

## LESSONS FROM PAST AND ONGOING ADB ASSISTANCE IN HEALTH FOR THE PHILIPPINES

1. **Past and Ongoing Asian Development Bank sector assistance.** In 2020, the Asian Development Bank (ADB) approved a grant of \$3 million for COVID-19 Emergency Response Project, a project loan of \$125 million for the Health System Enhancement to Address and Limit COVID-19 (HEAL), \$1.5 billion COVID-19 Active Response and Expenditure Support (CARES) Program (including a \$250 million program loan for Health) to support response to COVID-19, and a \$400 million loan for Second Health System Enhancement to Address and Limit COVID-19 under the Asia Pacific Vaccine Facility (HEAL2). These projects signal ADB's re-engagement in the Philippine health sector after more than a decade.

2. Before these projects, the last ADB project in the Philippines was the Credit for Better Health Care Project,<sup>1</sup> which was approved in 2009. It supported the Sustainable Health Care Investment Program, a credit facility of the Development Bank of the Philippines, a government financial institution, to help upgrade health services of local government units (LGUs) and to facilitate private participation in improving health care. In 2004, ADB had supported health reform efforts of the Philippines through the Health Sector Reform Agenda (HSRA). The Health Sector Development Program comprising a program loan of \$200 million and a project loan of \$13 million<sup>2</sup> supported national level reforms and the implementation of the HSRA at the LGU-level called the 16 convergence sites. Earlier, ADB designed and implemented a \$54.0 million Women's Health and Safe Motherhood Project in 1994–2002 and a \$25.9 million Integrated Community Health Project in 1995–2005.<sup>3</sup> Key lessons from recently approved and implemented projects and past health sector engagement inform the design and implementation of ADB's support for UHC.

3. **Health Sector Development Program.** The desired outcome of the Health Sector Reform Agenda was to improve the health status of the poor and to meet Millennium Development Goals on health. The Health Sector Development Program intended to increase the use of health services by the poor by improving their quality and making them affordable and financially sustainable. It supported six reform areas: (i) health financing, (ii) hospital systems, (iii) public health programs, (iv) health regulations, (v) local health systems, and (vi) health sector governance reform.<sup>4</sup> Key lessons suggest that involving many stakeholders is susceptible to policy modification, thus requiring careful consideration of policy actions during program design and policy dialogue to secure government commitment to implement them. Strong appreciation of the country context and the health sector through proper diagnostics will be key.

4. **Credit for Better Health Care Project.** The lessons from the Credit for Better Health Care Project are as follows: (i) consider the important role of LGUs in decentralized health systems and their lack of capacity in the sector; (ii) private health providers can play important roles in developing networks of high-quality health services in rural and other underserved areas; (iii) using public–private partnership for efficiency and value for money requires designing a policy for the health sector that is suitable to the Philippine context; and (iv) the participation of multiple stakeholders in national and local governments requires ownership, collaboration, and

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<sup>1</sup> ADB. 2009. [Philippines: Credit for Better Health Care Project](#). Manila.

<sup>2</sup> ADB. 2004. [Philippines: Health Sector Development Program](#). Manila.

<sup>3</sup> ADB. 2004. [Philippines: Women's Health and Safe Motherhood Project](#). Manila; and ADB. 2006. [Philippines: Integrated Community Health Services Project](#). Manila.

<sup>4</sup> These are the same focus areas of the Universal Health Care Act and the strategy put forward under the National Objectives for Health, except that hospital systems and local health systems are integrated to strengthen the health network delivery system.

coordination across sectors to be effective.

5. **Women's Health and Safe Motherhood Project.** The Women's Health and Safe Motherhood Project identified the need to harmonize outcome and impact with investment while setting reasonable expectations. The design has to take into account the context, equity, and geographic location; and provide health system support with existing structures and the local bureaucracy by, for example, making effective inter-local health zones and working with provincial and municipal health officers. There should also be a strong project management office headed by a senior DOH official.

6. **Integrated Community Health Project.** The Integrated Community Health Project showed that decentralization can attain better health outcomes if LGUs coordinate with one another. It requires to have strong commitment from local chief executives. There has to be an enabling policy framework to recruit and retain qualified provincial staff. Health management systems are essential to the delivery of health services. Adequate resources have to be allocated at the DOH and other central agencies to monitor and support the operation and maintenance of LGU investments in a sustainable way. DOH and the PHIC also need to assist the LGUs integrate financing schemes to rationalize subsidies and maximize benefits.

7. **Summary of lessons learned.** In sum, the design of future ADB support for health should ensure that institutional arrangements are appropriate in the country's multilevel governance structure for service delivery, particularly for health. It should identify risks and mitigation measures, collect and monitor indicators, and measure performance. It must pursue effectiveness, efficiency, and equity in the health system during design and implementation. As affirmed by initial lessons observed from ADB's past assistance and the recently approved PHI CARES, HEAL and HEAL2 under the APVAX support, the proposed program needs to take into account previous attempts in health sector reforms, the need to work with decentralized health systems, and the crucial role of technically strong DOH, PHIC and LGU health staff. There is a need for strong information management systems to enable monitoring performance and in engaging with different stakeholders. A whole of government and whole of society approaches should be used in designing and implementing policy interventions that will support and promote UHC.