



The year 2004 proved to be another period of remarkable feats for the Department of Health. Building upon the major health gains from the past, the whole health sector, led by the DOH, has reached new heights in attaining better health for all Filipinos, within the context of ongoing health sector reforms.

In the face of the monumental challenges that inspired us to do more and better in the service of our people, we share with you, with a big heart and a deep sense of humility, our accomplishments for the year 2004.

We started the year with the successful implementation of major activities and the completion of a number of local and foreign-assisted projects such as the **Follow-up Measles Immunization Campaign**, dubbed as "*Ligtas Tigdas 2004*," conducted nationwide in February through April 2004 where **95%** of the eligible

population, ranging from children aged 9 months to below 8 years old, has been immunized with the measles vaccine. In order to increase the Fully Immunized Child (FIC) rate further, the administration of other vaccine-preventable diseases has been pursued, alongside addressing the problem of micronutrient malnutrition by giving Vitamin A and Iron to the target population.

To improve the poor's access to quality health products and services, social health insurance coverage has been increased to 80% with more and more indigents enrolled into the sponsored program, while low-cost essential medicines have been made available in all national government hospitals, selected local government hospitals, participating private retail outlets called "*Botika ng Bayan*" and in networks of village health pharmacies commonly known as "*Botika ng Barangay*".

Meanwhile, in response to emerging and re-emerging infections such as the avian flu and meningococcemia scare, the DOH and its infectious disease control network has remained vigilant and steadfast in keeping these public health threats in check. Through the collaborative efforts of the various stakeholders such as the Local Government Units, other National Agencies, International Organizations, Non-Government Organizations and Civil Society, we were able to successfully prevent Avian Flu from entering the Philippine area of responsibility and prevent Meningococcemia from spreading its menace at the Cordillera region, particularly in Baguio City.

The DOH's capability to respond to disasters and emergencies has once again been demonstrated as it extended its invaluable services during disasters such as the flash flood in Quezon and Aurora provinces where more than a thousand people died and several thousands were left injured, traumatized and homeless. Despite our financial constraints, the Philippines was able to fulfill its international humanitarian responsibilities by sending medical teams to our Asian neighbors in the event of the tsunami disaster in December 2004.

The accomplishments enumerated above are only but a fragment of what has been realized by the health sector for the past year. These health gains, and more, are only a part of those that you will find in this report. It goes without saying that these achievements would not have been attained without the perseverance, dedication, excellence and integrity of our health workers both at national and local level. Moreover, it is but fitting and proper to acknowledge the invaluable support of all the stakeholders who have stood side-by-side and hand-in-hand with us in realizing our common vision of attaining universal access to quality health services for all Filipinos.

*Malugod ko pong binabati kayong lahat at Mabuhay!*

  
MANUEL M. DAYRIT, MD, MSc  
Secretary of Health



# Building on Major Health Gains

## Highlights of Accomplishments

### Public Health

#### • Combating the Tuberculosis Menace

The coverage of the *Directly Observed Treatment Short Course Chemotherapy (DOTS)* for Tuberculosis nationwide is 100% with a Case Detection Rate (CDR) of 71%, Cure Rate of 77% and 88% success rate.

As a major policy shift to improve patient compliance in taking the anti-TB drugs, the DOH-NTP has undertaken a series of training supported by other fund sources including the Global fund to fight AIDS, TB and Malaria (GFATM), Japan International Cooperation Agency (JICA), World Health Organization (WHO) and Medicos del Mundos for implementers at all levels to include

the barangay health workers (BHWs). This was conducted in the first six months of 2004 and has paved the way to the utilization of Fixed Dose Combination (FDC) in lieu of the single dose formulation (SDF). This has also improved the acceptability of patients in the taking of the drugs and is thus assumed to improve even further the cure rate.

The NTP has embarked on the expansion of DOTS services to include the private sector specifically as a source of referrals to DOTS Units. To increase the number of cases detected under the DOTS strategy, through the GFATM and through the PhilTIPs a USAID Project, the NTP is currently working under the auspices of the National Coordinating Committee on Public-Private Mix DOTS (PPMD) and the respective regional counterparts (RCC-PPMD) to monitor, supervise and promote PPMDs in their respective localities. A major output of this activity is the improvement of CDR

contributed through the private referrals and through increase in walk ins in the public PPMD facilities, which signifies client's perception of quality DOTS services in these facilities.

DOTS was also expanded to include other public institutions that also manages TB patients such as the Department of Education and the Department of Justice penal





constitutions. Initial training for the DOTS implementers were conducted followed by a formal launching and declaration of commitment to DOTS by these agencies. Main DOH contribution to these facilities is the transfer of technology through training and TB drugs.

- **Preventing and Containing Rabies**

Recognizing the fatal effects of rabies, massive advocacy campaign on responsible pet ownership was initiated both by the Department of Health and the Department of Agriculture in 2003. In March 2004, the Department of Health lead the Kick Off Ceremony and Press Conference in coordination with the Department of Agriculture to advocate the importance of responsible pet ownership and the Local Governments responsibility in the prevention and control of rabies.

The National Center for Disease Prevention and Control is now focusing on the primary health care approach in disease prevention. Schools are the right venue for education because young minds are molded by these institutions. Hence, rabies prevention program through curriculum integration is being conceptualized and proposed in EM's Barrio Elementary School as the pilot area to start the nationwide campaign against rabies.

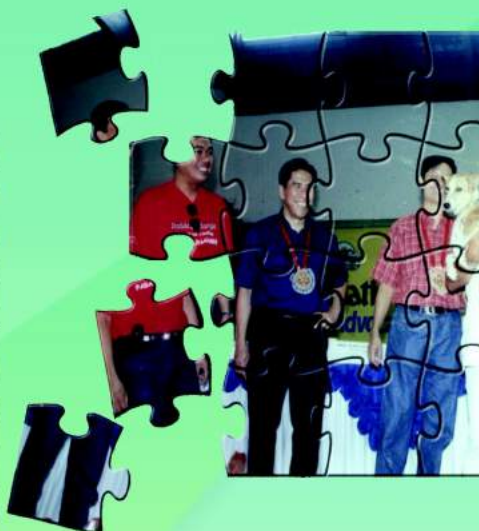
- **Philippine Follow-up Measles Elimination Campaign.**

"Ligtas Tigdas 2004", the nationwide Philippine Follow-up



Measles Campaign thru mass measles vaccination was conducted in February 2004. It was a very successful campaign with a 94% coverage or about 17.2 million out of the 18.3 million targeted children ages 9 months to less than 8 years old were immunized. Vitamin A was also provided to children 9 months old to less than 6 years old. The door-to-door strategy in immunizing children was utilized with continuous monitoring and validation of coverage and follow-up of "missed" children.

The Japanese Government provided 100% of the measles vaccines, syringes/needles and safety boxes amounting to US \$ 7.8 million while the World Health Organization (WHO) provided the technical assistance, vaccine freezer at the national level and funds for monitoring. UNICEF provided technical assistance and printing of the measles guidelines,





IEC prototype materials and funds for advocacy and social mobilization.

A Non-government organization, Healthcare without Harm (HCWH) assisted in the documentation of the disposal of wastes during the campaign. They concluded that the Philippine Follow-up Measles Elimination Campaign 2004 was perhaps the first massive immunization campaign worldwide where a huge amount of immunization waste was successfully treated and disposed of without the use of incineration or open burning.

