

GREAT Women Project



*Expanding Social Protection
for Women in Microenterprises
and in the Informal Economy
The Partial Subsidy Scheme of PhilHealth*



Philippine
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Expanding Social Protection for Women in Microenterprises and in the Informal Economy

The Partial Subsidy Scheme of PhilHealth

Abstract The Philippine Health Insurance Corporation or PhilHealth expanded its existing health insurance program to address the issues and needs of women in microenterprises and in the informal economy. Through the GREAT Women Project, a Partial Subsidy Scheme was developed and implemented by PhilHealth which enabled women to gain access and benefits from health insurance at a low cost, and engaged local governments and other sponsors in supporting such social protection scheme for women.

Low-income women and women in microenterprises and the informal economy

Women in the informal economy largely suffer from limited social protection coverage and benefits. They are usually undertaking economic activities alongside their domestic responsibilities, with low or less stable sources of income to cover for health or other forms of social insurances. They are likewise unaware or lack information on available-schemes and the procedures for such. Add to this is the difficulty of organizing women to form groups to achieve a certain number of members which can apply for group health insurances.

As micro- and small-enterprises are more vulnerable to economic shocks that impact their businesses, women workers are, then, affected by interrupted employment and displacement. They are likewise at risk of work-related illnesses, injury and disability given the working conditions in such enterprises. They are likewise less likely to save, contribute or sustain pensions given the low or seasonal incomes they are receiving.

Some other issues and risks in relation to social protection are longer life expectancies of women which necessitate extended coverage for social protection; risks brought about by separation, annulment, abandonment or death, with the women serving as household heads; schemes that are unresponsive to the issues and needs of informal sector workers; and effects of armed conflict and disaster to livelihoods.

Gender-Related Social Protection Issues of the Informal Sector. GREAT Women Project advocates that social protection programs/schemes need to be designed with gender-related constraints taken into account. These are:

- the predominance of WMEs in informal and labor intensive work, who often face particular risks and vulnerabilities (e.g. health risks, interrupted and insecure employment) and are less likely to have been able to save or contribute to pensions
- women's longer life expectancies than men
- women's less stable earning patterns due to emphasis on their reproductive roles and risks of loss of financial support brought about by death, abandonment or divorce
- availability of regular income and savings for women and men
- ability of women and men to sustain payments
- benefits offered by social protection programs/schemes that do not correspond to the priority needs of most informal sector workers
- WMEs in special circumstances such as armed conflict and disaster-stricken areas

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Realizing that long term safety nets such as livelihood promotion, health insurance and social assistance are essential investments especially for women microentrepreneurs, the Philippine Commission on Women (PCW), through the GREAT Women Project, entered into a Memorandum of Agreement (MOA) with the Philippine Health Insurance Corporation (PhilHealth) and the People's Credit Finance Corporation (PCFC) to support the provision and promotion of social protection to women in microenterprises in August 2007. PhilHealth, in particular, is primarily the government-owned and controlled corporation mandated to provide adequate and affordable social health insurance coverage for Filipinos.

Philippine Health Insurance Corporation and the GREAT Women Project

Later in December 2009, PCW and PhilHealth agreed to undertake a sub-project known as the "Integration and Promotion of Women's Economic Empowerment in the National Health Insurance Program." The partnership is aimed at adopting and institutionalizing health insurance membership schemes that can be accessed by and benefit women in microenterprises and those in the informal sector. It likewise seeks to strengthen PhilHealth's existing marketing, advocacy, information, education and communication, and member enrollment by incorporating gender and women's economic empowerment (WEE) perspectives in such programs.

PhilHealth previously covers employed workers, both from the government and private sector; individually paying individuals; sponsored individuals through partnership with private companies, individuals, and LGUs; and Overseas Filipino Workers (OFWs) who have registered prior to their departure. Members are entitled to basic in-patient and out-patient benefits, and other benefits involving maternity care, and other treatment packages. Even prior to the GREAT Women Project, informal sector workers can get the same benefits that other members receive through the individually paying program (IPP). The IPP involves an affordable monthly fee, which is payable monthly, quarterly or annually.

