

CHAPTER 6

HEALTH SUPPORT SYSTEMS

6.1. LOCAL HEALTH SYSTEMS

The implementation of the Local Government Code of 1991 resulted in the devolution of health services to local government units (LGUs) which included among others the provision, management and maintenance of health services at different levels of LGUs. What used to be a centralized national health system became many independent local health systems. After more than seventeen (17) years of devolution, improvements in health status of populations show marked variations across LGUs. Variations in health status were associated with variations in the performance of health care providers and health care professionals in localities.

In spite of the devolution, the DOH is still the institutional steward of the nation's health system. As the prime national health agency, it has the authority to provide coherence and direction in enhancing operational effectiveness of local health systems towards improved health status in localities. The DOH encouraged provinces and their component municipalities and cities to plan together and develop a five (5) year Province-wide Investment Plan for Health (PIPH). This medium-term health plan became the key instrument that DOH utilized to forge partnership with the LGUs towards improved health outcomes, more equitable financing of health care and greater public satisfaction. As an approach to health reforms, the PIPH represents all the stakeholders' interests since all LGU officials and health stakeholders plan together to improve the health system of the province.

As of 2010, 80 provinces and 8 cities have completed their five (5) year investment plans for health (PIPH/CIPH) including their annual operational plans (AOP) (Department of Health, 1980-2010). These Plans undergo a review by a Joint Appraisal Committee (JAC) prior to DOH approval. The signing of a Memorandum of Agreement (MOA) between DOH and the LGU to support local health reform implementation triggers a series of inter-related events to facilitate the annual operationalization of the PIPH/CIPH: (1) release of start-up funds to jumpstart plan implementation ; (2) review and approval of the AOP; (3) forging of an annual DOH-LGU Service Level Agreement (SLA) which details DOH and health partner commitments as contained in the AOP ; (4) release of the DOH annual fixed allocation and other support; and (5) release of a performance-based incentive for the previous year achievement of specific indicators from the Local Government Unit (LGU) Scorecard.

The LGU Scorecard is the tool institutionalized by the DOH to track and assess the overall outcome of implementing health reforms in the province-wide health system (PWHS). It measures intermediate

outcomes of access, quality and efficiency including major reform outputs based on the Programs, Projects and Activities (PPAs) of the DOH. The LGU Scorecard thus provides a composite performance assessment of the efforts of various stakeholders within the PWHS.

Over time, a reformed PWHS will progressively achieve the national targets for the intermediate outcome indicators and show all excellent rating (greens) in the LGU Scorecard. It will ultimately exhibit no performance disparity across all its component municipalities/cities and inter-local health zones (ILHZs).

The goal for 2016 is to reduce the disparity of performance, particularly for the poor, among local health systems (LHS). Local health development will be supported by building systems for evidence-based policies, decision making and accountability mechanisms to strengthen local health authority, expand their partner and support networks, and improve client-centered care and community participation adopting Primary Health Care (PHC) principles in the context of Universal Health Care.

NATIONAL OBJECTIVES FOR 2011-2016

OVERALL GOAL: Reduce performance disparity among LGUs and vulnerable groups in the country.

Strategic Objective	Indicator	Data Source	Latest Baseline	2016 Targets
All PWHS and HUCs/ICCs is engaged in sectoral development prioritizing the poor, over a medium term period	% Local health systems with PIPH/CIPH	DOH Program Report		
	1. PWHS		100	100
	2. HUC		24*	100
	3. ICC		0 (2010)	100
Functional ILHZs that provide public health protection, access to quality clinical care and efficient management of resources are established	% ILHZ that achieved functionality in domain of :public health protection, access to quality clinical care and efficient management of resources	DOH CHD reports	Baseline data for ILHZs being completed	75% ILHZ achieve 3 domains of functionality
	% of GIDA municipalities/ <i>barangays</i> covered with a standard service delivery or financing alternative	DOH CHD/ Program Reports or Survey	TBD	50
Local health capacity to reduce disparity among LGUs is strengthened	% LGUs with excellent (green) performance rating in LGU scorecard	DOH CHD / Program Reports or Survey	32 (2009)	80
Service delivery systems based on principles of PHC, with public private partnerships, client centered care, and community participation is improved	% ILHZ with public private partnerships	DOH CHD / Program Reports	TBD	50
	% ILHZ with effective consumer participation systems		TBD	100