- **Strengthening the Family Planning Program**

The 2003 National Demographic Health Survey (NDHS) reveals that only 7 15% of currently married women aged 15 49 years know about the modern natural family planning method. The survey further shows that the majority of these women (74 98%) are more knowledgeable about the artificial family planning method. This disparity in knowledge with natural family planning on a disadvantaged position, has emphasized the need to strengthen the national government efforts for Natural Family Planning (NFP).

The overall goal is to reduce health risks to women and children due to short intervals and too frequent pregnancies and childbirth. With properly spaced children and better planned family size, parenting will be more effective leading to a more productive and caring family life. The program is directed towards mainstreaming Natural Family

Planning as one of the modern methods of family planning. It will make NFP easily and adequately available for couples so that they could make informed decisions for any method of choice.

The major strategies and activities of the program includes : 1) **Policy and Organizational Strengthening** - policies shall be clarified and disseminated to distinguish fertility awareness from NFP so that fertility awareness training could be given among adolescence; 2) **Advocacy and Orientation on Fertility Awareness** - to lay down a wide net of awareness on the advantages of NFP and to dispel myths on NFP; 3) **Training and Certification of Frontline Health Providers** - focus will be on the training or retraining of midwives, nurses, doctors at all levels and necessary certification or accreditation. Private practitioners will also be recruited to include NFP in their services. 4) **Raising the Capability of Facilities and Services** with adequate number of NFP trained staff, the needs of infertile couples to



achieve pregnancy could also be met. If NFP services are adequately provided, the FP clinics can be repositioned later as Fertility



Clinic; 5) **Networking and Development of Support Groups at all Levels Especially in the Community** the successful NFP users will be organized to support new users; and 6) **Monitoring and Evaluation** measurable Indicators shall be developed to monitor the various components of the program.

- **Maintaining Healthy Lifestyle**

**RP Bags Guinness World Record in Largest Aerobics/Demonstration Class**

*The Department of Health (DOH) today announced that Guinness World Records certified that the country has been "successful in setting a new world record under the category of 'Largest Aerobics Demonstration/Class' during a mass aerobics held February 16 of last year simultaneously in different parts of the country.*

As anticipated in the previous year, the Philippines set a new Guinness World Record for the "Largest Aerobics Demonstration /Class" last February 16 of the previous year held simultaneously in different parts of

the country. The letter sent by Ms. Sophie Whiting of the Guinness World Records Limited, stated that the event was recorded in their database as follows: *"The largest aerobics display involved 48,188 participants at the Quirino Grandstand, Luneta Park, Manila, Philippines on February 16, 2003."*

The said event launched the DOH's National Healthy Lifestyle Campaign dubbed "Mag-HL (healthy lifestyle) Tayo." It sought to emphasize the need for Filipinos to practice a healthy lifestyle and to raise the consciousness of policy makers to provide an environment supportive of healthy lifestyle practices. The Campaign integrates the DOH's anti-smoking program, regular physical activity and weight control, healthy diet and nutrition, stress management and regular check-up.





## Hospital Reform

- **Fiscal Autonomy and Corporate Restructuring of Selected DOH Hospitals**

Based on the Management Sciences for Health (MSH) study released in mid 2001 that an Executive Order in addition to Legislation for corporate charter is a valid/legal route for corporate restructuring, the DOH management approved the Executive Order route.

This Executive Order was developed, subjected to consultations from different stakeholders and submitted to the Office of the President, Malacañang in late 2003 then resubmitted in early 2004. It was referred to the Presidential Committee on Effective Governance (PCEG) chaired by Secretary Emilia Boncodin of the Department of Budget and Management (DBM) in mid 2004. DOH officials presented it to the PCEG.

PCEG suggested revisions in the DOH endorsed EO version such as (60%) membership from the government sector in the Governing Board; proposed salaries of the Ilocos Training and Regional Medical Center (ITRMC) and Quirino Memorial Medical Center (QMMC) (the two national government hospitals being considered for corporatization) personnel shall still be covered by the Salary Standardization Law. Generally, other components of the Executive Order were agreeable to them. However, the corporate charter is still by legislation. Hence, EO was not recommended for signature by President Arroyo. The DOH therefore has to redraft a House/Senate bill for government hospital corporate re-structuring of QMMC and ITRMC.

As a complementary route for hospital corporate re-structuring through legislation also, the Draft Omnibus Bill for DOH Hospital corporate re-structuring was submitted to Congress for sponsorship.

- **Improved Financial Management by granting Financial Autonomy in DOH Hospitals**

The utilization of income is decided by the Management Committee which is composed of the different department heads of the hospital. This empowers the Committee to decide the utilization of income based on hospital's priorities. Management autonomy was also granted through the revised delegation of authority. In addition, the hospitals were able to purchase hospital equipment since no regular capital outlay was released by the Department of Budget and Management. Report of the Audited Income for CY 2004 for the DOH hospitals is still for consolidation. The projected CY 2004 consolidated income is above the CY 2003 total income.

- **Improved Governance in DOH Hospitals**

As an offshoot of the revised delegation of authority, the DOH hospitals have gained managerial autonomy. Chiefs of Hospital are also given authority to approve the private practice of Medical Specialist in accordance to the provision of AO 92 s. 2004. Likewise, Hospital management is given the authority to formulate institutional guidelines for the Sourcing, Pooling and Distribution of PHIC Professional Fees in the Common Fund per AO 187 s. 2004.



- **Approved Corporate Charters of LGU Hospitals (La Union Medical Center and Benguet General Hospital (BeGH) for the approval of the Sangguniang Panlalawigan Ordinance establishing BeGH as an Economic Enterprise.**

Technical assistance was provided to La Union Medical Center relative to the approval of their Corporate Charter and to the Benguet General Hospital (BeGH) for the approval of the Sangguniang Panlalawigan Ordinance establishing BeGH as an Economic Enterprise

- **Good Clinical Practice Guidelines**

The Clinical Practice Guidelines (CPGs) or systematically developed statements to assist the practitioner and the patient relative to decisions on the appropriate health care for specific clinical circumstances was strongly pursued by the Department of Health thru the National Center for Health Facility Development (NCHFD) to standardize and ensure quality in the management of cases in the hospitals.

As of December 2004, with the collaboration of four (4) selected DOH Hospitals (Dr. Jose R. Reyes Memorial Medical Center for Surgery, Davao Medical Center for Internal Medicine, National Children's Hospital for Pediatrics and Dr. Jose Fabella Memorial Hospital for Obstetrics and Gynecology) which were commissioned by the NCHFD, CPGs were developed for 10 leading

causes of consultations and ten (10) leading causes of consultations and ten leading causes of consultations and ten (10) leading causes of admissions in the four (4) major clinical areas (Ob-Gyne, Surgery, Medicine, And Pediatrics).

- **Philippine Hospital Development Plan**



Recognizing the importance of hospital system as one of the integral parts of the over-all health care delivery, a five-year area based development plan was formulated based on population needs, staff capabilities and existing facility. Currently, several foreign assisted projects are expected to help in the development of these national health facilities that will meet the following: (a) upgrading of hospital facility to meet DOH licensing requirements; (b) upgrading of hospital facility to meet standards per category; (c) upgrading of hospital facility to meet PHILHEALTH accreditation and (d) upgrading of hospital facility to a subspecialty level as targeted under the Philippine Hospital Development Plan.

