



BUDGET BRIEFER FY 2016

PREPARED FOR THE HOUSE OF REPRESENTATIVES

SEPTEMBER 2015



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1 INTRODUCTION

With less than a year left in the term of the Aquino Administration, the Department of Health continues to implement and further expand its programs and projects toward the achievement of the goals of the Aquino Health Agenda of *Kalusugan Pangkalahatan* (KP) or Universal Health Care (UHC). These goals include the achievement of public-health Millennium Development Goals (MDGs), improvement of financial risk protection, and making quality care delivery system accessible. The passage of the Sin Tax Reform Law, Responsible Parenthood and Reproductive Health Act, and the National Health Insurance Program Act of 2013 enhance the realization of KP goals by 2016.

2 MANDATE

The 1987 Constitution, Article II, Section 15 stated that the state shall protect and promote the right to health of the people and instill health consciousness among them.

Republic Act 7160 otherwise known as the “Local Government Code of 1991”, states that the (1) DOH develops policies and standards for quality health, (2) regulates health facilities, products and services for safety and quality and (3) assist LGUs during emergencies, epidemics, pestilence and other widespread public health danger and assume direct supervision when necessary.

As per Executive Order No. 102 (May 24, 1999), the Department of Health is mandated to provide assistance to local government units (LGUs), people’s organization (PO) and other members of civil society in effectively implementing programs, projects and services that will: (1) promote the health and well-being of every Filipino and prevent and control diseases among populations at risks; (2) protect individuals, families and communities exposed to hazards and risks that could affect their health; and (3) treat, manage and rehabilitate individuals affected by disease and disability. This mandate is consistent with the provisions of the Administrative Code of 1987 and the Republic Act 7160 (Local Government Code).

3 VISION/MISSION/ROLES AND FUNCTIONS

Vision

A global leader for attaining better health outcomes, competitive and responsive health care systems, and equitable health care financing.

Mission

Guarantee equitable, sustainable, and quality health for all Filipinos, especially the poor, and to lead the quest for excellence in health

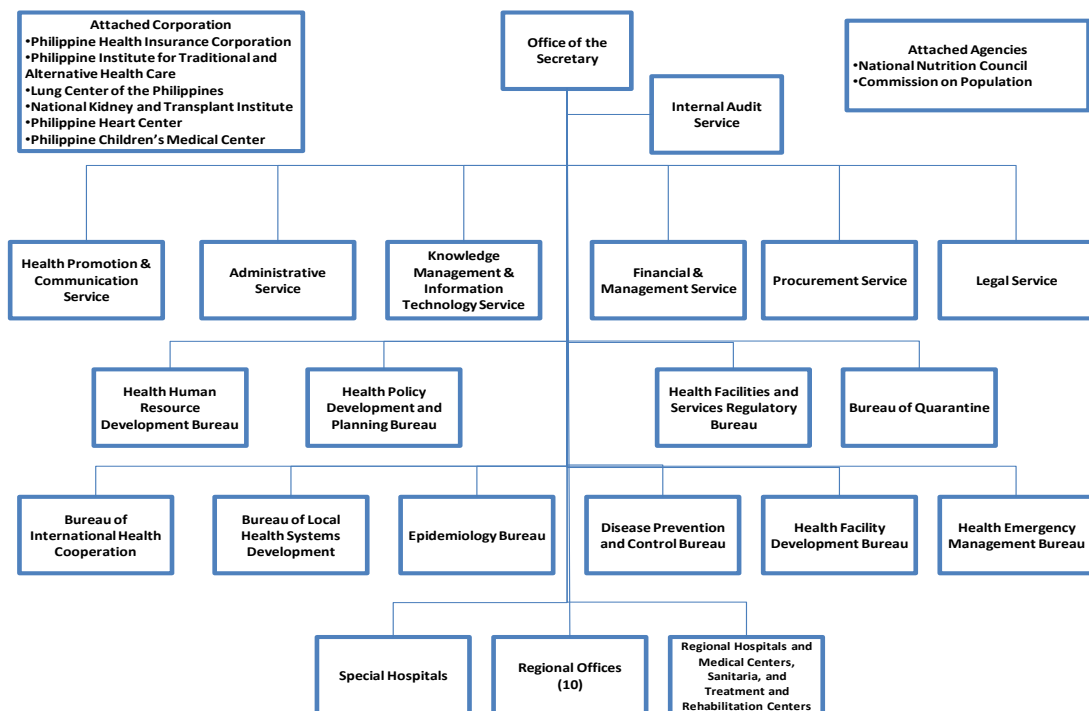
Roles and Functions:

1. Leader and steward of the health sector
 - Sets health sector policies and regulates the sector
2. Enabler/Capacity-builder
 - Exercises oversight functions, monitors/evaluates health sector plans, programs and policies
3. Administrator of services
 - Specialty health care and emerging health concerns

4 DOH ORGANIZATIONAL STRUCTURE

Last August 23, 2013, the DOH Rationalization Plan for the Central Office and Regional Offices has been approved under the Executive Order No. 366. The Executive Order directed a strategic review of the operations and organizations of the Executive Branch and provided options and incentives for government employees who will be affected by the rationalization of functions and agencies of the Executive Branch.