*computed at 8 out of 143 HUCs

STRATEGIES FOR 2011-2016

- Utilize the approved PIPH/CIPH and AOP to provide fund support and or technical assistance to LGUs to ensure health reform implementation in localities.
- Strengthen inter-LGU coordination in health operations through improved functionality of ILHZs.
- Ensure access and availability of quality health care sensitive and responsive to the health needs of communities in GIDAs.
- Maximize PPP in health to improve access to quality health care, increase effectiveness and efficiency in the delivery of services and enhance equity in the distribution of available resources.
- Improve consumer participation and ensure greater client participation in improving the health care delivery system through: (1) establishing a consumer-centered feedback mechanism; (2) increasing the poor's purchasing power; (3) providing health information (4) supporting consumers to co-produce or co-finance health services; and (5) Involving consumers in the policy and decision-making process, as well as in management.
- Make optimal use of the following tools to track LGU performance: LGU scorecard, CHD scorecard, Urban Health Equity Assessment & Response Tool and ILHZ functionality assessment tool.

6.2. HEALTH INFORMATION SYSTEM

The problems of completeness, accuracy, timeliness and access to health data, and fragmentation of various health information systems need to be addressed. Information systems that are managed separately by various data producers bring about inaccessibility of quality data for decision making. Critical to harmonization, interoperability and data exchange is an incessant multi-stakeholder collaboration among data producers and users with shared agreements and unified efforts towards increasing availability, access and use of timely, relevant and reliable health information. Use of available, relevant and cost effective information and communication technologies (ICT) enhances the development of institutional networks and makes processes and systems more efficient. It also enables health workers to do their work faster and better. The current health sector enterprise architecture (EA) and the e-health strategic framework define the proper use and function of ICT. Advancing in these areas will improve healthcare access, quality and efficiency of service and higher level of client satisfaction and better safeguards for patient safety.

EA and e-health strategic framework have five priority focus areas in using ICT to support KP and these are in various stages of development. These are defined as:

6.2.1. Enabling Structures and Resources

A rational and accountable eHealth agenda, with the essential legal and normative framework and structures in place including standards, sustained financing, e-mature human resources, ICT infrastructure and multi-agency collaborations.

6.2.2. Critical Application Systems

Increased efficiency of processes and systems in health care delivery and administration through new and better application systems and processes for Philhealth claims, health records, disease surveillance, drugs management and price monitoring, financial and procurement management and other regulatory support services.

6.2.3. Philippine Health Information System (PHIS)

The PHIN shall work towards harmonization and integration of data sources and information systems using acceptable data management standards and protocols and support initiatives that will enhance health service statistics reporting especially from LGUs and the private sector. This will also include improvements and scale-up programs for Information Systems (ISs) in health centers, hospitals and other critical information and service delivery centers and support service groups.

6.2.4. Knowledge Management

Greater and better capacity for exchange and utilization of knowledge resources and systems especially at the sub-national levels based on KM4Health framework. The latter encompasses health research, knowledge translation, including knowledge sharing and exchange programs such as call centers, e-library, best practices, Communities of Practice (CoPs) or K networks among others.

6.2.5. Telemedicine/mhealth

ICT capacities are maximized in reaching GIDAs, attaining MDGs and in collecting data and disseminating health information to policy makers, provider and citizens. Patient monitoring and tracking programs for MDGs such as maternal and neonatal events and TB treatment compliance, and disaster response shall be given priority focus.

In the execution of the strategic goals and targets, the following valued principles shall be applied: a) client-focused approach b) collaboration and partnerships and user involvement c) good governance and performance through judicious and efficient use of resources, transparency, accountability d) ethics in safeguarding privacy and confidentiality e) shared learning f) simple and cost effective technology application.

Long-term progress in the execution of the target activities will also help achieve the global commitment of the country in the 58th World Health Assembly and the 2011-2016 Philippine Digital Strategy vision - "A digitally empowered, innovative, globally competitive and prosperous society where everyone has reliable, affordable and secure information access in the Philippines, a Government that practices accountability and

excellence to provide responsive online citizen-centered services, and a thriving knowledge economy through public-private partnership”.

NATIONAL OBJECTIVES FOR 2011-2016

OVER-ALL GOAL:

Establish harmonized, quality, relevant and responsive e-health services to provide the necessary tools, data, information and knowledge for evidence-based policy and program development towards the provision of accessible, quality, affordable, efficient and safe health services and attainment of better health outcomes for all Filipinos.

