Financing for Cervical Cancer Elimination in the Philippines

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AUTHORS
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There are many health system drivers that influence a country’s ability to implement an effective strategy for reducing cervical cancer incidence; financing is a major contributor to how well—or how poorly—a national program performs. To better understand how financing impacts cervical cancer programs, the Union for International Cancer Control engaged ThinkWell to conduct reviews of cervical cancer financing in four countries being supported to intensify cervical cancer elimination. These profiles reflect data and insights provided by local and national stakeholders, including government, civil society, clinical, multilateral, and nongovernmental organizations, ranging from five to twelve interviews per country.

Cancer is a significant public health concern in the Philippines. According to the World Health Organization’s (WHO) International Agency for Research on Cancer, in 2020, there were over 130,000 new cases of cancer, with the risk of developing cancer before age 75—regardless of gender—averaging around 16.5% (WHO March 2021). Cervical cancer is the second most common cancer diagnosis among women after breast cancer, accounting for 9.1% of new cases in 2020 (WHO March 2021). Different from other cancers, cervical cancer is preventable when detected early. Per a recently published WHO profile on cervical cancer in the Philippines, fewer than one in ten women have been screened for cervical cancer in the last five years, a worrisome statistic given the high incidence rate; the burden may be much higher than official statistics are capturing (WHO November 2021).

The following profile provides a brief contextual overview of the policy, economic, and systemic factors that impact the overall health system and its financing, and then progresses into a more detailed discussion of how financing impacts access to cervical cancer prevention care and treatment services in the Philippines. The profile concludes with a brief set of potential policy options for stakeholders in the Philippines to consider as they collectively work towards improving and expanding access to lifesaving cervical cancer services.


The economy of the Philippines has been growing at a steady pace, averaging between 6% and 7% gross domestic product (GDP) annual growth between 2012-2019. While COVID-19 had a severe impact on growth in 2020, the economy is recovering, with the country posting a 5.6% GDP growth over 2021 (Philippine Statistics Authority 2022). Health expenditures in the Philippines have not kept pace with economic growth rates, although 2020 did show a 0.9 percentage point increase in health spending, as a percent of GDP (Figure 1). This increase is likely due to increased government spending on health to respond to the COVID-19 pandemic. Government spending on health care is much lower than the average for the region and for the lower-middle income average (Figure 2).

As shown in Figure 3, out-of-pocket (OOP) spending on health made up almost 49% of total expenditures in 2019, the same amount as is spent by the Government of the Philippines. While the ratio of government spending to OOP has become slightly more balanced in recent years, even a 45%-level of OOP spending is a signal that many Filipinos would likely face severe financial hardship in the event of a catastrophic illness, potentially forcing them to delay treatment or avoid even relatively low-cost health services due to financial access barriers. As will be discussed in subsequent sections, the reliance on OOP creates substantial challenges for accessing screening and timely treatment for cancer including cervical cancer.

The Philippines has prioritized achieving universal health coverage (UHC); around 98% of the population is considered “covered” under the National Health Insurance Program (NHIP). This fund is managed by the Philippine Health Insurance Corporation (PhilHealth). PhilHealth benefits primarily cover inpatient services, and the program pays for a portion of consultation fees, laboratory tests, and other medical costs. It has four major benefits packages, namely: inpatient benefits, outpatient benefits (e.g., primary care and outpatient surgery), 2), and SDG-related benefits; however, these benefits are not necessarily covered in full. The UHC Law signed in 2019 prioritizes the provision of a more comprehensive outpatient benefit package for all Filipinos, thus broadening coverage and access to more preventive health services. A 2018 review of the Philippines health system indicated “that PhilHealth can reimburse only 30-60% of hospitalization costs, leaving
In many respects, the current policy environment for action on cancer in the Philippines is strong. The NICCA has mandated the establishment of a national Philippine Cancer Center, a National Cancer Assistance Fund, and a National Integrated Cancer Control Council. Civil society organizations are represented on the National Integrated Cancer Control Council, and, alongside patient advocacy groups, are also very active in influencing the policy dialogue on cancer at the highest levels of government; many of these organizations contributed perspectives and insights used in this report. Under the specifications of the NICCA, the DOH will fund implementation; however, limited funding was allocated in 2020, the first year of implementation. The resulting impact was an effective reduction in the total budget for non-communicable diseases, which led to lower funding for existing cancer assistance programs for breast and cervical cancer in that same year.