Among these foreign-assisted projects were: Hospital Development Project, an Austrian funded project, which entails supply of equipment to



selected hospitals. As of the end of 2004, there are eighty-four (84) recipient hospitals that benefited from this, fifty percent (50%) of which are LGU Hospitals. There is a continuous monitoring of preventive maintenance schedules in all regions. Another project is the upgrading of the Zamboanga City Medical Center under the auspices of the Spanish Government with two re-allocation sites - Zamboanga del Sur Provincial Hospital, an LGU Hospital and Margosatubig Regional Hospital of the DOH.

A project funded by the Government of Netherlands aimed at Developing Subspecialty Capabilities for Heart, Lung and Kidney Diseases in selected DOH Hospitals in Luzon, Visayas and Mindanao wherein regional counterparts of the Philippine Heart Center (PHC), National Kidney and Transplant Institute (NKTi) and the Lung Center of the Philippines (LCP) will be set-up.

The French Government meanwhile provided the funding of upgrading of equipment of the Amang Rodriguez Medical Center.

- **Fighting Substance Abuse**



The enactment of the Comprehensive Dangerous Drugs Act of 2002 in 2003, the responsibility of drug screening/testing and rehabilitation was transferred to the DOH. The present program of the DOH has two

components namely: (1) Advocacy and Prevention of Drug Dependence Program, and (2) Regulation of Screening Drug Testing and Confirmatory Laboratory and Drug Abuse Treatment and Rehabilitation Services. DOH is building its capacity in the management of screening and drug testing and drug rehabilitation facilities nationwide including the transfer of some PNP and DDB facilities.



Information dissemination on substance abuse was done during various activities held by partner agencies such as the Philippine Christian Women Temperance Union Society Symposium (Target Audience: Philippine National Police and Paroles and Probation Administration), Society of Adolescent Medicine of the Philippines Convention, Ateneo de Manila University PTA and Board meetings, Department of Education Health and Nutrition Convention, Adolescent Health Annual Symposium and other various meetings. The Substance Abuse Communication Plan was presented to Land Transportation Office, PNP, National Bureau of Investigation and Philippine Drug Enforcement Agency and later submitted to McCann Erickson for



Random drug testing was conducted for the Department of Social Welfare and Services, National Youth Commission, which all tested negative.

The Department accredited 1,188 Drug Testing Laboratories in 2004, 43 of which are government laboratories. The Drug Test Operations Management Information Systems (DTOMIS) has been operational since November 2003. DOH also managed to secure funding from the Office of the President to upgrade the system and provide better service. Bidding is currently being conducted.

The National Reference Laboratory, established in East Avenue Medical Center is in-charge of conducting proficiency testing as well as, technical evaluation of drug testing

kits available in the market. The DOH lobbied for the approval of Executive Order 273 transferring government Treatment and Rehabilitation Centers (TRCs) to the Department of Health. A technical working committee was convened with DOH as Chair, Department of Budget and Management (DBM), Department of Justice (DOJ), Department of Interior and Local Government (DILG), Katotohanan Foundation (NGO representative of DDB), Philippine National Police (PNP) and the National Bureau of Investigation (NBI) as members. This will translate to DOH assumption of NBI facilities by 2<sup>nd</sup> Quarter 2005. Personnel, equipment and other logistics still currently undergoing inventory. DBM already allotted P 100 M for the GAA FY 2005 for the purpose.





## HOSPITAL PROFILE 2004 DOH RETAINED HOSPITALS

HOSPITAL PROFILE	CLASSIFICATION OF HOSPITALS									SUBTOTAL		GRAND TOTAL
	SPECIALTY HOSPITALS	SPECIAL		RESEARCH	MEDICAL CENTERS	DISTRICT HOSPITALS	REGIONAL HOSPITALS	SANITARIA HOSPITALS	EXTENSION HOSPITALS	REG. W/ HOSPITAL BEDS	MENTAL & SANITARIA	
		REGULAR	MENTAL									
Authorized Bed Capacity (ABC)	824	2185	4700	75	7300	385	3550	4320	160	14479	9020	23499
Occupancy Rate	90.55	73.78	86	41.5	91.81	75.33	70.27	47.77	38.77	68.85	67.86	73.6
Implementing Bed	917	1856	3654	49	7524	270	3147	2072	80	13843	5726	19569
Occupancy Rate	79.28	82.68	98.5	54.96	93.4	80.31	76.01	82.29	67.67	76.33	90.39	89.7
Total Admission	27360	80088	8049	1619	434026	22578	236093	17369	4281	806045	25418	831463
Total No. of Patients Days	200573	539307	1325512	9439	2458300	84717	937153	553210	11470	4240959	187822	6119681
Ave. Number of Inpatients Day	672	1472	3571	32	6680	250	2673	1474	31	11810	5045	16855
Total Newborn	445	29181	0	0	104778	7245	45672	2460	556	187877	2460	190337
Total Discharges	27279	80696	8193	1618	443414	22610	220334	16937	4255	800206	25130	825336
Total Deaths	1549	3582	150	52	25461	1400	9878	505	52	41974	655	42629
Ave. Length of Stay (3-8days)	7.26	7.89	91.45	7	5.54	3.64	4.55	53.18	4	5.01	85	6.7
Autopsy	94	5	12	4	177	0	29	0	0	309	12	321
Gross Death Rate (-3%)	5.25	4.3	1.93	12	5.85	3.22	5.39	7.44	1.65	5.16	3.08	5.1
Net Death Rate (.5-2.5%)	3.79	2.5	2.35	5	2.26	1.62	1.91	3.33	0.03	2.44	2.84	2.64
Total Surgery	5810	50683	171	0	181023	10340	59524	7778	802	308182	7949	316131
Total Outpatient Served	126628	602070	59089	86189	2072779	108556	696986	112143	20917	3714125	171232	3885357
Total Prescription Served	654387	1568344	119418	144888	10664621	159876	1251399	336442	24415	14467930	455860	14923790
Total Radiological Procedures	97067	140679	6662	4255	685293	16465	195668	5567	0	1144827	12229	1157056
Total Laboratory	396749	899909	95134	81503	6159890	215854	1636872	83306	6904	9397681	178440	9576121

source:72 DOH Hospitals



## Local Health Systems

- **Local Health Systems Development**

One of the basic component of the HSRA for improving the quality of health care delivery is through local health systems development. To strengthen local health systems at the level of the province and the district inter-LGU cooperation was identified as the key strategy to harmonize relationships among LGUs and key stakeholders in the locality. The concept of inter-LGU cooperation as a basic framework in organization and governance became a byword among the local chief executives and resulted in the formation of the Inter-Local Health Zones (ILHZ) or the District Health Systems at the level of the province and the districts.

LGUs in the 38 Health Sector Reform Agenda Convergence Sites in the Philippines have signified their intention to collaborate and work together and adopted the model on the Inter-Local Health Zones which started in 2001. Of the total 38 HSRA sites established, composed of 34 provinces and 4 chartered cities, 194 models of ILHZs have been organized and 63 are now functional. The DOH through the Bureau of Local Health Development (BLHD) and the Centers for Health Development (CHDs) have provided the LGUs the necessary technical and financial assistance to upgrade the capabilities and capacities of the 23 district hospitals and 90 Rural Health Units/Health Centers (RHUs/HCs) in 4<sup>th</sup> to 6<sup>th</sup> Class municipalities in the 23 pilot ILHZ amounting to P 67,765,750.