Strategic Objective	Indicator	Data Source	Latest Baseline	2016 Targets
The eHealth infrastructure is functional at various levels of health care delivery	Health Sector e-Health Road map established	DOH Report	DOH Information Systems Strategic Plan (ISSP) 2011-2013	1 Road map
	Health sector enterprise architecture (EA) and segment architecture for PhilHealth, central office, CHD, hospital and health center developed	ICT4H e-health Strategy Report , Feb 2012	Draft Health Sector EA , formulated by IMS and the ICT4H e-health Strategy Report , Feb 2012	4 segment EAs
	Basic ICT infrastructure establish in central office, regional and local level	DOH ISSP, 2011-2013	50%	70%
Increase efficiency of processes and systems in health care delivery and administration	Health Information Systems standards/ Health Information technology Standards (HISS/HITS) officially issued	ICT4H e-health Strategy Report , Feb 2012, DOH and WHO Reports	Only ICD 10 is nationally adopted	80%
	The Philippine Health Information Network (PHIN), ICT4H and various data management systems and communities of practice broadened/ expanded	DOH Report	PHIN, KM, PNIDMS and ICT4H at national levels only, KM team at CHD6	5 Regional PHINs
	Percent of health workers who are ICT literate and adept on HISS/HITS	DOH Report	10%	40%
	Percent of municipal and city health offices with functional health service statistics reporting and disease surveillance systems with trained HRH	DOH Report	40%	70%
	Improved data quality with increased data access and utilization	DOH portal uhmis2.doh.gov.ph	An uploading system and QMS	A health data warehouse established and used with regular reports

	Information and application systems in several priority areas harmonized and implemented	DOH Report	1	5 systems (NCDs; infectious disease; disease surveillance ; procurement, logistics and financial management, document management; hospital system with Philhealth e-claims modules and blood supply
	Data visualization system established	DoH reports	Phil. Health maps	Dashboard with Health mapping
	Knowledge Management hubs are expanded at sub-national levels	DOH report	1 at national level, 1 CHD	3 regional hubs
	% of hospitals with PhilHealth e-claims	PhilHealth Report	1%	100%
	% of hospitals with functional management information system and compliant with HISS/ HITS	DOH report	DOH- 45 LGUs – 36	DOH hospitals: 90% LGU hospitals: 30%
	National Telehealth Services Program (NTSP) established	DOH reports and contracts	Several pilot projects	NTSP program institutionalized
The private sector data is incorporated into the administrative reporting system of the government	Institutionalization of system for gathering health information private sector for administrative reports	DOH Report	1%	50% of system in place and institutionalized

STRATEGIES FOR 2011-2016

- Development and promotion of the eHealth agenda
- Development, promotion and adoption of critical health application systems , including real time reporting and recording of health information
- Adoption of national data, ICT and relevant eHealth standards
- Enhancement and expansion of stakeholder collaboration for both health data producers and users under the Philippine Health Information System and ICT for Health
- Creation of the National Telehealth Services Program
- Public-private partnership for eHealth and development and implementation of various systems

6.3. INTERNAL MANAGEMENT SYSTEMS

6.3.1. Financial Management

Having strong financial management systems is of utmost importance, especially in the health sector. This ensures that scarce resources are used optimally and that necessary controls are established. Inefficiency and ineffectiveness adversely affect health outcomes by compromising the delivery of health goods and services, especially to the country's most vulnerable groups. Among the crucial processes involved in financial management are financial planning, budget formulation, budget execution, accounting, financial reporting, and internal control.

Even though promising systems are already in place, the following limitations continue to impede effectiveness and efficiency in financial management:

1. Inconsistent implementation of financial processes, procedures, and guidelines at both national and local levels;
2. Lack of integration of the financial management systems;
3. Lack of a budgeting system that follows medium-term budget planning and prevents resource gaps in implementing multi-year priority health programs and activities;
4. Poor monitoring and evaluation of financial management;
5. Absence of an efficient information system that links DOH offices and LGUs;
6. Restricted government health budget; and
7. Difficulty in managing a highly decentralized system (NOH 2005, 138-9).