Figure1. DOH Organizational Structure based on EO 366

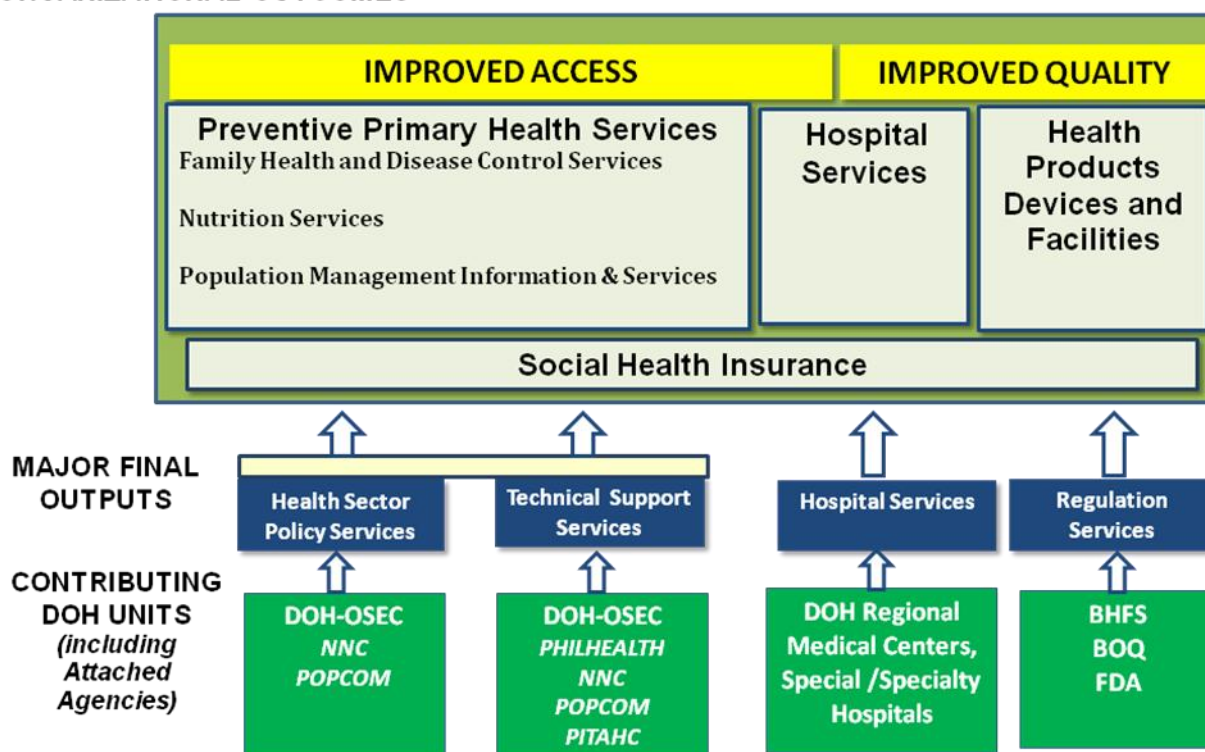


5 OUTCOMES AND STRATEGIES

The Organizational Performance Indicator Framework (OPIF) has been used by the DOH in strategic and sectoral planning. DOH adopted the 3 hierarchy of outcomes: societal (first level), sectoral (second level), and organizational (third level). The strategies to achieve the 3rd level outcomes are linked to DOH Major Final Outputs (MFOs) which serves as the basis for planning and budgeting. Figure 2 shows the DOH Organizational Outcomes and its Major Final Outputs.

Figure 2. DOH Organizational Outcomes

ORGANIZATIONAL OUTCOMES



The *Kalusugan Pangkalahatan* (KP) roadmap seeks to bring us to a state of universal health care, which is about achieving the best health outcomes at the appropriate costs. It is a balance of having the best possible preventive and curative health interventions resulting in the best health outcomes for beneficiaries.

Through a broad set of actions and interventions emphasizing primary care, prevention and health promotion, complemented by secondary and tertiary care, we wish to attain public health-related millennium development goals, to improve financial risk protection, and to make a quality care delivery system accessible. We also wish to improve health governance, in which the DOH as steward of the national health sector has an important role. In order to achieve these outcomes, the following are the strategies:

1. Improve financial risk protection

▪ Expansion of PhilHealth coverage

TSeKaP benefit will be available to the 14.7 million families under the National Household Targeting System (NHTS), also known as “Listahanan” and senior citizens. This will be composed of PhP 1,000 for the medication benefit and PhP 800 for the maintenance of the facility and laboratory expenses. This will provide early intervention preventive and promotive care, in effect reducing health expenditure due to complicated illnesses.

By 2016, the government will sustain the one-year health insurance premium of 15.4 million indigent families and will pay for the health insurance coverage of 2.8 million Senior Citizens in compliance to RA 10645 or the Expanded Senior Citizens Act of 2010.

▪ Improvement of the PhilHealth benefit package

This strategy would increase PhilHealth’s share to total healthcare costs so that out-of-pocket payments will be reduced significantly.

2. Achieve Public Health MDGs

The Universal Health Care High Impact Five (UHC Hi-5) is a strategy which aims to intensify regional operations and convergence in priority anti-poverty program areas and implement model plans on five key high impact interventions which includes reducing maternal, infant and under-five mortality.

▪ Reduction of maternal and child deaths

Existing health interventions target to increase facility-based deliveries and family planning services, commodities and counseling for poor mothers & women of reproductive age; immunize all infants under the Expanded Program on Immunization (EPI); provide pneumococcal vaccines to susceptible population; and provide vitamins & minerals to poor children under five years old.