- **Sentrong Sigla Program**

Through the continuous quality improvement program or the

**“Sentrong Sigla”** (SS) Program, the DOH provided technical and financial assistance to primary health care facilities all over the country. This improved the level of quality health services at the RHUs/HHCs that were Sentrong Sigla certified. Likewise, the LGUs where these facilities are already certified have continuously participated in the indigency enrolment program of the Philippine Health Insurance Corporation, wherein the poorest 25% of the communities were assured of the access to out-patient benefit packages and hospitalization whenever necessary.

From 1999 to 2004, 56% of the total RHUs/HCs, 15% of Provincial and District Hospitals and 3% of Barangay Health Stations have been certified under the SS Program Phase I Level I certification. The SS Program since then, provided continuous support to the non-SS RHUs/HCs in the 4<sup>th</sup> to 6<sup>th</sup> class municipalities in the establishment of pilot ILHZ/DHS to gain the necessary health impact. The technical and financial grants provided to these primary health facilities from 2002-2004 amounted to a total of P 54,266,954.43.



## Health Regulation

- Making Drugs and Medicines More Affordable and Accessible through the Botika ng Barangay



The creation of Botika ng Barangays (BnBs) is in line with the State policy of adopting an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services acceptable to all the people at affordable cost.. These BnBs dispense only BFAD approved low-priced generic over-the-counter drugs (OTC) and two (2) selected prescription drugs (Amoxicillin and Cotrimoxazole). To date, there are now four thousand sixty-two (4,062) BnBs nationwide. Continuing efforts identify prospective BnBs and Botika ng Bayan operators, implementing Generics Act and Anti-Counterfeit measures.

Two Pharmaceutical Distribution Network (PDN) have been accredited by the DOH: (a) **National Pharmaceutical Foundation (NPF)** - as of September 20, 2004, 358 outlets have been set-up through

their social franchising scheme and as part of it, only 38 BnBs have been issued License to Operate (LTO) and (b) **Botika ng Binhi** at least, 982 are existing under the management of Botika Binhi.

Under the BnB Project, three (3) strategies have been employed, namely:

- Establishment of CHD-based BnBs managed by DOH-CHD Regional Offices
- Create partnerships with private non-Government Organizations with credible history in managing BnBs. So far, two (2) partners are accredited, Botika Binhi and the National Pharmaceutical Foundation (FAMUS-NPF) and
- Create partners with Government-based entities to expand the Project. There are now three (3) agreements (MOAs) existing and are still for implementation, namely, partnership with National Food Authority (NFA), Department of Labor and Employment (DOLE)-Overseas Worker Welfare Administration (OWWA) and Technology and Livelihood Resource Center (TLRC).

### • Progress in Food Fortification



The Department of Health has two main strategies to address the micronutrient malnutrition problem:



the micronutrient supplementation and the food fortification.

The Food Fortification Strategic Plan 2000-2004 was developed with the goal of increasing the intake of Vitamin A, iron and iodine by at least 50% of the recommended dietary allowance among the vulnerable groups (women and pre-school children). The strategy calls for a combination of mandatory fortification of staples and voluntary fortification of processed foods. ASIN Law mandates all salt sold for humans and animal consumption to be fortified with iodine. Voluntary fortification of processed foods will be continued as strategy to encourage manufacturers to fortify their products.

The quarterly conduct of Patak sa Asin (PSA Market) launched by the DOH in October 2002 contributed to the increased household consumption of iodized salt from 24% in 1998 to 56% in 2003 based on the FNRI National Nutrition Survey.

There are only twelve (12) flour millers in the country. At present, there are already six (6) flour millers fortifying flour with Vitamin A and iron with 44 commercial brands of fortified products are available in the market. Eleven (11) out of seventy-two (72) cooking oil refiners fortifying products with Vitamin A with 23 brands of fortified cooking oil with Vitamin A already available in the market. The National Food Authority (NFA) committed to fortify thirty percent (30%) of government rice with iron by 2005,

sixty percent (60%) by 2006 and one hundred percent (100%) by 2007.

Because of the unique industry structure of the sugar industry, sugar is not yet included. There are specific issues to be resolved for the fortification of refined sugar. One out of twelve (12) sugar refiners are fortifying sugar with Vitamin A with one (1) commercial brand available in the market.

The Sangkap Pinoy Seal Program provides a DOH Seal of Acceptance to labels of foods fortified according to the standards of the Bureau of Food and Drugs (BFAD). There are two (2) types of seal, the rectangular seal for processed foods and the diamond seal for mandatory staples. There are now seventy-two (72) processed foods with rectangular seal and seventy-one (71) mandatory staple foods with diamond seal.



- **Anti-Counterfeit Drugs Campaign**

For purposes of counterfeit drug eradication, a Technical Working Group (TWG) was constituted involving the Pharmaceutical and Healthcare Association of the Philippines (PHAP) and the

BFAD. The TWG was referred as the Joint BFAD-PHAP Technical Working Group on Counterfeit (TWG-Counterfeit). Activities undertaken by the group are the intense monitoring of products in drug outlets, collection and testing of samples and development of database of counterfeit drugs.



- **ASEAN Consultative Committee for Standards and Quality**

BFAD participated in consultative meetings geared towards the development of harmonization schemes for pharmaceuticals, food, cosmetics, and medical devices regulations of the ASEAN Free Trade Agreement (AFTA), particularly, the elimination of technical barriers to trade posed by the regulations, without compromising the safety, efficacy, and quality of products.

- **Administrative Orders and Issuances**

Seven (7) major policies were issued this year and these are: Prescribing Regulations for Irradiated Food (AO 152 s. 2004), Guidelines for the Establishment and Operations of BnBs and Pharmaceutical Distribution Networks (PDNS) (AO

144 s. 2004), Revised Guidelines on Current Good Manufacturing Practice in Manufacturing, Packing, Repacking of Holding of Food (AO 153 s. 2004), Implementing Rules and Regulations for the Transition from Chlorofluocarbon (CFC) / Ozone Depleting Substances (ODS) - containing Metered Dose Inhalers (MDIs) to CFC/ODS free alternatives - drugs used in the treatment of Bronchial asthma BA and chronic obstructive pulmonary disease (COPD), year 2004 to year 2010, Guidelines on Advertising, Promotion and other Marketing Materials of Breastmilk Substitutes, Breastmilk Supplement and other related products, Guidelines on the Registration of Herbal Medicines (AO 172 s. 2004) and Revised Implementing Rules and Regulation of Republic Act No. 8172 "An Act Promoting Salt Iodization Nationwide and for Related Purposes"





## Health Care Financing

- **Enrollment to the National Health Insurance Program**

PhilHealth was able to enroll 4.2 million families or 21.3 million beneficiaries into the Plan 5/25, in addition to the 2 million families enrolled in the regular Sponsored Program. PhilHealth now covers about 6.2 million families or 31.2 million poor Filipinos.

In December 28, 2004, President Gloria Macapagal-Arroyo signed the EO 392 which transfers Overseas Workers' Welfare Administration (OWWA) Medicare functions to PhilHealth.