As a response to these limitations, the Public Finance Management Reform Strategy was launched in 2009 with goals of having improved budget credibility, improved budget execution, and improved internal controls (F1, 1-7).

6.3.1.1. Improved Budget Credibility

A credible budget serves as an instrument that ensures that public resources are delivered reliably and predictably. Efficiency will be promoted by integrating priority-setting, planning and resource allocation. Under this objective, the following reform initiatives are highlighted:

1. Development of the Health Sector Expenditure Framework (HSEF), a Medium-Term Expenditure Framework (MTEF) for the health sector, to better align budget with priority policies
2. Preparation of budgets using DOH Organizational Performance Indicator Framework (OPIF), in coordination with the Department of Budget and Management (DBM). OPIF is intended to measure the agency's performance in the implementation of PPAs with emphasis on major final outputs;

3. Operationalization of the Program Planning and Budget Development Committee (PPBDC), which improves budget preparation by reinforcing the links between planning and budget.

6.3.1.2. Improved Budget Execution

Improving budget execution entails making reliable information accessible to managers at all levels in the DOH for enhanced monitoring and evaluation. This enables early detection of problems so that necessary corrective measures may be taken before the situation gets out-of-hand. Steps taken to achieve this goal include:

1. Installation of the Electronic New Government Accounting System (ENGAS), which links CHDs, DOH hospitals, and the Central Office to form a DOH-wide financial information system. It ensures the correctness, reliability, completeness and timeliness in recording government transactions. The new system also generates financial reports, in accordance with generally accepted accounting principles.
2. Integration of procurement, logistics, and financial management information systems
3. Development of an Executive Information System (EIS) and Finance Tracking Module through a DOH Public Expenditure Tracking System (ETS), which is interfaced with the integrated procurement, logistics, and financial management system that is used for the regular reporting of actual expenditure against the budget listed by PPA.

6.3.1.3. Improved Internal Controls

Improving internal controls involves establishing and maintaining a network of systems to ensure effective operations; economic and efficient use of resources; compliance with policies, procedures, laws, and regulations; safeguarding of assets and interests from losses; and integral and reliable information. Significant strides under this goal include the following reforms:

1. Operationalization of a Monitoring Unit within the Financial and Management Service
2. Use of scorecards and other monitoring tools to measure outputs and outcomes
3. Development of the Financial Management Services Operations Manual and Internal Audit Manual
4. Upgrading the Internal Audit Division into the Internal Audit Service, a move to implement the shift from the traditional to a risk-based and process-focused approach towards internal audit
5. Preparation of a DOH risk identification and control matrix as part of the Risk Management Program
6. Operationalization of a Property Management Unit under the Administrative Service
7. Development of an Asset Management System in the Central Office, CHDs, and DOH hospitals
8. DOH-wide implementation of National Guidelines on Internal Control Systems (NGICS)

9. Use of e-banking facilities to improve the efficiency of operations, such as fund transfers and ATM payroll systems
10. Setting up of the Anti-Graft Initiative as a system of control that aims to minimize corrupt practices, enforce penalties and sanctions, and establish a system of accountability and transparency for those who are entrusted with government resources.

Cutting across all these proposed reforms are the key concepts of collaboration, integration, and enhanced monitoring and evaluation. It is of utmost importance that stakeholders work together during the planning and appropriation phases – priorities must be identified and addressed, resources must be allocated appropriately (i.e., prevent underestimation and overestimation). Moreover, systems must be utilized optimally and integrated to ensure that financial information flows across agencies, thereby promoting transparency, accountability, and enhanced decision-making. Integrated systems also pave the way for better monitoring and evaluation.

6.3.2. Procurement Management

The DOH has invested in management and training systems to support the implementation of reforms relating to procurement procedures and the delivery of health services. Additional checks and balances, particularly in the form of monitoring and evaluation, are advisable to assess and document the impact of these tools on the DOH's capacity to manage and allocate health expenditures.

Challenges previously identified that hamper the efficient administration of limited health resources remain largely exigent. Examples of these include: (1) Inconsistent implementation of procurement processes, procedures, and guidelines at national and local levels despite the development of management tools and training programs. (2) Inadequate coordination of activities between the various offices overseeing procurement. (3) Delays in procurement processes due to lack of unified standards in terms of product specifications as well as required documents on the end user side. (4) Limited consultation regarding desired services and lack of participation among firms and individuals resulting in bid failures.