Breakthrough interventions critical to reducing maternal, infant, and child deaths shall be implemented and intensified through:

- Deployment of **RAIDERS** (**R**each **A**nd **I**nnovate **D**esired **R**ational **S**cores) whom will conduct the tracing of defaulters of immunization, pre- and post-natal services, exclusive breastfeeding and other services provided

- Training of BHWs in **TSiSMIS** (**T**ama **S**igurado **S**apat at **M**akabuluhang **I**nformation **S**ystem), and;
- Establishment of Service Delivery Networks (SDN) to ensure access to maternal and child care services through an effective and efficient referral system; hospital mapping with hospitals complementing rather than competing with each other.

Together with other government agencies such as National Nutrition Council, Department of Social Welfare and Development, Early Childhood Care and Development Council, and Bureau of Fisheries and Aquatic Resources, the DOH will ensure investments for the *First 1,000 Days Intervention Package* in compliance to the provisions of the Early Years Act of 2013, which aims to increase support to Early Childhood Care and Development. Interventions will be piloted in the 10 provinces with the largest population of the poor, and will focus on the provision of the needs of children aged 0 to 2 years which are not covered by public services and facilities such as schools or daycare centers.

▪ **Control and elimination of infectious diseases**

This will be done by: treating all diagnosed TB cases in adults and children; eliminating Malaria in 36 out of 53 endemic provinces by 2016, from the current 29¹ Malaria-free provinces; increasing the number of Filaria-free provinces to 33 areas from the current 28 provinces and 1 city; collaborating with the Department of Agriculture in eliminating Rabies as a public health problem; continuing the deworming program to cover all eligible children; expanding immunization to cover poor senior citizens by giving them protection against influenza and pneumonia; and improving HIV/AIDS screening, diagnosis and treatment to cover the estimated 35,000 patients requiring treatment. In addition, to halt and reverse HIV/AIDS in the country, the UHC Hi-5 strategy includes special breakthrough interventions that will increase access to HIV/AIDS testing, counselling, and other services among the Most-at-Risk Populations (MARPs).

▪ **Prevention of Non- Communicable Diseases**

The following are the interventions to prevent non-communicable diseases: promotion of healthy lifestyle through key health messages to reach 75% of the target population; establishment and maintenance of non-communicable disease registries in 80 provinces; and provision of screening services for non-communicable diseases, especially for the poor through the PhilHealth Tamang Serbisyo sa Kalusugan ng Pamilya (TSeKaP).

¹ As of February 20, 2015

3. Access to quality health care

- **Upgrading and improvement of health facilities and hospitals**

For the first strategy, we are helping LGUs in upgrading and enhancing facilities. In 2015, a total of 20,741 Barangay Health Stations (BHS) will be upgraded and constructed (17,541 BHS for upgrading to TSeKaP and 3,200 school-based BHS will be constructed). By 2016, 796 BHS will be upgraded to TSeKaP accredited centers, 3,886 BHS upgraded to MCP accredited centers, 3,200 BHS in schools will be constructed, and 2,623 city health centers and rural health centers will be upgraded to PhilHealth 3-in-1 accredited centers². The rural health centers are the main outlets of our preventive and public health activities as well as our programs to reduce maternal mortality. Also, about 159 LGU hospitals will be improved to provide quality outpatient and inpatient care, and the DOH regional hospitals and medical centers will make specialized care available and more affordable.

- **Deployment of human resources for health**

Access to quality health care can also be achieved through the deployment of additional human resources. By 2016, 1,051 doctors (DTTB plus UHC implementers), 15,727 nurses, 3,100 midwives, 324 dentists, 308 medical technologists, and 713 public health associates will be deployed to further augment our LGU medical and paramedical personnel, and to link the Department of Health to the LGUs in terms of gaps in data and service delivery.

4. Improve Health Governance

- **Reforming health systems**

This will entail the expansion the ISO 9001:2008 certification to all Regional Offices and DOH Hospitals; and development of health policies that are responsive to health needs and operational realities.

- **Maintaining an effective health regulatory system**

This will be done through the formulation and enforcement of regulations to protect the health of Filipinos and the improvement of the timeliness of the issuance of permits, licenses, certifications for health establishments, products and devices within our Food and Drug Administration and Health Facilities and Services Regulatory Bureau Charter's timelines.

² 3-in-1 PhilHealth centers refers to PhilHealth accreditation for TSeKaP, TB-DOTS, and MCP

Figure 3. KP Outcomes and Strategies

6 MAJOR ACCOMPLISHMENTS

A. Major Health Reforms

1. Sin Tax Reform Law

RA 10351 otherwise known as the Sin Tax Reform Law restructured the existing taxes on tobacco and alcohol to reduce alcohol consumption and tobacco smoking in the country and to generate additional revenues for health programs.

The budget of DOH has increased from PhP 53.2 billion³ in 2013 (before Sin Tax increment was available) to PhP 86.97 billion⁴ in 2015. The budget increase due to Sin Tax is being used to enroll and cover more poor families in PhilHealth, strengthen preventive health and awareness programs; and provide medical assistance in government hospitals and augment funds for enhancement of health facilities.

The Sin Tax Law has proven to be effective in reducing tobacco consumption. During its first year of implementation, there was a significant decrease in smoking prevalence among adults 20 years and over from 31% in 2008 to 25.4% in 2013 (National Nutrition Survey, 2013). More importantly, a significant decrease in smoking prevalence was also seen among children 10 to 19.9 years from 9.1% in 2008 to 6.8% in 2013 (NNS, 2013), despite no significant increase in tobacco advocacy activities. Another survey showed that the prevalence of smoking among socio-economic class E or the very poor dropped from 38% in December 2012 to 25% in March 2014, and among the young age group 18 to 24 years old from 35% in December 2012 to 18% in March 2014 (SWS survey, March 2014). Another round of SWS

³ General Appropriations Act of 2013

⁴ General Appropriations Act of 2015

survey will be conducted by the last week of August 2015, and the results are expected to be available by the third week of September 2015.