In 2021, the Congress of the Philippines set aside PHP 756 million for the NICCA. Thus, while the legal groundwork has been laid, the implementation and financing arrangements for these new institutions and entities have not yet been clarified and institutionalized, particularly in terms of how they will directly or indirectly impact access to cervical cancer. To support advocates and policymakers in ensuring that resources can be mobilized and dedicated to accelerating elimination of cervical cancer, a more targeted and specific approach to understanding cervical cancer financing is needed. The next section of this profile aims to meet that need.

Mapping The Flow of Funds for Cervical Cancer Services in the Philippines

The flow of funds (Figure 4) for cervical cancer services, including screening and treatment for precancerous lesions, is a conceptualization of the sources of funds, how those funds are organized or “pooled,” what services are purchased and by whom, and how these funding arrangements manifest across the categories of “costs” (or activities) that are necessary for delivering a comprehensive cervical cancer elimination strategy. The fund flow map provides a visual representation of how funds are mobilized, which entities manage the funds, and where the funds ultimately arrive in terms of cost categories. As with the other country profiles in this series, the fund flow map for the Philippines does not seek to quantify the magnitude of funding, but rather shows how the organization of resources—or in some cases disorganization—influences a country’s ability to sufficiently fund and implement an effective cervical cancer elimination strategy. We have also excluded external aid as a significant source of financing for secondary prevention services. Donor support only makes up around 0.41% of current health expenditures in the Philippines. The funding flow in Figure 4 is described in greater detail below.

Figure 4. Fund Flow Map for Cervical Cancer Services in the Philippines

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As noted in the recently published WHO Cervical Cancer Profile, while the Philippines does have a national screening program and does include HPV vaccine in the national immunization program, access to these services is very low, with only 5% of eligible girls receiving their final HPV dose and only one in ten women (on average) being screened for cervical cancer in the preceding five years (WHO November 2021). Stakeholders interviewed (Box 1) for this profile noted that in addition to an overall lack of sufficient financing for cervical cancer, referral pathways are inconsistent or broken, health providers lack information and training about cervical cancer screening, and treatment protocols for precancerous lesions, and there is a reliance on doctors to provide diagnosis (colposcopy and cervical biopsy) and treatment (cryotherapy and thermal ablation), which restricts access for populations who need care but are not able to access higher levels of treatment due to a lack of resources or geographic barriers. A deep review of the service delivery challenges associated with cervical cancer is beyond the scope of this profile; however, from the stakeholders interviewed and based on the WHO profile, equitable access to care is a major challenge in the Philippines.

Box 1. Perspectives on Cervical Cancer Services

“A comprehensive cervical cancer care program should be in line with people-centered and life-course approach. Ideally, people should have access to HPV vaccination, cervical cancer screening and treatment for pre-cancerous lesions, cancer treatment and palliative care. However, PhilHealth and 2-benefit package merely focus on cancer screening and cancer treatment. This may miss the opportunity to provide primary preventative care (HPV vaccination) to young girls and timely treatment, such as cryotherapy and thermal ablation, to people living with pre-cancerous lesions. This not only raises medical ethical concern but also increases individual anxiety and uncertainty.”