To address some of these challenges, the Philippine government is overseeing the following interventions:

- (a) Implementation of Republic Act 9184, or the Government Procurement Reform Act. Through institutionalized procurement planning functions and a procurement monitoring system in Centers for Health Development and DOH hospitals, the law seeks to lower procurement costs, generate substantial savings, and ensure that goods and services are available at service delivery points.
- (b) Pilot testing of the Government Procurement Policy Board's Agency Procurement Compliance and Performance Indicators (GPPB-APCPI). The GPPB-APCPI is a system for monitoring compliance in the implementation of revised IRRs in CHDs and DOH hospitals.
- (c.) Procurement Operations and Management Information System (POMIS) became operational in June 2010 with the main function of tracking documents and activities. POMIS serves as a system to

integrate and standardize the information flow between the centralized offices responsible for procurement operations and management.

6.3.3. Logistics Management

In spite of the continuing development of the processes and procedures, many challenges continue to hamper the efficient and effective administration of limited health resources. These include:

- 1) Inconsistent implementation of logistics processes, procedures and guidelines at national, regional (CHDs) and local levels;
- 2) Lack of integration between financial, procurement and logistics management systems;
- 3) Inadequate skills on the management of logistics systems at the central, regional (CHDs) and local levels and
- 4) Poor monitoring and evaluation of logistics management (Department of Health 2005).

In the past years, improvements in the logistics department had been made in terms of employees' skills training, space maximization, and development of guidelines. The next five (5) years will address the issues of implementation process, integration between and among departments, infrastructures, and human resource requirements.

Training health workers is essential to improve quality assurance encompassing proper storage practices and good manufacturing practices. This is in line with the Republic Act No. 9184 – an act providing for the modernization, standardization and regulation of procurement activities of the government.

Another problem encountered is the manual processes of doing inventory. The lag time between updating and reporting is a major issue leading to discrepancies between stock card count and physical count. Therefore to address this, computerization of logistics processes and inventory is well under way. Not only will it provide transparency of the processes and information on deliveries, but it will also strengthen other activities of the drug management cycle, such as forecasting and procurement; and serve as a medium to enhance financial data recording.

Last but not least, monitoring and evaluation procedures are needed to determine baseline data. From this, interventions can be assessed in terms of their outcomes – which projects to terminate and which ones to develop further.

NATIONAL OBJECTIVES FOR 2011-2016

OVERALL GOAL: Ensure the efficiency and effectiveness of financial, procurement and logistics management systems to support health program implementation.

Strategic Objective	Indicator	Data Source	Baseline Data	2016 Targets
Financial, procurement and logistics management performance are improved	% Budget utilization based on planned targets	DOH Financial Report	76 (2010)	100
	Number of budget augmentation requests	DOH Financial Report	20 (2010)	2
	% Procurement request processed out of the total requests received	DOH Procurement Service Report	60 (2010)	95
	% Regions with no stocks retained in the warehouse for more than 3 months	DOH Administrative Service Report	To be determined	100
Transaction time is reduced	Number of days to release funding requests	DOH Finance Service Report	To be determined	To be determined
	Number of calendar days to process goods procurement request	DOH Procurement Service Report	80-120 (2010)	40-60
	Number of days to issue the goods from receipt of request	DOH Administrative Service Report	15 days (2010)	5 days

STRATEGIES FOR 2011-2016

- Improve budget credibility, budget execution and internal controls
- Develop and institutionalize a strong monitoring and evaluation to ensure the smooth interaction of the management organization framework components namely, human resources, training, logistics, and relevant systems and tools
- Multi-level audit of current financial management tools and systems to establish a baseline for the development of comprehensive training workshops to build the capacity of health professionals on both national and local levels to manage finances and logistics in support of health sector goals,
- Advance role of procurement as a partnership in order to improve integration and cooperation between offices as well as increase support from suppliers and end users,
- Develop a standardized records keeping system to improve transparency of procurement and warehouse storage systems, including inventory tracking tools and system to measure lead times and potential for spoiled program commodities.
- Establish infrastructures for logistics management like air conditioners and handling units such as pallet trucks, weighing scales, carts, pallets, among others in the region and provinces
- Conduct trainings for supply officers and health workers on good practices for the proper handling and storage of medicines and supplies.
- Computerize logistics processes for more efficient information management and immediate roll out to the LGUs