2. Reforms in the National Health Insurance Program

The National Health Insurance Program (NHIP) aims to provide Filipinos with adequate financial assistance in times of illness. Specifically, it aims to reduce out-of-pocket (OOP) spending by providing health insurance coverage and access to benefit packages for all citizens of the country.

The passage of the National Health Insurance Act of 2013 provides for the full national subsidy of premiums for the poor identified by the DSWD. In 2014, 14.7 million National Household Targeting System for Poverty Reduction (NHTS-PR) identified principal members and their 29.02 million dependents were covered by the PhP 35.29 billion full national government subsidy. Poor Filipinos who are not yet included in the NHST-PR list can avail of PhilHealth benefits through the Point of Care (POC) enrollment in all DOH hospitals. In 2016, the proposed budget of PhP 43.84 billion, will be used to sustain the one-year coverage of 14.7 million NHTS-PR identified poor families, 651,846 additional qualified members including those who are 21 years old & above and 83,480 modified Conditional Cash Transfer beneficiaries, and will also cover 2.8 million senior citizens.

Through the enactment of the Expanded Senior Citizens Act (RA 10645) in 2014, coverage of all Filipino senior citizens who are not eligible members of PhilHealth was made mandatory resulting in the coverage of 5.88 million senior citizens as of the second quarter of 2015.

3. Responsible Parenthood and Reproductive Health (RPRH) Act

After fourteen years of waiting, the Responsible Parenthood and Reproductive Health Law was enacted on December 21, 2012 to empower women of reproductive age to have informed choices on their reproductive health. Its implementing rules and regulations was signed on March 15, 2013. However, petitions to declare the law as unconstitutional brought a *status quo ante* order for the law until the Supreme Court's decision to uphold the constitutionality of the law and its IRR (except for some specific provisions) came out on April 8, 2014.

The law and its IRR is vital in translating the government's Universal Health Care or *Kalusugan Pangkalahatan* into an operational framework to reduce maternal deaths and improve overall reproductive health outcomes.

The law highlights the implementation of improved access to family planning services such as the enhancement of health service delivery, provision of mobile health clinics in remote and depressed areas, improvement of PhilHealth coverage on reproductive health services especially for the poor, hiring and training of skilled health professionals and continuous monitoring and review of Reproductive Health programs. A National Implementation Team was created under AO 2015-0002 to ensure the implementation of the Responsible Parenthood and Reproductive Health (RPRH) law.

B. KP Outcomes

1. Improve financial risk protection

▪ Expansion of PhilHealth coverage

The National Health Insurance Program reported substantial improvements in the coverage rate from **67% (65.44 million) in 2013 to 88% (89.42 million) as of the second quarter of 2015**. Table 1 shows the PhilHealth coverage by membership category.

Table 1. 2015 PhilHealth Coverage by Member Category⁵

Sector	Members	Dependents	Beneficiaries
Formal Economy	13,368,671	14,204,553	27,573,224
Informal Economy	3,602,640	4,163,236	7,765,876
Indigent/Sponsored	15,778,313	30,766,430	46,544,743
Indigent	15,288,583	30,118,509	45,407,092
Sponsored	489,730	647,921	1,137,651
Lifetime	955,850	696,157	1,652,007
Senior Citizens	4,813,460	1,068,411	5,881,871
Total	38,518,934	50,898,787	89,417,721

Table 2 shows that the budget allotted by the national government for the premium contributions of sponsored members had significantly increased from PhP 12.03 billion in 2012 to PhP 37.06 billion in 2015, covering a total of 15.30 million families, composed of 45.41 million principal members and dependents.

⁵ Ibid8.

Table 2. Budget for the Premium Contributions of National Government-Sponsored Members

Year	Allocation^a (in PhP billion)	Number of Families (in millions)	Number of Principal Members and Dependents (in millions)
2012 ^b	12.03	4.9	20.43
2013	12.61	5.2	21.70
2014	35.29	14.7	43.73
2015	37.06	15.3	45.41

^a Fund source: GAA^b Full premium subsidy for sponsored members started in 2012

- **Improvement of the PhilHealth benefit package**

The No Balance Billing started its implementation in 2011 and has been institutionalized with the passage of RA 7875, also known as the “National Health Insurance Act of 1995”. Section 34-A of RA 10606, the amendment to RA 7875, stipulates that “No other fee or expense shall be charged to the indigent patient, subject to the guidelines to be issued by the Corporation”. As of December 2014, PhilHealth has already paid PhP 78.18 billion in benefit payments, up by 41% from only PhP 55.56 billion in December 2013. The average value per claim is PhP 10,465.

Table 3 shows the total amount paid by PhilHealth for the claims on benefit packages in 2014 and 2015. As of June 2015, PhilHealth reported a total of PhP 44.44 billion benefit payment of which 30% (PhP 13.19 billion) were claims of NHTS/Sponsored members.

Table 3. 2014-2015 Benefit Payment⁶

Sector	2014		As of June 2015	
	Benefit Payment (in Billion PhP)	% to Total Benefit Payment	Benefit Payment (in Billion PhP)	% to Total Benefit Payment
Government	8.49	11%	4.04	9%
Private	18.02	23%	8.82	20%
Informal Economy	19.25	25%	9.40	21%
OFW	1.25	2%	0.66	1%
NHTS/Sponsored	25.56	33%	13.19	30%
Lifetime Members	5.61	7%	8.33	19%
Total	78.18	100%	44.44	100%

⁶ Ibid8.

