INTRODUCTION

The Philippines is a low middle-income country located in Southeast Asia (GDP per capita: USD 2,370). It is one of the most populous countries in the world with a population of 92.3 million as of 2010. With an annual growth rate of 1.9 percent, the number of Filipinos is expected to reach 112 million by 2020 (National Statistics Office). Like most emerging economies in Asia, the Philippines exhibited considerably high economic growth with an annual average growth rate of 5 percent in the last decade (The Bangko Sentral ng Pilipinas). The economy is expected to display strong economic performance in the medium term given the sound macroeconomic fundamentals and robust domestic demand. Despite the significant improvements in the domestic economy, inclusive growth remains very elusive. In 2009, 20.6 percent of the families are below the poverty threshold which is similar to the level a decade ago (National Statistical Coordination Board, 2009). **Table 1** summarizes the demographic and economic profile of the Philippines.

TABLE 1. PHILIPPINES AT A GLANCE

Indicators	
Land area	300,000 sq. km.
Population (2010) (National Statistics Office)	92.3 Million
Population projection by 2020 (National Statistics Office)	111.7 Million
Population growth rate (2010) (National Statistics Office)	1.9%
Population density (2010)	796.9 per square miles
GDP per capita (2011) (The World Bank , 2011)	USD 2,370
Average income (2009) (National Statistics Office, Various Years)	Php206,000
Poverty incidence (2009) (The National Statistical Coordination Board)	20.6 %
Gini coefficient (National Statistical Coordination Board, 2009)	0.4881

*measures income inequality

Behind the high poverty incidence at the national level is the disparity across geographical regions and socio-economic classes. In the National Capital Region (NCR), the poverty incidence is 2.9 percent compared to 38.1 percent of the Autonomous Region for Muslim Mindanao (ARMM) (National Statistical Coordination Board, 2009). The disparity of resources also reflects the high inequality in many health outcomes. In 2008, the disparity between the poorest and richest quintiles with 40 and 15 infant deaths per 1,000 live births, respectively, is masked by the national average of 25 infant deaths per 1,000 live births. This picture of disparity is very common in many outcome indicators in health (National Statistics Office, 2008).

Inequalities in health outcomes can be attributed to geographical, demographic, political and socio-economic factors. With regard to geography, the Philippines is composed of distinct geographical landscape. Hence, delivery of health services is complex, difficult and entails innovative programs to address this gap. Many

localities are considered as geographically isolated and disadvantaged areas (GIDA) like remote islands and mountainous topographies which often limit the institutionalization of sustainable health programs. The country is also included in the Pacific ring of fire and typhoon belt which makes it susceptible to natural calamities like earthquakes and typhoons. The Philippines experiences more than 20 typhoons annually.

The demographic feature of the country also affects the inequitable distribution of social services. Though the country has relatively young population which increases the pool of labor force, the size is not parallel to the available resources. Despite the slight decline in the population growth rate over the last decade, it is still one of the highest in the Asian region. The high total fertility rate among the poor compared to the affluent population has serious implications in health service financing and allocation.

Urbanization is also very rapid in the Philippines. More than 60 percent of the Filipinos are now living in urban areas compared to around 30 percent 50 years ago (The World Bank , 2011). Unsurprisingly, given the low inclusive growth and high urbanization rate, the number of urban poor especially in highly urbanized cities is increasing. Migration from the rural parts of the country to the cities has largely contributed to overcrowding. Moreover, there is also a high rate of migration in and out of the country (Ulep, 2012).

The delivery of health services experienced some degree of complication with the changes in the political structure. The initial impact of devolution resulted to service fragmentation and gave challenging opportunities for the local leadership to perform. Some local government units (LGUs) were more successful than others because they gave priority attention to health concerns and programs.

The constraints in health and development are not purely economic or political in nature. There are parameters that are culturally innate such as the "*bahala na*" or complacent attitude of some Filipinos which might explain the low adherence to beneficial health practices such as health seeking behavior (Yap and Balboa, 2008).

Outcomes in health are therefore affected by multiple social factors. Addressing inequity in health will require looking at these underlying factors. Most of the indicators in the succeeding chapters are disaggregated by region, income quintile, gender and area of residence to illustrate the extent of the health inequity problem. On the other hand, this should also guide the decision-makers and health providers in reforming the way the health services and programs are financed, packaged and delivered.