6.4 Recent and future developments

Three significant laws and policies introduced since President Benigno S. Aquino III took office in 2010 will have a significant impact on the health sector.

First, in 2010, the Department of Health (DOH) launched Kalusugan Pangkalahatan, the Government’s universal health care agenda. Under this new paradigm, DOH is to pursue three thrusts that are fundamental to achieving universal health care: (1) financial risk protection, (2) health facilities enhancement, and (3) attainment of the health-related Millennium Development Goals (MDGs) and improvement of indicators for noncommunicable diseases (DOH, 2011). As some of the updates in the Living Hits series show, there have been some gains in these thrusts, even as much work remains to be done.

The financing of universal health care received a boost with the passage of the so-called sin tax law in December 2012, which allots 85% of the incremental revenues generated from taxes on tobacco and alcohol for the attainment of universal health care. Of this amount, 80% will be utilized for the Philippine Health Insurance Corporation (PhilHealth) and the health-related MDGs, while the remaining 20% is for medical assistance and health facilities enhancement, as per Republic Act No. 10351. The cost of alcohol and tobacco has increased, and the Government is now collecting higher taxes for alcohol and tobacco products. The higher cost of alcohol and tobacco will make it less accessible, particularly to young people and the poor.

During the same period, the Responsible Parenthood and Reproductive Health Law (Republic Act No. 10354) was passed and signed into law, after almost two decades of debate in Congress. It guarantees universal access to reproductive health services and sexuality and reproductive health education, as well as maternal, obstetric, and post-abortive care. The implementation of the law was suspended pending review by the Supreme Court, but its implementation is seen to address
some of the key components of the third thrust of *Kalusugan Pangkalahatan*—the attainment of the health-related MDGs, particularly those related to maternal and child health.

**Table 6.1. Update: Health reforms 2010–2012**

<table>
<thead>
<tr>
<th>Year</th>
<th>Reform</th>
<th>Brief Description</th>
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<tbody>
<tr>
<td>2010</td>
<td>Kalusugan Pangkalahatan – Aquino Health Agenda</td>
<td>Declares universal health care as primary goal of the Government, lays out three thrusts: (1) financial risk protection, (2) health facilities enhancement and (3) attainment of health-related MDGs, plus good outcomes for noncommunicable diseases.</td>
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<tr>
<td>2012</td>
<td>Republic Act No. 10351–Sin Tax Reform Law of 2012</td>
<td>Imposes taxes on alcohol and tobacco products, 85% of which is allotted to universal health care. Of this amount, 80% is allocated to PhilHealth and attainment of MDGs, while 20% is for medical assistance and health facilities enhancement.</td>
</tr>
<tr>
<td>2012</td>
<td>RA 10354–Responsible Parenthood and Reproductive Health Act of 2012</td>
<td>Affirms right to reproductive health as part of &quot;right to health&quot;; empowers people, especially women, through informed choice and voluntarism, and age- and development-appropriate education; guarantees access to all family planning methods and other reproductive health-care services.</td>
</tr>
</tbody>
</table>

**Future outlook**

While the past few years have shown important improvements in the health policy, further reforms are needed to fully realize universal health care in the Philippines. The capacity of local government units to manage local health systems must be strengthened, including their ability to engage the private sector in health service delivery. Public–Private Partnerships (PPPs) have been identified as a strategy towards this end, but programmes under it have yet to take off (DOH, 2012). DOH and PhilHealth must be able to effectively use their policies and guidelines to ensure the quality of health services provided at all levels of care and to leverage its resources to achieve better health outcomes. A comprehensive policy on the management of human resources for health is very much needed, with inequities still persisting between private and public sectors, as well as between urban and rural areas.

The emphasis on universal health care and the passage of Reproductive Health Law and sin tax law required political capital as well as multisectoral involvement—both of which are needed if the Government is to sustain the reforms and gains of the past few years.
References


Republic of the Philippines Republic Act No. 10354–Responsible Parenthood and Reproductive Health Act of 2012