

# QIDS

## Quality Improvement Demonstration Study

A DOH-PhilHealth-UCSF-UPecon Partnership

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### **Improved Access to Health Care for those most in Need: Enrollment update on the PhilHealth Indigent Program**

Equity within health care systems assumes all groups within a population have equal access to health care. In developing countries such as the Philippines, access to health care is often restricted to those who can afford to buy health care coverage. Poor members of the population are often left to fend for themselves, as they do not have the financial means to either pay for care or to secure adequate health insurance for themselves or their families.

To overcome these disparities, the Philippine Health Insurance Corporation or PhilHealth, introduced a Sponsored or Indigent Program in 1997 to provide enhanced benefit ceilings for the most marginalized members of the Filipino population. PhilHealth's goal is to provide universal coverage for indigents by the year 2012.

In partnership with PhilHealth, the Quality Improvement Demonstration Study or QIDS aims to increase enrollment in 30 selected districts located in 10 Visayan Provinces. QIDS does this as part of its scientific evaluation of the impact of policy reforms. Thus, ten district hospitals have been randomly selected as QIDS Access Intervention ("A") sites. In "A" sites, children under the age of six years old who are dependents of PhilHealth members receive expanded insurance coverage. Through this zero co-payment scheme, ordinary cases are reclassified as intensive cases, allowing for increased PhilHealth coverage of hospital charges.

As part of the Access Intervention, QIDS takes another step to increase enrollment in "A" sites. Since the 4<sup>th</sup> quarter of 2004, dedicated QIDS staff members have been working with mayors and local health officers by encouraging them to enroll indigents. These are done through one-on-

one discussions that occur on a monthly or bimonthly basis. In the "A" sites, the QIDS Regional Program Managers (RPMs) talk to mayors and governors to help them with their efforts to enroll indigent families to provincial, municipal or barangay insurance sponsorship. RPMs analyze enrollment figures, formulate enrollment strategies, and present data related to the benefits of expanded coverage.

PhilHealth routinely gathers data at the municipal level to monitor progress towards universal coverage. Since 2005, QIDS has been using this municipal level data and comparing it on a quarterly basis to the total number of indigent families in the municipality. Collecting enrollment data allows QIDS to monitor the policy effects of an expanded access program. By calculating overall change in indigent enrollment in the 30 districts, we can assess whether the one-on-one discussions with local government officers have an incremental benefit beyond the regular social marketing efforts of PhilHealth. Additionally, QIDS measures intermediate outcomes such as improved quality of care and utilization, as well as distal outcomes such as improved child health. In all, QIDS now has continuous data from 10 recent quarters (Quarter 4 2004 through Quarter 1 2007).

The results have been impressive. During the last 2 years, overall enrollment in indigent households has increased dramatically by 30% in Region 6, 340% in Region 7, and 228% in Region 8 (See Figure 1). QIDS compared "A" sites versus our "B" sites, which is our bonus policy intervention, and "C" sites, which are our controls sites. In the beginning, we saw limited enrollment across all regions and all interventions (see Figure 2). This can largely be attributed to a lapse in the national government's enrollment plans. Plan 5 Million soon provided

the funds necessary to enroll 5 million indigent households, but was discontinued at the end of 2004 and enrollment declined. The government's follow-up plan, Plan 2.5 Million, provided the funds necessary to renew half of the 5 million who were previously enrolled, but did not begin until the later half of 2005. The funds for Plan 2.5 Million only provided 1 year of coverage and so many families did not receive a renewal of enrollment, as seen by the drop in enrollment in the 4<sup>th</sup> quarter of 2006.

In 2006, enrollment increased again across all sites, but the most dramatic increase was seen in "A" sites. When the three QIDS interventions are compared, enrollment in "A" sites increased 92%, while "B" and "C" sites increased 75% and 69%, respectively (see Figure 2). There was also a regional effect on enrollment. Enrollment coverage in Region 8 for "A" sites, for example, increased from 33% in the 3<sup>rd</sup> quarter of 2005 to 106% a year later (See Figure 3), a 225% increase. By comparison, in the same time period, Region 6 and 7 "A" sites increased from 21% and 17% respectively to 33% and 62% (See Figures 4 and 5).

The relative increase in "B" and "C" sites, which did not have the one-on-one QIDS intervention, demonstrates the multiple factors influencing indigent enrollment in the Philippines. For example, the 1,200 PhP annual premium for households is shared by the local government unit (LGU) and the national government, through PhilHealth. LGU's have different abilities to pay their half. This depends not only on the municipal's funds, but also on the income classification of the municipality. First through third class municipalities must pay 600 pesos per household, compared with 100 pesos for fourth

through sixth class municipalities. A region's variation might change with a different mix of third or fourth class municipalities. In Region 7, 12 of the 17 "B" municipalities are 4<sup>th</sup> – 6<sup>th</sup> class, while only 8 of the 15 "A" municipalities are in these lower income classes. Another factor, perhaps a more important one, that explains regional differences is variation in marketing strategies. PhilHealth's Region 8 office assigns one marketer to each inter-local health zone (ILHZ). Regions 6 and 7 assign marketers to PhilHealth service offices, which are responsible for several ILHZs. While Region 8's strategy requires more manpower, the results show it has been much more effective. By the end of 2006, Region 8 had an 55% indigent coverage rate, compared to 28% and 44% in Regions 6 and 7, respectively (see Figure 6). Region 8's results also strengthen the argument for the effectiveness of the QIDS one-on-one intervention. Dedicated staff who consistently promote enrollment, work to create and optimize enrollment opportunities, and follow-up with local officials on their commitments, have a substantial influence on attaining universal coverage for indigents.

To further evaluate the benefits of our one-on-one intervention, we calculated the cost-effectiveness of employing RPMs. With three RPMs, the cost of one-on-one marketing is 41 pesos per household enrolled.

We conclude that national campaigns and regular PhilHealth marketing efforts lead to a 69% increase in enrollment. Furthermore, one-on-one encouragement of local officials by QIDS led to a 33% augmentation of this effect or a total increase in enrollment of 92%