PhilHealth benefit packages include: primary care benefits for primary preventive services which include drugs and medicines and diagnostic examinations; Z-benefit package covering catastrophic diseases (i.e., early stage breast cancer, standard risk childhood acute lymphoblastic leukemia, and low to intermediate risk prostate cancer); Expanded Z Benefit Package which was launched in February 2013 to cover additional catastrophic diseases (i.e. coronary artery bypass graft surgery, total correction of Tetralogy of Fallot, closure of ventricular septal defect, and cervical cancer); and Z-morph benefit package covering the initial fitting of the lower limb prosthesis below the knee for persons with disabilities. Also, Z-benefit for selected orthopedic implants covering total hip prosthesis (cemented) for members who are 66 years old and above, and total hip prosthesis (cementless) for members who are 65 years and below was launched.

Other benefit packages include animal bite package that covers the cost for providing post-exposure prophylactic services; maternity care package which covers the complete essential health care services for pregnant women throughout their pregnancy and normal delivery. A total of PhP 6,500 is paid for these services, PhP 2,500.00 of which goes to the owner of the health facility, another PhP 2,500 to the health care professional, and the remaining PhP 1,500 is reimbursed by the member for prenatal expenses prior to confinement.

Aside from primary care benefits, PhilHealth implemented in 2011 the 23 Case Rates Package, covering the 23 most common medical and surgical conditions (e.g., dengue, pneumonia, asthma, typhoid fever, radiotherapy, caesarean section, and cataract operation). Unlike the fee-for-service payment scheme wherein fees for drugs, supplies, and doctors differ depending on the patient's case or hospital where the patient was admitted, the case payment rates provide standard payment for specific medical and surgical conditions or cases whereby all items and/or services necessary for a case are already covered by a single rate.⁷

To expand the 23 Case Rates Package, the All Case Rates⁸ which covers a total of 4,699⁹ medical conditions and 4,335 surgical conditions, is now being implemented in all PhilHealth-accredited healthcare facilities¹⁰. Through this, members and dependents will instantly and accurately know how much will be shouldered by PhilHealth, maximizing patient's benefits and reducing out-of-pocket expenses, as well as minimizing patient's

⁷ For example, cases of appendicitis would be reimbursed at the same rate in all hospitals.

⁸ All Case Rates was launched in October 2013.

⁹ ICD codes with rates

¹⁰ Including all hospitals licensed to operate by the DOH, provided that they will comply with the rules of PhilHealth

anxiety related to misinformation. The case rates system will also help discourage healthcare providers from charging excessive fees.

- **Other initiatives**

PhilHealth endeavors to increase coverage and provide financial risk protection especially to the marginalized and vulnerable sectors of society with the benefits of UHC. One of the programs, projects, and policies that were rolled out included PAMANA (PAYapa at MAsaganang PamanayaNAn), the national government's convergence framework and program for peace building. It aims to improve governance and socio-economic conditions of areas affected by and vulnerable to armed conflict. In pursuit of these objectives, social protection packages, including health insurance coverage through PhilHealth, are being provided to beneficiaries certified by the Office of the Presidential Adviser on the Peace Process (OPAPP). In 2015, the National Government covered 19,901 families.

In addition, Sajahatra Bangsamoro Program, a joint undertaking of the Government of the Philippines and the Moro Islamic Liberation Front (MILF), aims to uplift and develop health, education, and livelihood conditions of Bangsamoro communities. In 2015, a total of 32,000 families are covered by PhilHealth through payment of premium subsidies by the National Government.

2. Achieve Public Health MDGs

- **Reduction of maternal and child deaths**

The infant death rate (<1 year old) decreased from 25 deaths per 1,000 live births in 2008 to 23 deaths per 1,000 live births in 2013. The under-five death rate (ages 0 to 4) also decreased from 34 deaths per 1,000 live births in 2008¹¹ to 31 deaths per 1,000 live births in 2013¹². To reach the MDG goal, infant and under-five deaths should decrease in 2015 by 19 and 26.7 per 1,000 live births, respectively.

- In 2014, the number of fully immunized children reached 90% of the target population up from 82% in 2011. The third dose of diphtheria pertussis-tetanus (DPT3) immunization rate is 79% while the measles (MCV) immunization rate is 88%.

From 163 per 100,000 live births in (NSCB 2010), the Family Health Survey revealed a Maternal Mortality ratio (MMR) of 221 per 100,000 live births in 2011.

¹¹ National Demographic and Health Survey 2008

¹² National Demographic and Health Survey 2013

- The increasing trend for MMR is not consistent with the data on facility-based births and skilled birth attendance. In 2014, the DOH-Family Health Office reported 80% facility-based deliveries from 63% in 2011. The percentage of deliveries attended by skilled health personnel also increased to 86% in 2014 (DOH-FHO) from 82% in 2011. A concomitant decrease in MMR should be seen with the improved rates in facility-based deliveries and deliveries attended by skilled health personnel.

- **Control and elimination of infectious diseases**

The Philippines has already reached the Millennium Development Goal for TB based on the WHO Global TB report for 2014. The TB prevalence rate has decreased from 1,000 per 100,000 population in 1990 to 438 per 100,000 population in 2013. The incidence rate for TB has been reduced to 292 in 2013 from 441 per 100,000 population in 1990. In 2014, there were 261,159 TB cases treated.