- **Benefit Package and Accredited Service Providers**

New benefit packages like TB-defined package, normal spontaneous deliveries and dialysis in free standing centers were launched last year with the accreditation of new providers. There are now 1,558 health care institutions, 18 ambulatory surgical clinics, 731 RHUs, 18 free-standing dialysis clinics, 71 maternity clinics and 29 TB-DOTS centers accredited by the program as of December 2004. PhilHealth has also accredited about 18,677 professionals (doctors) in the same year.

- **Other Philhealth Milestones**

PhilHealth developed and launched the Benchbook for Quality Health Care. This will serve as a yardstick for measuring and assessing quality care delivered by PhilHealth's accredited HCPs nationwide. It has also established a Coordinating Office in Autonomous Region for Muslim Mindanao (ARMM), which makes PhilHealth the first social security

agency in the Philippines to have an office in the area.

The Republic Act 9241, which amended RA 7875 was enacted in 2004. This revises, among others, the three-years-in-operation requirements for institutional health care providers. Prior to this, a hospital must be in operation for at least 3 years before it can be accredited by PhilHealth. Before the end of the year, Congress has earmarked 2.5% of the expected government incremental revenues from sin taxes for the next five years. This translate to an additional P350-P400 million for PhilHealth to be used in subsidies for the Sponsored Program



# Other Accomplishments

## Health Policy Development and Planning Bureau

- **Development of Policy Framework on Sector-wide Development Approach**

Recognizing the scarcity of resources more so in investments for health, the DOH initiated the development of a Philippine Health Sector Program Policy Framework that will govern the development of strategies, mechanisms, and programs of action towards implementing a sectoral approach to health development.

Strategies of the said programs include: harmonization of policies, procedures and practices of government and donors, development of a systematic and coordinated government-donor interface over the management of investments, building national and local capacities for institutionalization and integration, and strategic and phased manner of setting up a sectoral approach to health development.

- **Development of Policy Framework on Performance-based Financing System through Case-Mix Method in DOH Hospitals**

To help in the improvement of the operations and management of national hospitals, a study on case mix funding policy is ongoing. This case mix system will serve as basis for the implementation of a performance-based budgeting and funding in hospitals as well as facilitating the PHIC reimbursement.

It is expected that this method will improve the efficiency in the use of resources and provision of quality health care in hospitals.

- **Development of the National Objectives for Health (2005-2010)**

National health goals and objectives for the health sector is now being updated and a monograph is expected to be published within 2005. This also contains strategic direction for improving the nation's health status for the coming five (5) years.

- **Coordination of the Health Sector Reform Implementation**

As the lead bureau in the implementation of health reforms in the country, various Technical Coordinating Group (TCG) meetings were held whereby major policy decisions were approved. One of the major policies formulated and implemented is Administrative Order No. 174, s. 2004 which refocused the HSRA Operationalization and Implementation. A set of criteria for site selection was also embodied in the said issuance and these are: (a) willingness of LGU to participate within the Health Sector Reform Agenda; (b) Presence of local initiatives or start-up activities relevant to HSRA strategies; (c) Relatively high feasibility of success and sustainability and (d) Availability of funds from GOP and external sources for capital investment requirements. Mapping of major ongoing investments in health by partner donor agencies such as the World Bank, Asian Development Bank,



European Commission, German Technical Cooperation (GTZ) and KfW, Japan International Organization and World Health Organization (WHO) among others, was also done.

- **Institutionalization of the Philippine National Health Research System**

To provide a venue for cooperation and promotion of research among organizations, networks and professionals, the Philippine National Health Research System (PNHRS) was established since 2003. This also aims to maximize gains from health research, use and exchange of research information for more responsive policies and programs. On June 2, 2004, the DOH in collaboration with the Philippine Council for Health Research and Development (PCHRD) of the Department of Science and Technology (DOST) organized the 1<sup>st</sup> PNHRS Assembly primarily to *(i) build ownership of and consensus on research programs, organization strategies, and ii) firm up the PNHRS operational guidelines*. Held at the Manila Hotel and participated in by various partners and stakeholders from the academe, private sector, non-government organizations among others, technical documents prepared by six working groups were discussed along the areas of research management, research ethics, research utilization, resource generation, capability and structure organization and management.

As part of the main activities of the group, the 6<sup>th</sup> Health Research for Action National Forum and DOH Research Ethics Committees' Assembly were also being beefed up by the group to be held on 2005 and the formulation of the first Unified National Health Research Agenda.

- **Conduct of the 5<sup>th</sup> National Health Research for Action Forum**

The 5<sup>th</sup> Health Research for Action National Forum (HRANF) was held on June 3-4, 2004 at the Manila Hotel and highlighted the results of 23 research studies on various topics: *Statistics for Health Development, Health Care Financing and Economics, Hospital Development and Health Regulation, Infectious Disease Prevention and Control, Family and Environmental Health, Local Health Systems Development, Clinical Studies and Health Technologies*. This was participated in by over 300 participants from private and public research stakeholders and health policy makers. The two-day forum yielded a number of recommendations relevant for policy and program development.

- **Approval of Health Researches for the Health Sector**

Fifteen (15) health research proposals were approved with nine (9) completed and six ongoing which were funded from Plan Philippines, ENHR Fund, WHO Inter-country Programme and DOST-PCHRD.

- **Legislative Policies**

Eversince the 12<sup>th</sup> Congress, the Department became proactive in its legislative moves, by pushing health policies in Congress to be passed as Republic Acts. DOH initiated the drafting of health bills and advocated it to the legislators. Out of the 7 health bills in the DOH Legislative Agenda, three health bills were signed by President Arroyo as Republic Acts, namely: La Union Hospital Corporatization Act of 2001 (Republic Act No. 9259, signed March 2, 2004); Quarantine Act (Republic



Act 9271, signed March 19, 2004); and Tobacco Regulations Act (Republic Act No. 9211, signed June 23, 2003)

### **Philippine Institute for Traditional and Alternative Health Care**

- **Alternative and Traditional Medicine**

Three (3) manuals on national competency standards and corresponding code of ethics were completed namely: Acupuncture for Physicians, Acupuncture for Non-Medical Practitioners and Tui Na Massage Therapy and corresponding Code of Ethics were developed and finalized after a long process of drafting, revisions and two experts' review workshops or the equivalent of so-called public hearings.

As for its contribution in making affordable medicines conveniently available to the masses, herbal medicines such as Lagundi, Sambong and Tsaang Gubat tablets were sold in the different pharmacy of all DOH-retained hospitals nationwide. They were also made available in all National Food Authority (NFA) rolling stores nationwide.

True to its mandate per Republic Act 8423, the Philippine Institute of Traditional and Alternative Health Care (PITAHC) shall promote, initiate, and undertake research and development in the field of traditional and alternative medicine. Part of the Research and Development Program of PITAHC is the completion of Phase 3 clinical trial for Ampalaya, reformulation of herbal soaps and drafting of guidelines on natural food safety and personal products.