From March to August 2010, PhilHealth underwent Gender Sensitivity Training, supported by the GREAT Women Project, which equipped its key officials and staff to identify priority gender issues in the provision of social protection services, integrate GAD in frontline services and in policy and program development, and profile women in microenterprises and in the informal economy. Such trainings were participated by PhilHealth's Board of Directors, service office heads and staff, including the members of the GAD Committee and Technical Working Group (TWG) of PhilHealth. Within the same period, gender analysis skills training was conducted within Program and Policy System

Building PhilHealth's Capacities Towards Gender-responsiveness To Its Clientele

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Development Offices which later on enabled data collection for policy formulation, and the development of gender-responsive monitoring and evaluation tools, standards, systems, and social protection schemes or programs. A PhilHealth Profiling Tool to Assess WME (and the informal sector needs) for Social Protection has been completed.

In September 2010, a total of 196 PhilHealth officers and staff from the central office and nine (9) regional offices were oriented on GAD and WEE concepts. Of this number, 87 participants (44%) were males and 109 (56%) were females from these regions (PhROs, I, II, CAR, VI, VII, VIII, X, XI and CARAGA). Such orientations increased the number of GAD and WEE champions in PhilHealth and enabled the identification of entry points for health protection schemes for women in microenterprises and in the informal sector.

PhilHealth surveyed the GREAT Women Project sites of Quezon, Leyte and Davao del Sur in November 2010 to determine the actual social protection coverage for women in microenterprises. The survey sampled women microentrepreneurs and women workers in microenterprises in partner sites. In all, the survey covered 151 women in microenterprises, mostly aged 41-45 years old and married, across the said provinces.

Among the survey findings were as follows:

- Women earned approximately Php 2,000-5,000 a month, mainly from farming-related enterprises.
- Women respondents said that they could only afford to pay PhP 300 of the previous rate of PhP 1,200 annual PhilHealth premium contributions in a staggered monthly or quarterly basis.
- Sustaining payments, documentary requirements, and excess fees in confinement were some of the other reasons hindering women to get a health insurance.
- Sixty (60%) percent of the women respondents are enrolled in PhilHealth. They generally appreciate health insurance to provide coverage for hospitalization and guarantee for quality healthcare for low-income earners however, they find health insurance as a secondary spending priority.

These findings were used to develop the Partial Subsidy Scheme by which deserving women in microenterprises and in the informal sector can access social protection coverage at a lower cost, based on their capacity to pay.

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In 2011, the foregoing series of technical assistance given by the GREAT Women Project yielded several major policy issuances, such as:

- PhilHealth Board Resolution No. 1479, S 2011 approving the implementation of the partial subsidy scheme for the coverage of women micro-entrepreneurs (WMEs), small self-employed and underground economy workers of the informal economy;
- Board Resolution in 2011 (No. 1571) providing 50% discount to the LGUs who will enroll WMEs under the Partial Subsidy Scheme;
- PHIC Circular No. 017, s. 2011 providing for the guidelines to implement the partial Subsidy Scheme under the sponsored program component of the NHIP. It covers all enrolments of poor and low-income small self-employed and informal economy workers including women microentrepreneurs;
- PHIC Office Order 0051, Series of 2011 provides for the Guidelines on the Partnership with the local government units (LGUs) for the implementation of the Partial Subsidy Scheme for the Coverage of Women Micro-Enterprises (WMEs), Small Self-Employed and Underground Economy Workers of the Informal Sector.

The scheme has three key features:

- **Convenience for registration and payment**, which provides a simplified registration process, easy payment process and remittance of premium contributions through the local government units (LGUs) and/or premium donors such other government agencies and civil society groups;
- **Cheaper or affordable premium contributions** where the premium counterpart of women in microenterprises and in the informal sectors shall be based on their capacity to pay, and the LGUs and/or premium donors shall shoulder the rest of the premium contributions; and,
- **Expanded benefits** which include unified Hospitalization Benefits and Out-Patient Consultation and Diagnostics Packages (OPB).

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Initial Gains from the Implementation of the Partial Subsidy Scheme

At present, national laws mandate LGUs to enroll its constituents to PhilHealth. LGUs' premium contributions vary, depending on its income classification – those belonging to first to third class may pay as high as PhP600 while those belonging to 4th class and below may pay lower premiums. LGUs that are unable to shoulder premium contributions are advised to tap on other government agencies and civil society groups for support. For those belonging to the 2.5 million poorest Filipinos as identified by the National Household Targeting System (NHTS), implemented by the Department of Social Welfare and Development (DSWD), they shall be shouldered by the national government.