As of January 2015, 23,063 HIV/AIDS cases were recorded in the country; 81% (18,639) of these cases were reported in the last five years (2010 to January 2015). As of December, 2014, 8,481 HIV/AIDS diagnosed cases have started on treatment. This is being continued to date.

As of 2014, 23 areas are now free of Rabies compared to 3 areas in 2010. Also, there are now 29¹³ out of 53 endemic provinces that were declared as Malaria-free, and there are now 28¹⁴ provinces and 1 city out of the 44 endemic provinces that were declared as Filaria-free.

- **Prevention of Non- Communicable Diseases (NCD)**

There is a significant reduction in smoking prevalence among adults, children and among the very poor. The reduction in the NCD risk factor of smoking is expected to have an impact in the reduction of NCDs.

¹³ As of February 20, 2015

¹⁴ As of June 2015

3. Access to quality health care

- **Upgrading and improvement of health facilities and hospitals**

From 2010 to 2014, under the Health Facilities Enhancement Program (HFEP), a total of 2,862 barangay health stations (BHSs), 2,626 rural health units (RHUs)/urban health centers (UHCs), 685 LGU hospitals, 70 DOH hospitals, and 78 other health facilities composed of 14 hospitals of other national government agencies (military hospitals, PNP hospital, state universities and colleges, and the Philippine General Hospital (PGH)), 13 DOH Drug Abuse Treatment Rehabilitation Centers, 7 national facilities (5 PITAHC, 1 FDA Laboratory, 1 DOH Office), and 44 local facilities (6 BSFs, 5 provincial lab, 16 Mobile health teams, 9 Nutrition Posts, 1 Puericulture, 7 regional offices) were upgraded in terms of infrastructure and equipment to improve access to quality primary, secondary, and tertiary care services, especially by those living in areas far from town centers.

- **Deployment of human resources for health**

A total of 90,812 health professionals (448 Doctors to the Barrios (DTTB), 77,198 nurses, 12,237 midwives, 186 dentists, 92 medical technologists, and 651 public health associates) were deployed to poor LGUs from 2010 to August 2015.

Table 4. Number of Human Resources for Health Deployed from 2010-2015

HRH	2010	2011	2012	2013	2014	2015 (as of August)
DTTB ^a	67	139	235	276	320	194
Registered Nurses ^b	-	20,801	10,000	21,929	11,292	13,176
Rural Health Midwives	191	1,117	2,391	2,738	2,700	3,100
Dentists	-	-	-	-	-	186
Medical Technologist	-	-	-	-	-	92
Public Health Associates	-	-	-	-	-	651

^a Actual number of DTTBs including those deployed in the previous years

^b Under the i) Registered Nurses for Health Enhancement and Local Service (RN Heals) Project [52,730 RNs deployed from 2011 to 2013], ii) Nurse Deployment Project (24,468 RNs deployed from 2014 to present)

- **Medical Assistance Program**

In 2014, 175,311 indigent patients had been served through the Medical Assistance Program (MAP) funds downloaded to 58 LGU Hospitals and 16 DOH Specialty and Special hospitals. As of August 2015, 197,478 indigent patients were served.

4. Improve Health Governance

- **Reforming health systems**

The DOH was awarded by President Benigno Aquino III last December 18, 2013 with the prestigious ISO 9001:2008 certification by the Certification International Philippines, Inc. (CIP) as the government agency under the executive branch to have a department-wide Quality Management System under a single ISO 9001:2008 Certification.

In recognition for a more effective and efficient health service delivery, 41 out of 70 DOH-retained hospitals were ISO-certified as of July 2015. Moreover, 3 attached agencies (Food and Drug Administration, PhilHealth, and National Nutrition Council) were also ISO certified. This is in addition to the ISO certification of all DOH regional and central offices in 2013, making the DOH the first government agency under the Executive branch to have a department-wide Quality Management System (QMS) certified to ISO 9001:2008.

7 THE FY 2016 PROPOSED DOH BUDGET

The following are the expected outcomes and target for the DOH 2016 Performance Informed Budget:

1. Access to Social Health Insurance assured

- *100% NHIP Coverage rate of NHTS-PR indigent families*

2. Access to Primary (Preventive/Promotive) Health Care Services improved

- *95% Fully Immunized Children*
- *80% Facility-Based Delivery*
- *90% TB treatment success rate*
- *60% Contraceptive Prevalence Rate*

- **Access to Quality Nutrition Services improved**

- *100% of poor children (under-five) given micronutrients*
- *72% of LGUs with nutrition programs*

- **Access to Quality Hospital Services improved**

- *85% bed occupancy rate of DOH hospitals*
- *< 2% infection rate in hospitals*
- *≤2.5% net death rate*

- **Safe and Quality Health Commodities, Health Devices, Health Facilities and Food ensured**
 - *< 1% violations in health facilities monitored/ inspected*
 - *65% of manufacturing facilities with cGMP*

Highlights of the FY 2016 Proposed DOH Budget

The National Expenditure Program FY 2016 proposes to allocate **PhP 122,733,872,000.00** for the Department of Health OSEC - Proper. This is broken down as follows:

Table 5. The Proposed DOH-Proper Budget, FY 2016 NEP vs. 2015 GAA

Particulars	GAA 2015 (in '000 Pesos)	NEP 2016 (in '000 Pesos)	Difference	
			Amount	% Increase (Decrease)
Office of the Secretary				
Personnel Services	10,510,714	21,012,441	10,501,727	99.91%
MOOE	62,837,166	74,243,353	11,406,187	18.15%
Capital Outlay	13,620,817	27,478,078	13,857,261	101.74%
Total New Appropriations	86,968,697	122,733,872	35,765,175	41.12%