# Centers for Health Development



## CHD METRO MANILA

- Conducted series of trainings on Family Planning and Reproductive health, Integrated Management of Childhood
- 85% of salt vendors in the NCR are already selling iodized salt
- TB Case Detection Rate of 60.5% with Cure Rate of 75%

## CHD ILOCOS

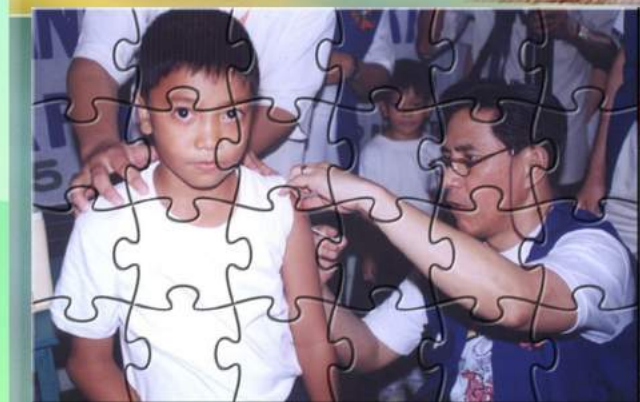
- First CHD in the country that influenced the local government units, government agencies and private establishment and institution under its tutelage to adopt the Healthy Lifestyle Program.
- Established its "Healthy Children's Club" among elementary school pupils in the region.
- A total of 910,114 or 93% of the 972,720 eligible children (9mos to less than 8 years old) were given measles vaccine
- Formed a Task Force on Asin Law to supervise, monitor and implement the provision of the Law.
- 93% of household are using iodized salt



- A TB cure rate of 91.3%
- Three (3) DOH retained hospital advocated the anti-smoking measures/actions simultaneously
- Mariano Marcos Memorial Hospital is the first and only hospital to put up a Smoking Cessation Clinic in the entire region

#### CHDCAGAYANVALLEY

- 98.4% of households are using iodized salt while 99.5% of the salt sold in markets are iodized based on market to market salt testing
- Contraceptive Prevalence Rate of 68.16%, more than 18% increase compared to 2003 data
- 82% Fully Immunized Children, 89.2% coverage of second round of Garantisadong Pambata for 12-71 months, while 72.2% coverage for those 6-11 months old children
- Intensified healthy lifestyle program focusing on modifiable risk factors like smoking, obesity and sedentary lifestyle, diet and excessive alcohol intake. Intensified anti-Smoking Campaign was also conducted, as well as stress management.
- Increased TB case detection rate from 53.8% in 2003 to 55.06% in 2004 with a Cure Rate of 71% and 78% respectively. The pilot testing of Public Private Mix DOTS in Tuguegarao City Health Office yielded positive results bringing the CDR of Tuguegarao City from 40% in 2003 to 107% in 2004 thus, the establishment of 3 more PPMD units in the region.







- Conducted series of trainings on Natural Family Planning and mainstreamed NFP through massive IEC campaign
- Allocated and distributed a total of 190 BnB medicines and drugs packages
- Enrolled a total of 187, 660 indigent households to the indigent program of Philhealth and available 61 accredited hospitals, 17 RHUs and 403 accredited health professionals.

#### CHD CENTRAL LUZON

- Organized sixty-five (65) diabetes clubs and conducted Orientation on the Prevention, Diagnosis and Control of Diabetes for BHWs in different provinces
- Over 1.9 million were given measles vaccine
- 93% (1,357,655) of Vit. A supplementation target population was reached
- 67% reduction of human rabies cases and 77% reduction of animal bite cases
- Initiated the implementation phase of the TB8 Project: A Coalition for Fight Against TB in Central Luzon that aims to treat 10,340 TB patients through DOTS in identified high burden areas

#### CHD MIMAROPA

- Conducted FP unmet need survey in 5 provinces and 2 cities



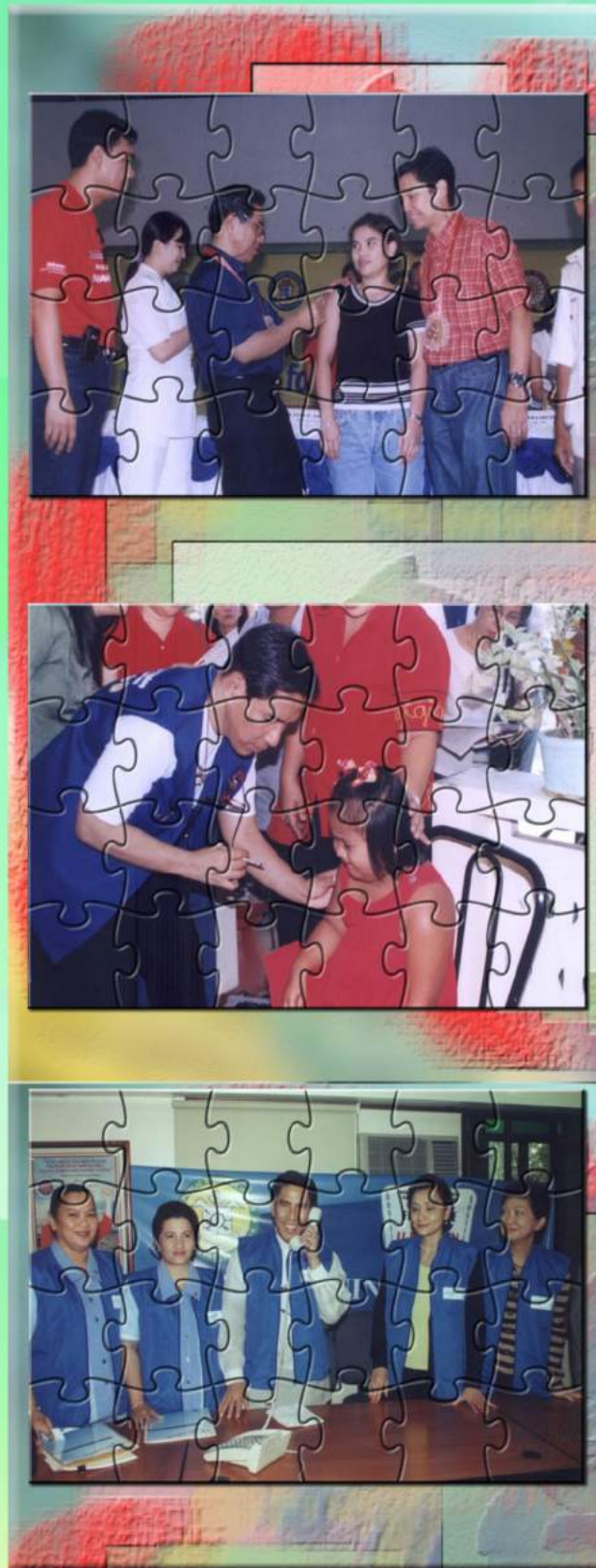
- Intensified healthy Lifestyle campaign through regular conduct of Hataw Exercises and advocacy activities as well as dissemination of Hataw instructional CDs to all provinces and cities
- Conversion of two (2) hospitals in Oriental Mindoro to MBFHI
- Rapid Assessment Coverage results for the Measles Elimination campaign were 99% for the grab sampling and 95% for the doors respectively, which are both greater than 95% target for RCA.
- Thirteen (13) units of Absorption Type Refrigerators donated by WHO were given to the provinces of Romblon and Palawan

#### CHD CALABARZON

- 23% reduction in the incidence of ARI
- Conducted advocacy on Newborn screening and trainings on EPI and Natural Family Planning
- 46.25% reduction of the incidence of hypertension
- There was a fifty percent reduction of malaria incidence
- 47.66% reduction of TB mortality rate

