

## **PROVISION OF QUALITY SUBSIDIZED HEALTH CARE FOR THE URBAN POOR** (A Case Study of Makati Health Program - Living Quality Life through Accessible Health Service, Makati, Philippines)

### **Summary:**

Fourteen years ago, the local government of Makati has identified that one of the priority needs/concerns of its people is quality medical/hospital services that are accessible and affordable particularly to the low income group. The rising cost of medicines and hospital services have greatly affected the health status of the people. The problem became more evident in the 1986 Survey of the Ministry of Health showing that 80% of the Philippine population are medically indigent.

To cope with the above problem, former Mayor Jejomar C. Binay introduced the Makati Health Program (MHP), a subsidized hospitalization for low-income residents, city government employees, public school teachers, policemen and firemen. MHP is widely known as 'Yellow Card' and launched in May 1986 with the signing of agreement between the City Government of Makati and Makati Medical Center (MMC).

MHP aims to improve the quality of life of the people through quality health services. Specifically, the program increases the accessibility of low-income residents to quality and subsidized medical/hospital services; enhance the private sector's participation in the delivery of health services; and intensify health awareness among Makati's citizens.

One major impact of the program is the improvement of the health status of the constituents. Infant mortality rate decreased from 15.9 in 1987 to 6.4 in 1999. Maternal mortality rate also declined from 0.20 in 1987 to none in 1998. Through the program, it enables to uplift the economic standards of the people in a way that beneficiaries can spent on other basic needs such as food, clothing, shelter, livelihood, etc.

MHP stands out today as the best testament of the successful partnership between the private sector and local government. MHP was awarded in 1994 as the "*Most Outstanding Kabisig Project*" in the National Capital Region (NCR) given by the 'Kabisig People's Movement'. The award aims to recognize the most effective and efficient government project/program that promotes active participation from people's organization, NGOs and the private sector.

The Department of Health of the Philippines has given Makati the distinction of being the First Healthy City in the country in 1995 due to the success of its integrated and holistic approach to socialized health care that includes the MHP.

### **Program Initiator:**

City Government of Makati

### **Main Actors and Their Roles:**

City Government of Makati (local government) - to initiate and coordinate the programme, and provide funds.

Makati Medical Center (private sector) - to provide tertiary medical/hospital services, and share medical expenses of beneficiaries.

Ospital ng Makati (city government-owned hospital) - to provide secondary medical/hospital services.

Ospital ng Makati Foundation (NGO) - to ensure the sustainability of the programme by providing medical supplies to beneficiaries at Ospital ng Makati.

Bagong Ina ng Bayan (NGO) - to implement homevisits for verification of the residence of the applicants; to monitor and evaluate applicants of yellow card to ensure that the target beneficiaries are reached by the program.

**Nature of Cooperation:**

The implementation of the program started in May 1986, wherein the local government entered into an agreement/contract with Makati Medical Center regarding the rental of 75 beds and availment of medical services exclusively for yellow cardholders. The contract also includes procedures and restrictions being enforced by both parties. City council resolutions are also enacted in financing the program based on the specified monthly rental and yearly renewal of contract.

Five years before the implementation of the 1991 Local Government Code of the Philippines, the City Government of Makati was already implementing the MHP. The active participation of the private sector (Makati Medical Center) and non-government organizations is provided by the Code which states that:

*'Local government units may enter into joint ventures and such other cooperative arrangements with people's and non-government organizations to engage in the delivery of certain basic services ..... and enhance the economic and social well-being of the people.'*

**Characterisation of the Problem:**

The City of Makati, as the Philippines' business and financial center, is home to almost half a million people. It's population is a mix of the most affluent living in exclusive villages, a growing middle class and quite a number of low-income families. Before the project was implemented, the high cost of medical/hospital services was a problem for people in the lower income group who could not afford it. Makati's poor residents have to go to the national government hospitals that are usually congested.

**Process of Project Implementation and Management:**

The MHP has the main objective of improving the quality of life through quality health services. It attempts to:

- Increase the accessibility of low-income residents to quality health services;
- Provide quality and subsidized medical/hospital services to ease the burden of low-income residents;
- Enhance the private sector's participation/commitment in the government's efforts to serve the local populace in providing quality and subsidized medical/hospital services; and,
- Intensify health awareness among the people of Makati.

The target beneficiaries of the program are:

- Bonafide Makati residents whose monthly gross income of not more than Php 8,000.00 with the necessary documents such as Voter's Registration Receipt (VRR), certificate of employment, marriage contract, barangay clearance, birth certificate(s) of children below 18 years old, community tax certificate (cedula), and latest income tax return (ITR)
- City government employees which include policemen, firemen, public school teachers and barangay officials regardless of their income. Their dependents are not covered if they (dependents) are not living in Makati; the spouse is not a registered voter; and,

one of them is employed in a private firm and gets a gross income of more than Php 8,000.00 a month.