The total 2016 proposed budget for health amounting to **PhP 125,949,838,000** (including the budget for Commission on Population, National Nutrition Council, Corporate Hospitals, and Philippine Institute for Traditional and Alternative Health Care) is distributed as follows:

Table 6. DOH and Attached Agencies, FY 2016 NEP vs. 2015 GAA

Particulars	2015 GAA (in '000 Pesos)	2016 NEP (in '000 Pesos)	% Increase (Decrease)
A. Department of Health - Proper	86,968,697	122,733,872	41.12%
B. Attached Agencies			
National Nutrition Council	321,753	529,927	64.70%
Commission on Population	306,477	350,708	14.43%
C. Attached Corporation			
Philippine Institute for Traditional & Alternative Health Care	50,000	55,646	11.29%
Sub-Total	87,646,927	123,670,153	41.10%
D. Corporate Hospitals			
Lung Center of the Philippines	191,270	192,144	0.46%
National Kidney and Transplant Institute	459,779	552,071	20.07%
Philippine Children's and Medical Center	1,616,257	919,323	(43.12%)
Philippine Heart Center	373,378	616,147	65.02%
Sub-Total	2,640,684	2,279,685	(13.67%)
GRAND TOTAL	90,287,611	125,949,838	39.50%

Table 7 shows that PhP112.89 billion (92%) of the PhP122.7 billion 2016 proposed budget of the DOH is allocated for Operations - particularly for the provision of Technical Support, Hospital Services, Policy Development, and Regulation Services. The remaining 8% of the total budget is allocated for Projects, Support to Operations, and for General Administration and Support.

Table 7. Summary of Proposed DOH-Proper Budget, by Major Final Output

Particulars	2015 GAA (in '000 Pesos)	2016 NEP (in '000 Pesos)	% Increase (Decrease)
General Administration and Support	428,955	7,913,266	1,744.78%
Support to Operations	930,144	843,567	(9.31%)
Operations (by MFO)	84,637,489	112,886,144	33.38%
1. Health Sector Policy Services	359,572	352,471	(1.97%)
2. Technical Support Services	62,378,829	94,602,697	51.66%
3. Hospital Services	21,155,386	17,322,645	(18.12%)
4. Health Sector Regulation Services	743,702	608,331	(18.20%)
Locally-Funded Projects	972, 109	1,090,895	12.22%
Total	86,968,697	122,733,872	41.12%

For FY 2016, the Department will continue to implement its programs and projects, as well as expand those which are critical for the achievement of KP goals. Table 8 outlines the major programs and activities that are being implemented in 2015 and will be continued and expanded in 2016.

Table 8. Major Programs and Activities for FY 2016

Program	Major Activities
National Health Insurance Program	<ul style="list-style-type: none"> ▪ Subsidize enrolment of 15.44 million DSWD identified NHTS-PR families ▪ Subsidize enrolment of 2.8 million Senior Citizens
National Immunization Program	<ul style="list-style-type: none"> ▪ Infants: <ul style="list-style-type: none"> – Fully immunize 2.2 out of 2.3 million infants (95%) – Provide 400,000 infants with Pneumococcal vaccine ▪ Adolescents: <ul style="list-style-type: none"> – Provide 4.7 million Grade 1 and Grade 7 students with Tetanus-Diphtheria and Measles-Rubella vaccine ▪ Senior Citizens: <ul style="list-style-type: none"> – Provide 1.2 million senior citizens with influenza vaccine – Provide 500,000 senior citizens with Pneumococcal vaccine

