributors from the city to another service provider within the network.

The bill is silent on how this cost will be financed. Our suggestion is to allow it as a legitimate expense under the special health fund. This will be helpful since the bill is assigning gatekeeping responsibilities to primary health care providers. Our proposed amendment is to include this phrase under line 3, on page 9:

“...population based, individual-based, and other non-health related expenses critical in strengthening the role of primary health care providers as gatekeepers.”

General comments and suggestions

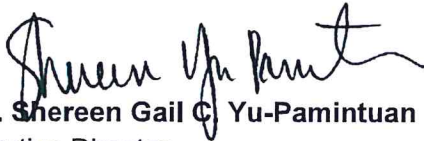
Senate Bill 1896 can also be improved by putting together all the financing provisions in one chapter. It is confusing to see financing coverage in Section 7 to not be included in the same chapter as Section 8 on Financing and to see Special Health Fund under Chapter IV on Service Delivery Networks. Since the bill is about Universal Health Care coverage, all the financing schemes should be consolidated in one chapter for congruence.

Also, On page 5, line 8 “per capital” should be changed to “per capita” health allocation, unless the authors mean capital investments. While on page 13, line 35, “cademe” should be corrected to “academe.” We also seek clarity on the penal provision of the Bill and its application. It appears that the provision on misappropriation of funds by employee of the corporation found on line 29 page 17, applies to Philhealth officials and not employers.

Lastly, while the bill greatly improves the provision of health care through expanded and better coverage, it is silent on improving access. There should be another bill or another chapter in Senate Bill 1896 dedicated on improving access to health care.

Thank you for considering our suggestions.

Very truly yours,



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Executive Director



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