Under the GREAT Women Project, the Partial Subsidy Scheme initially aimed to enroll at least 2,000 women in microenterprises in the 42 project sites. Project Local Area

KEY IMPLEMENTING GUIDELINES

Validity Period. The validity period in the enrolment of members under the Partial Subsidy Scheme shall follow the calendar year, e.g. health insurance coverage for one (1) year shall end December 31, 2012, health insurance coverage for two (2) years shall end December 31, 2013.

Premium Contribution Rate. The annual premium contribution under the Partial Subsidy Scheme shall be at Php 2,400 per member effective July 1, 2012.

Institutional Arrangement. The LGU/Sponsor should submit a Letter of Intent indicating the number of families that they would like to enroll, the area where the said families reside, and their proposed payment arrangement under the Partial Subsidy Scheme.

A Memorandum of Agreement (MOA) must be executed between PhilHealth and concerned LGU/Sponsor to implement the Partial Subsidy Scheme of the National Health Insurance Program.

Premium Remittance and Release of PhilHealth Identification Cards (PICs). The LGU/Sponsor should remit to PhilHealth an initial payment of the total premium contribution required for the health insurance coverage

of its identified beneficiaries prior to the release of PICs prior to the LGU/Sponsor.

Computation of applicable premium contribution shall be on a pro-rated basis. A billing statement shall be issued to the concerned LGU/Sponsor prior to the release of the PICs. Thereafter, the billing statement for the outstanding balance shall be issued to the concerned LGU/Sponsor ten (10) calendar days following the end of each calendar quarter.

To expedite processing and release of PICs to the intended beneficiary members, the LGU/Sponsor shall submit to PhilHealth, for its validation, a certified list of its beneficiaries attaching the duly accomplished PhilHealth Member Registration Form (PMRF) of those beneficiaries who do not have their assigned PhilHealth Identification Number (PIN) including the required supporting documents.

The LGU/Sponsor shall also submit to the PhilHealth a Certificate of Availability of Funds (CAF) within the First Quarter of each calendar year to ensure continued coverage of its enrolled beneficiaries, particularly those LGUs/Sponsors with outstanding balance on the premium contributions.

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Coordinators (LACs) will support the profiling of target women while PhilHealth will negotiate and enter into an agreement with project partner LGUs and premium donors to support such scheme. In March 2011, PhilHealth issued a Board Resolution (1479, s. 2011) authorizing the nationwide implementation of the scheme. As the Partial Subsidy Scheme is currently being rolled-out by PhilHealth since yearend 2011, several reforms transpired in the schemes such as:

- Ensuring coverage of those who are not enrolled under the sponsored program of the Partial Subsidy Scheme but are included in the National Household Targeting System (alternately known as the DSWD list);
- Sustaining coverage of those who are currently enrolled under sponsored program but are not included in the NHTS; and
- Providing coverage to those who are not currently enrolled low income families (small self-employed / underground economy workers of the informal economy including WMEs).

In April 2012, another significant policy imperative was issued - Board Resolution No. 1613 - which prioritized unmarried mothers and pregnant women as primary PhilHealth members in cognizance of the UN Millennium Development Goals 4 and 5, i.e., reducing child mortality and improving maternal health, and Republic Act No. 9710 or the Magna Carta of Women.

With the Partial Subsidy Scheme, PhilHealth is optimistic that more local governments will realize its advantages to achieve the goal of Universal Health Care coverage for all Filipinos within the next two to three years.

About The Project

The Gender Responsive Economic Actions for the Transformation of Women (GREAT Women) Project is a governance and capacity development project that aims to promote and support a gender-responsive enabling environment for women's economic empowerment, particularly those in microenterprises.

The Philippine Commission on Women (PCW), the national machinery for the advancement of women in the Philippines, is the lead executing agency for the Project.

The Commission forged partnership with key national government agencies involved in micro-, small- and medium-scale enterprise (MSME) development and select local government units to create a gender-responsive enabling environment for women's economic empowerment. This project receives technical and financial support from the Canadian International Development Agency (CIDA).

GREAT Women Project
Management Office
**Philippine Commission
on Women**

1145 J. P. Laurel St., San Miguel, Manila
1005 PHILIPPINES
Tel. No. (+63-2) 734-1731
735-1654 loc. 123
Fax No. (+63-2) 736-4449
Website: www.pcw.gov.ph