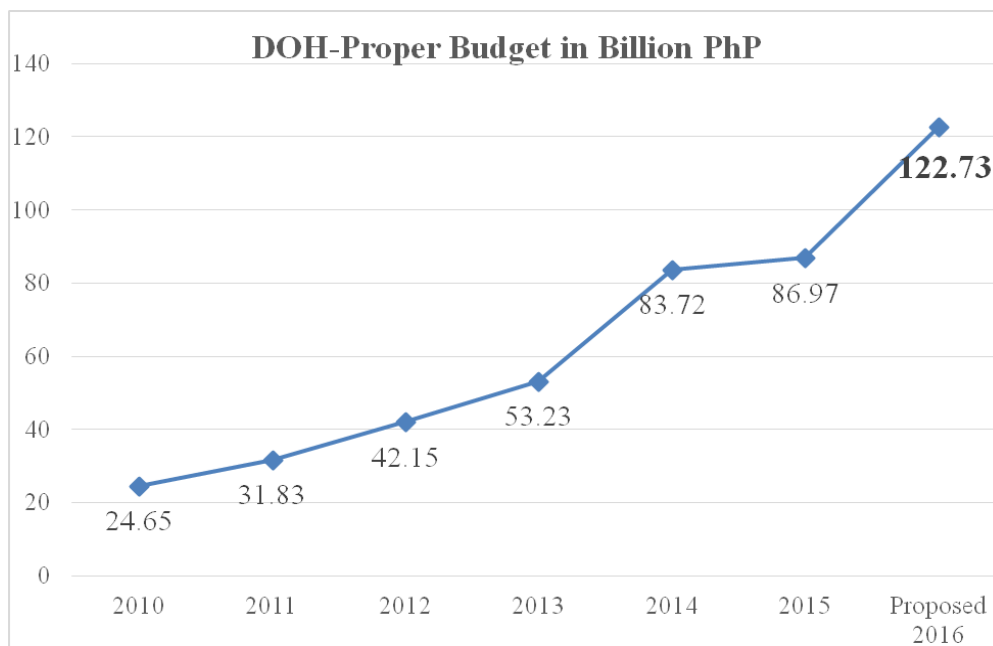
Program	Major Activities
Family Health	<ul style="list-style-type: none"> ▪ Provide 4.4 million children < 5 years old with vitamin A supplementation ▪ Provide 2.7 million poor women with FP commodities and services ▪ Routine and School-based immunization ▪ High Impact Strategies for 5 Critical Health Programs (Hi5) for Regions and Hospitals (Infant, Under-5 and Maternal Health, HIV/AIDS, and Service Delivery Network)
Control and Elimination of Infectious Diseases (TB, HIV/AIDS, Rabies, Malaria, Filarias, Leprosy, etc)	<ul style="list-style-type: none"> ▪ Diagnosis and treatment of: <ul style="list-style-type: none"> – 280,607 TB cases; – 3,885 Malaria cases; – 35,000 HIV/AIDS cases ▪ Increase from: <ul style="list-style-type: none"> – 29 to 36 Malaria-free provinces – 28 to 33 Filaria-free provinces ▪ Mass drug treatment for: <ul style="list-style-type: none"> – 17.90 million population at risk against Filariasis; – 2.48 million population at risk against Schistosomiasis ▪ Complete 8 doses of Rabies vaccination for dog bites ▪ Deworming of 25 million children aged 5-12 years old
Human Resources for Health (HRH) Deployment	<ul style="list-style-type: none"> ▪ Increase number of 2015 deployment from: <ul style="list-style-type: none"> – 398 to 1,051 doctors (DTTB plus UHC implementers) deployed; – 13,500 to 15,727 nurses deployed; – 214 to 324 dentists ▪ Continued deployment of: <ul style="list-style-type: none"> – 3,100 midwives; – 308 medical technologists; – 713 public health associates
Health Facilities Enhancement Program	<ul style="list-style-type: none"> ▪ Improve primary health facilities (Rural Health Units/ Urban Health Centers and Barangay Health Stations) to “gatekeep” and deliver preventive health services <ul style="list-style-type: none"> – Upgrade 796 BHS into TSeKaP accredited centers – Upgrade 3,886 BHS to MCP accredited centers – Provision of TSeKaP Health Stations in 3,200 Public Elementary School – Transforming all 2,623 RHUs and Urban Health Centers into 3-in-1 accredited facilities (TSeKaP, TB-DOTS, MCP) – Provision of 31 mobile dental clinics to replace dental services in RHUs ▪ Improve the quality of LGU hospitals to comply with DOH licensing and PhilHealth accreditation <ul style="list-style-type: none"> – Repair/Expand/Upgrade at least 159 LGU hospitals

Program	Major Activities
	<ul style="list-style-type: none"> ▪ Decongest DOH hospitals to be able to provide affordable quality tertiary care and specializes treatments. <ul style="list-style-type: none"> – Upgrade 70 DOH hospitals ▪ Repair/Expand/Upgrade other DOH Health Facilities <ul style="list-style-type: none"> – 13 DOH Drug Abuse Treatment Rehabilitation Centers (TRCs) – 22 Psychiatric Facilities – 55 Blood Service Facilities – 6 National Reference Laboratories – 6 Regional Quarantine Stations – 6 MERS-CoV Referral Centers – 1 RITM Biosafety Laboratory (Biosafety level 3)

Summary of the FY 2016 Proposed DOH Budget

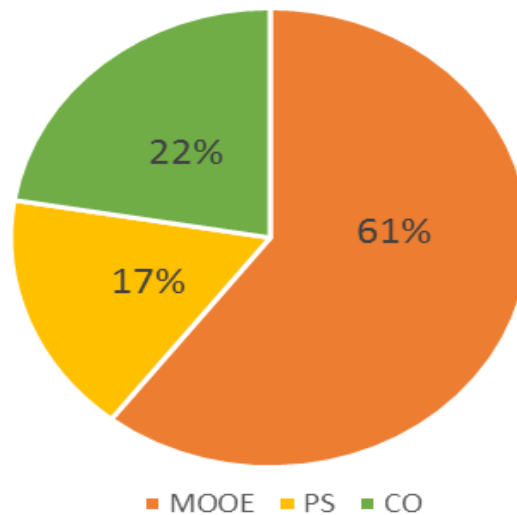
The budget of the Department of Health has been increasing since 2010, with the FY 2016 Proposed DOH-Proper budget having a 41% increase compared with the FY 2015 budget.

Figure 4. Trend of DOH Proper Budget, FY 2010-2016



Majority (61%) of the DOH budget is allocated for MOOE at 74.2 B, 22% for Capital Outlay and the remaining 17% for Personnel Services.

Figure 5. Proposed DOH-Proper Budget, by Expense Class



Forty four percent (44%) or PhP 53.93 billion of the proposed budget is allocated for programs, activities, and projects to improve access to quality health care, followed by 43.89 billion or 36% for financial risk protection, 11% or 13.53 billion for health governance and the remaining 9% for attainment of public health MDGs.

Table 9. DOH Budget by Outcome

Outcome	GAA 2015 (in '000 Pesos)	NEP 2016 (in '000 Pesos)
Public Health MDGs Achieved	10,511,619	11,379,255
Financial Risk Protection Improved	37,189,475	43,889,332
Access to Quality Health Care Improved	33,256,096	53,931,667
Health Governance Improved	6,011,507	13,533,618
TOTAL	86,968,697	122,733,872