- Senior citizens of Makati, as recommended by the Office of Senior Citizens Affairs (OSCA)

Screening is done by the MHP Office to ensure that the target beneficiaries have access to the program. Hence, applicants for yellow cards must submit the required documents and are subject for interviews. A classification system is used to determine the category of applicants based on the family gross monthly income. The income bracket determines the maximum donation/service fee that cardholders may give to the program for MMC medical services.

The MHP is designed to deal with the expensive hospitalization and other health services. Under the MHP, Makati residents gained access to subsidized quality health services at the Makati Medical Center and Ospital ng Makati. The Ospital ng Makati (a secondary hospital) was established in 1989 by the city government to deal with non-critical cases such as minor surgeries. Beneficiaries who want to avail of the services at the MMC and Ospital ng Makati are required to present their yellow cards to attending hospital personnel. They are also interviewed by social workers assigned in each hospital to ensure that they adhere to the rules and regulations of the program. MMC requires a letter of authorization signed by the MHP Chief before discharging the patient.

After the implementation of the program, significant results were recorded with crude death rate decreased from 6.6 per 1,000 population in 1995 to 3.6 in 1999. Infant mortality rate decreased from 15.90 in 1987 to 6.4 in 1999. Maternal mortality rate also declined from 0.20 in 1987 to none in 1998. The program has also contributed not only to the well-being of the beneficiaries but also to their economic upliftment, thus, instead of using their money for hospitalization, beneficiaries can now use it for other basic needs.

#### **Strategies Used:**

- Give Makati residents access to subsidized health services in order to improve the quality of life of each individual.
- Issuance of yellow card to qualified Makati residents to avail of subsidized medical/hospital services at MMC and Ospital ng Makati.
- Applicants are categorized in terms of family gross monthly income, and the maximum donation/service fees are determined.
- Home visits are implemented by NGO volunteers to confirm the residence of the applicants.
- Empowerment of private sector and NGOs to enter into cooperative arrangement with the local government.

#### **Key Successes and Lessons Learnt:**

- Strong political will of the leaders
- Commitment from all stakeholders involved including local government and private sector.
- Involving NGOs as volunteer to reach the target beneficiaries.
- Active dialogues between local government and citizens during 'Barangayan' where the Mayor has a dialogue with barangay officials and beneficiaries/constituents.

- Empowerment of the private sector and NGOs having cooperative arrangement with the local government.
- Empowerment among beneficiaries through building awareness on their health.

**Difficulties Faced in the Project:**

Below are some of problems encountered and actions undertaken during the implementation of the program:

1. Non-admission of patients at Makati Medical Center due to inavailability of hospital beds for MHP patients.

*Solutions:*

- Establishment of Ospital ng Makati (a secondary hospital) in 1989 to accommodate non-critical ailments like low risk pregnancies/deliveries, minor surgery, etc. Barangay lying-in clinics and health centers were also rehabilitated and given modern equipment and adequate medicines.
- The MHP and Makati Medical Center agreed on some policies pertaining to admission of yellow cardholders such as the general rule that high-risk pregnancies shall be attended by MMC while low-risk pregnancies shall be referred to Ospital ng Makati and barangay lying-in clinics.

2. Problem on the transfer of patients from Makati Medical Center to other hospitals.

*Solutions:*

- One MHP ambulance was made available at Makati Medical Center for the transport of patients. This ambulance is exclusively used in all MHP-related transport.
- The Makati Health Program allows the MMC and Ospital ng Makati referral of MHP patients to other national government hospitals that specialize in particular diseases.

3. Rising cost of medicines/medical supplies of patients at Ospital ng Makati which greatly affect the funds of the hospital and the Ospital ng Makati Foundation.

*Solutions:*

- The existence of Ospital ng Makati Foundation, a non-government organization, assists the most indigent cardholders at the Ospital ng Makati in providing the immediate medicines needed. The MHP and Ospital ng Makati management had set a policy that MHP III patients should replace the medicines they have utilized to avoid shortage of medicines in the hospital.
- Donations from drug companies particularly Makati-based distributors are also encouraged or solicited.

4. Expired yellow cards due to non-application and/or renewal on time, which pose a serious problem during emergency cases.

*Solution:*

- Regular conduct of 'Outreach Program' in coordination with other local government agencies like the Makati Health Department, Makati Action Center, barangay councils, people's and non-government organizations such as 'Bagong Ina ng Bayan' and church organizations in far-flung barangays of the city. The outreach program includes screening of MHP applicants/renewal of yellow cards, and conduct of free medical and dental services.

5. Clientele's declaration of false documents. In some cases, during confinement at MMC and Ospital ng Makati, social workers of both hospitals discovered that they are no longer residents or their monthly income are already above the ceiling of Php 8,000.00.

*Solutions:*

- Regular homevisitations are continuously being implemented with the participation of non-government organizations, barangay health workers and barangay officials to verify the authenticity of their documents. The home visitations and inquiry from the neighbors of the applicants not only verify the identity of clients in their declared address but also other relevant information to make sure that the program reaches the target beneficiaries.
- Assigned social workers in both hospitals were authorized to revoke the yellow cards of those patients, thus, making them private patients. The confiscated cards are usually forwarded to the MHP office.

*(May 2000)*