Source: Stakeholder interview (Philippines Department of Health), 2021

In 2019, according to PhilHealth claims data, expenditures on neoplasms ranked between 12th and 13th out of 26 disease-specific expenditures, totalling around PHP 18.3 billion (US$359,100,680.00) (Philippine Statistics Authority 2020). Cancer medicines accounted for a sizable proportion, as an estimated 55% of total public health expenditures on cancer are spent on medicines (Philippine Statistics Authority 2020). PhilHealth covers cancer care and treatment under a defined package of benefits known as 2-Benefits; however, as already noted, full coverage is not offered, and thus many Filipinos self-finance a large proportion of cancer treatment. Cancer is now the second leading cause of death in the Philippines (DOH 2016; DOH 2017). Prior to 2016, cancer was the third leading cause of death, outranked by vascular diseases (second) and ischemic heart disease (first) (DOH April 2015). The Department of Health (DOH) National Integrated Cancer Control Strategic Plan 2021-2030 was developed after the National Integrated Cancer Control Act (NICCA) was passed and is a step toward cancer elimination (Pharmaceutical and Healthcare Association of the Philippines 2022). One of the plan’s core elements was the introduction of the 2-Benefit Package and the recommendation that the DOH provide cervical cancer screening, treatment for precancerous lesions, and HPV vaccination programs. In 2021, the Congress of the Philippines set aside a total of PHP 756 million—PHP560 million for the Philippine CancerControl Program, PHP 136 million for regular allocation under the NICCA, PHP 120 million for the Cancer Assistance Package and the recommendation that the DOH provide HPV vaccination programs. In 2021, the DOH will fund implementation; however, limited funding was allocated in 2020, the first year of implementation. The resulting impact was an effective reduction in the total budget for non-communicable diseases, which led to lower funding for existing cancer assistance programs for breast and cervical cancer in that same year.

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The Mandanas Ruling

The Mandanas Ruling refers to the Supreme Court decision in favor of two separate petitions by former Congressman (now Governor) Hermilando Mandanas and Congressman Enrique Garcia, Jr effectively mandating that the LGUs will receive 40% of the National Internal Revenue Taxes and the amounts are based on national taxes collected on the fiscal year three years prior to the current year. This will effectively increase the National Tax Allotment (formerly Internal Revenue Allotment) to the LGUs by around 27%; however, there is currently no guideline in terms of a specific percentage of this to be earmarked for health within the LGUs.

Sources

3 The 2019 UHC law specifies that 50% of the national government share of PAGCOR (Philippine Amusement and Gaming Corporation) income and 40% of the Philippine Charity Sweepstakes Office (PCSO) earnings are to be allocated to support PhilHealth. These two separate funding sources will be merged by 2024.


5 The Local Government Code of 1991 (RA 7160) and 1992 decentralization gave and afforded LGUs full fiscal autonomy over health programming.

Pools & Purchasers

As illustrated in the fund flow map (Figure 4), national taxes are collected and pooled by the Department of Finance, and then allocated to the three main purchasing entities: PhilHealth, LGUs, and the DOH. For cervical cancer, each purchaser has a role to play; because of fragmentation in the financing and organization of service delivery, secondary prevention services are split among different actors and integrated care is non-existent. From a continuum-of-care standpoint, PhilHealth covers Pap smears and VIA under the current outpatient benefit package, and LGUs are responsible for providing HPV vaccination.

PhilHealth

PhilHealth pools premium contributions from different membership groups and deposits them in a single, unified pool called the NHIP (or Fund). For the UHC Law of 2019, any Filipino not previously enrolled in the NHIP became immediately eligible and thus from a UHC standpoint, the Philippines has achieved 100% coverage (Philippine Health Insurance Corporation 2021). Contributing members pay an individual premium and formal sector employers provide a contribution on behalf of their employees. Non-contributing members’ premiums, or indirect contributors or those financially not capable of paying premiums, are subsidized by the national government. Premiums for indirect contributors are also supported by sin tax revenues.

In terms of cervical cancer services, PhilHealth covers visual inspection with acetic acid and Pap smear (cystology-based screening) for women between 25-55 years of age under the current outpatient benefits, primary care, and Konsulta (telehealth service) package, and coverage of the HPV vaccine was approved for adults to be provided on a reimbursement basis in 2021, though this coverage has yet to be carried out (Mercado 2021). Treatment for precancerous lesions, such as cryotherapy and thermal ablation, is not yet included in the package. As of 2020, PhilHealth announced that it would be covering a more comprehensive set of primary health care benefits, although there has been some indication that this could potentially be delayed given the continued challenges created by the COVID-19 pandemic. For confirmed cancer cases, PhilHealth covers cervical cancer treatment under the Z-Benefit Package. The Z-Benefit Package was designed to cover diseases that could be potentially catastrophic from a health and financial standpoint; for cancer, coverage includes costs associated with inpatient care for six types: breast, cervical, colon, rectum, prostate, and leukemia.