#### CHD BICOL

- Weekly reporting of diarrhea cases of the 128 Rural Health Units in Bicol as a monitoring tool in identifying trends and as a basis for the logistical requirement of the LGU and CHD







- Operationalization of the Regional Persons with Disability (PWD) Registry
- Institutionalization of Healthy Lifestyle Campaign in 6 provinces of the region
- Conducted PFMEC with 97% accomplishment.
- Prevalance survey for Soil Transmitted Helminthiasis in Sta. Magdalen and Legaspi City in coordination with UP Manila
- Collaborated with Dep Ed for the design of modules for the integration of Rabies Prevention and Control Program in school curriculum
- Launched "Rabies Supilin, Askal Hulihin" Project in the cities of Legaspi and Nata which aims to decreased the number of "Asong Kalye" by monetizing surrender of askals by concerned person
- Operationalization of the Regional TB Reference Laboratory
- Establishment of three (3) PPMD areas using TB DOTS Strategy
- Advocated the establishment of 143 BnB throughout the Bicol region

#### CHD WESTERN VISAYAS

- Ranked as one of the top two in blood collection nationwide with 49,554 units of blood collected from various local donors
- 96.12% market compliance to the Asin Law



- Conducted series of training on EPI, Integrated Management of Childhood Illnesses, Family Planning and Safe Motherhood and healthy lifestyle
- Improved TB Cure rate from 76% in 1999 to 87% in 2004 and TB Case Detection Rate from 37% in 1999 to 97% in 2004
- 91% of the targeted 1,436,331 children were immunized against measles
- Established six (6) PPMD units established regionwide

#### CHD CENTRAL VISAYAS

- The anticipated dengue epidemic year was contained by an early massive information education campaign.
- Conducted series of trainings on Family Planning and Reproductive Health, EPI, Health Lifestyle
- Negros Oriental reported a total of 19 filaria cases but none in the other 3 provinces in the region, Endemic mapping was done.
- Provision of Vitamin A capsules to all children aged 6-71 months old and post partum women within 4 weeks after delivery in the months of April and October.
- Gradual decline in the prevalence rate and case detection rate of leprosy
- Oriented MHOs on the new Leprosy Control Program Manual of Procedures
- Launched of the Food Fortification Day on November 07, 2005 with 99.05% salt iodization in markets





- Reduction of rabies by 10%, Enforcement of Responsible Pet Ownership by 85% in Bohol and Siquijor,
- Established and maintained one functional ABTC in every province and city in the whole region
- Facilitated the signing of a MOA with Department of Education relative to the incorporation of the Rabies Control Program into the curriculum
- Operationalization of the STI Healing Center inside the VSMMC Compound
- TB Cure rate was 87%, and Regionwide implementation of Fixed Dose Combination for TB

#### CHD EASTERN VISAYAS

- Conducted series of training on Natural Family Planning and Health Promotion
- Launched Rabies Action for the Visayas (RAV) and all Animal Bite Testing Centers were provided with vaccines
- TB Case Detection Rate of 68% and a Cure Rate of 80%
- 71% of the 6-11 months children and 96.94% of the 12-71 months old children were given Vitamin A during the first round of the Garantisadong Pambata campaign, while 83.38% and 92.28% of the 6-11 months and 12-17 months old children
- Vitamin A supplementation coverage of 60.72%
- Conducted the Mass Drug Administration for Filariasis Elimination Program which is now on its 3<sup>rd</sup> year.







- Launched breastfeeding program during the Nutrition Month celebration, with an accomplishment ranging from 50-70%
- Evaluated the impact of Mass Drug Administration for Schistosomiasis control program through the conduct of prevalence survey. Prevalence rate was computed to be 4.6% lower compare with that of previous year. Three researches were also conducted in 2004.

#### CHD ZAMBOANGA PENINSULA

- Provided EPI logistics to 74 LGUs regionwide
- Fully immunized child rates from 80.1% in 2003 to 62.03% in Jan-September 2004
- 97.20% (652,692) of the targeted children were fully immunized against measles
- Launched the “Bright Child Program” on October 29, 2004
- Zamboanga City Medical Center expanded their Women and Children Protection Unit (WCPU) to be more receptive to the needs of children and mothers

#### CHD DAVAO REGION

- Conducted intensive information drives and annual mass treatment to help reduce the prevalence of microfilaria in the region.
- 93% of the 69,249 or eligible children were given measles vaccine



- 80 % of private mix DOTS patients on the region can now access free TB services.
- 93% of those detected TB cases have been provided with full course of treatment
- Eight (8) PPM TB DOTS centers were installed as of December 2004
- Provided anti-TB drugs and other NTP logistics to all RHUs, DOH hospitals, PPMD clinics, PTS and others

#### **CHD SOCCSKSARGEN**

- TB Case detection rate of 77.4% and TB Cure rate of 77%
- Conducted series of trainings, orientation and workshops on natural Family Planning & Reproductive Health, EPI, Healthy lifestyle, Parasitoses and other infectious diseases like TB
- TB case detection rate of 77.4% with cure rate of 77%

#### **CHD CARAGA**

- Piloted the Local Health Information System in Agusan del Sur, with corresponding capability building for DOH Representatives, MHOs, and IT staff.
- Strengthened Referral System at all levels which enhanced Hospital Health Care Financing System
- Technical and financial assistance was provided for the upgrading of the Laboratory Services of one of the Core Referral Hospitals in Surigal del Sur

- 83.5% coverage of the PMEC, provided vitamin A supplementation to 82.3% of targeted 9-11 months old children and 128.9% of children aged 12-59 months old
- GP coverage of 102.7% of targeted children
- Started the implementation of External Quality Control System for laboratory diagnosis of TB through the establishment of the Regional TB Reference Laboratory as the center for EQA and training for sputum smear. The building was provided by the region, equipment and funds for training was from JICA.
- Operationalized 62 BnBs with corresponding License to Operate issued by BFAD.
- Conducted Mass treatment for filariasis

#### **CHD CAR**

- Launched the region-wide registry of Persons with Disabilities
- 'Hataw" exercises were mainstreamed in the region through competitions participated in by various government agencies.
- Supported the WHO's Rollback Malaria Program by distributing mosquito nets treated with K-O TAB
- 85.7% (273,350) of targeted children were vaccinated during the Philippine Measles Elimination Campaign
- Conducted comprehensive surveillance and case investigation on meningococemia



# Foreign Assisted Projects

Cognizant of the scarcity of investments for health within the regular GOP budget, the Department of Health (DOH) was able to outsource from various donor agencies. Some projects that were started more than a year ago were completed. These are:

- (a) *Upgrading of the Zamboanga City Medical Center (ZCMC)* whereby the Spanish Government provided modern medical equipment (started in 2002 and ended in 2004);
- (b) *Upgrading of the Amang Rodriguez Memorial Hospital* under the French Financial Protocol which focused on the supply, delivery, installation and testing of medical equipment complemented with staff training (started in 1999 and ended in 2004);
- (c) *Hospital Development Project* funded by the Austrian Government which centered on the upgrading the medical and non-medical equipment of four (4) medical centers and regional hospitals, twelve (12) provincial hospitals and seven (7) district hospitals (started in 2001 and ended in 2004)
- (d) *Cold Chain Equipment Project* funded by KfW (started in 2001 and ended in June 2004) which provided equipment for the efficient and safe
- (a) administration of potent vaccines that need to be stored in optimum cold chain conditions. In addition to the cold chain equipment, commodities were also distributed this year;
- (b) *German Support to the Philippine Health Sector (Phase I)* focused on social health insurance, pharmaceuticals, reproductive health and local health systems development (implemented from 2001-2004). Here, consultants were hired to conduct a feasibility study on marketing Health Plus Outlets (HPOs) in the provinces of Leyte and Biliran. Thirty-nine full franchisees were installed;
- (c) *Integrated Community Health Services Project (ICHSP)* which was co-funded by both the Asian Development Bank (ADB) and AusAID with counterpart funding from GOP covered six (6) provinces and began in 1997. Construction of the Kalinga Provincial Hospital and two (2) Apayao District Hospitals were finished. Procurement and delivery of the remaining medical equipment were also undertaken;
- (g) *Rural Water Supply and Sanitation Project (RW3SP)* is an ADB-funded project and a joint undertaking of



(a) Department of Public Works and Highways (DPWH), Department of Interior and Local Government (DILG) and the DOH (started in 1998 and ended in 2004). Under this project, DOH implemented the Sanitation Component which included the construction of sanitation facilities, water quality surveillance and relevant training; and

(b) *Project for Measles Control* - a project funded by Japan International Cooperation Agency (JICA) which ran from 2003-2004 that focused on the provision of measles vaccines.

**Major projects related to the Health Sector Reform implementation were also seen in action last CY 2004. Foremost of these are**

(a) *Health Sector Reform Project (HSRP)* funded by World Bank which aims to strengthen the DOH capacity to implement HSRA; and

(b) *Health Sector Development Project (HSDP)* funded by the Asian Development Bank (ADB) which aims to:

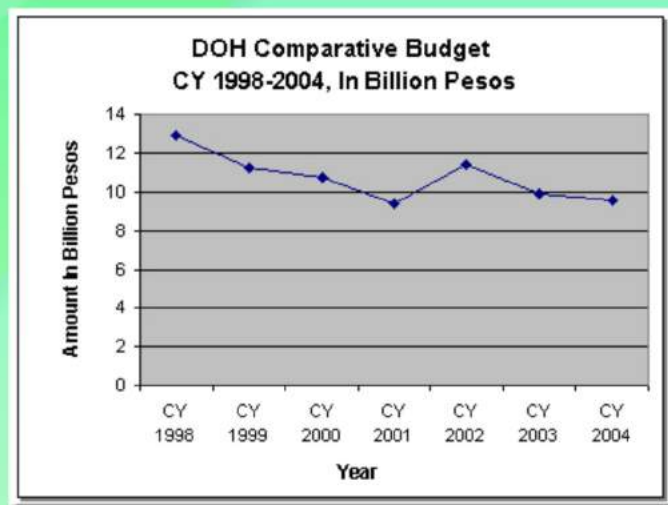
- a. upgrade primary clinical care capacity for RHUs and
- b. strengthen public health programs in RHUs and BHs.



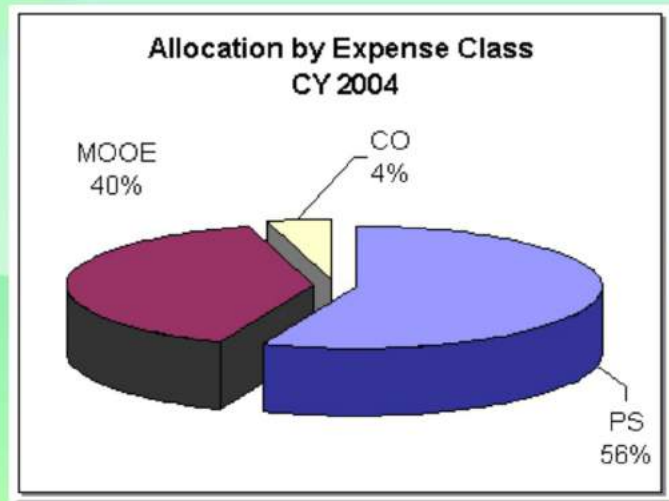
# Financial Report

## CY 2004

The DOH total budget for CY 2004 is P9.56 billion. The graph below shows the DOH comparative budget from 1998 to 2004, which depicts a decreasing trend.

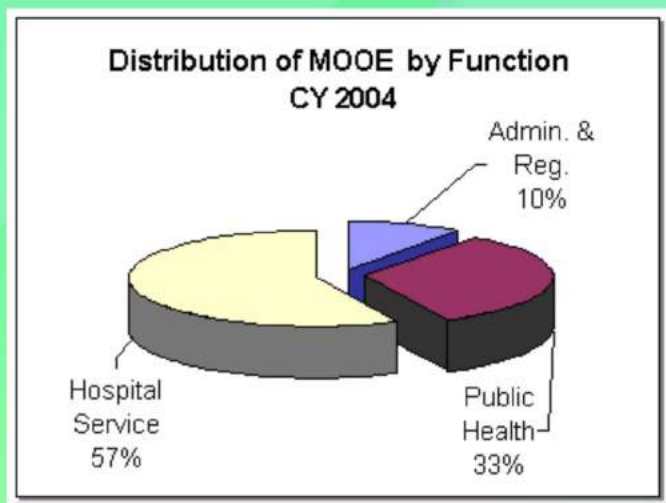


Majority of the DOH budget was earmarked for Personal Services (PS) at 56%, 40% for Maintenance and Other Operating Expenses (MOOE) and the remaining 4% for Capital Outlay (CO). This also included the commitments to locally-funded project proposed and foreign-assisted projects.

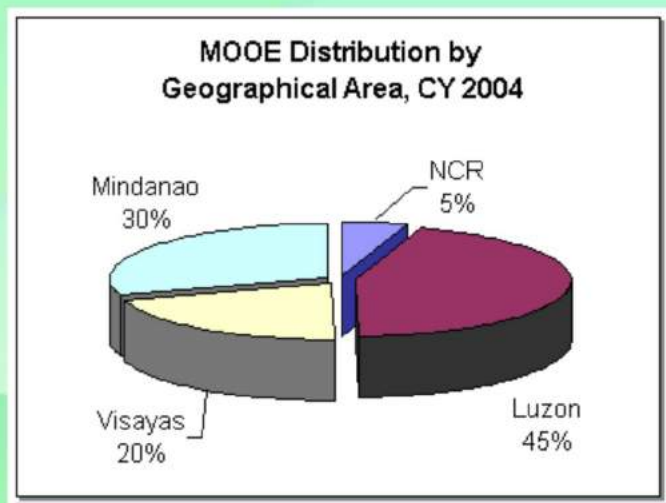




In terms of MOOE allocation, hospital services gets the highest share of 57% followed by public health services with 33% and 10% for administration and regulation. Since 2003, a Special Provision in the General Appropriation Act (GAA) authorized 100% retention and use of income of all DOH hospitals.



In terms of MOOE allocation by Geographical Area, Luzon still gets the biggest share of 45%, followed by Mindanao with 30% Visayas with 20% and NCR with 5% share.





# DOH Officials

Dr. Manuel M. Dayrit Secretary

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Dr. Milagros M. Fernandez

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