Local Government Units (LGUs)

While LGUs have fiscal autonomy over health programming since 1991, capacity to design, implement, oversee, and improve health programs and essential health service delivery is highly variable and contingent upon many factors, from financial management capacity and human resources to supply chain challenges and availability of funds. As the fund flow map shows, LGUs are involved in every cost category across the cervical cancer continuum. LGUs manage their own hospitals and primary care facilities and all services—including screening and treatment services—are available free-of-charge, at least on paper, but quality is highly determined by local resource availability and capacity, and lack of funds are often cited as a barrier to care (Imoto, Honda, and Clark 2020). The highly variable capacity across LGUs leads to inequities in access and uneven quality of care. It is expected that additional government funds allocated to LGUs will contribute to addressing health inequity, in part because of the Mandanas ruling. Going forward, however, policy mandates that earmark government resources for health in LGUs will be vital. Devolution was intended to align resources more closely to local needs and priorities, yet one study of local decision making noted that local health authorities budget requests were often overridden by higher-level officials’ priorities, and that health decisions were often made based not on data or public health evidence but rather political preferences or priorities (Luwang and Wynn 2020).

Department of Health

The DOH is responsible for setting national health priorities and for supporting LGUs through the transfer of financial resources and reciprocal support such as human resources, drugs, and medical supplies (Dayrit et al. 2018). The DOH coordinates the National Immunization Program and promotes school-based HPV immunization (DOH n.d.).
What are the Key Cervical Cancer Financing Challenges in the Philippines?

As a decentralized system, the health financing architecture in the Philippines leads to fragmented fund flow, where sources of funds are pooled through multiple entities and where limited financial and management capacity at lower levels directly impacts the availability of goods and services needed to provide effective coverage. Per the recommended life-course approach to cervical cancer interventions provided by the WHO Global Strategy (Figure 4), stakeholders called out that the lack of overall coordination contributes to poor budget formulation and allocation for health priorities, both at the national and local level, leading to inequities in access and inefficiency in utilization of resources, which impacts access to cervical cancer services along with other essential health services. Stakeholders also noted that PhilHealth coverage tends to focus on curative care, particularly the HPV vaccination program, may not be aware that treatment of a pre-cancerous lesion can avert disease progression. For example, they may know about cervical cancer screening, but they may not be aware that treatment of a pre-cancerous lesion can avert disease progression.

Confirmed in both the published literature and through interviews with key stakeholders, with different levels of the health system being responsible for different components of cervical cancer elimination strategies, there is no integrated or dedicated funding stream to support cervical cancer specific activities. This situation is not unique to the Philippines, and verticalized funding for cervical cancer services proves less than ideal. As quoted in the Economist Intelligence Unit report, Filip Meheus, health economist for the International Agency for Research on Cancer stated: “Any funding source for cancer should be evaluated in terms of revenue-generating potential and how it affects the guiding principles of UHC.” Jones (2021).

In terms of whether cervical cancer is prioritized by the Government of the Philippines, stakeholders called out a lack of awareness and understanding of cervical cancer elimination strategies among decision-makers. While cancer has ascended as a national priority, evidenced by the NICCA and the recent allocation of funding to support cancer programs, the relative status of cervical cancer as a priority is less clear. Stakeholders indicated that there is inconsistency across key decision-makers in terms of understanding of cervical cancer as a public health problem overall. Per a representative of the Cervical Cancer Prevention Network of the Philippines, “not all of decision-makers have strong cervical cancer prevention knowledge. For example, they may know about cervical cancer screening, but they may not be aware that treatment of a pre-cancerous lesion can avert disease progression.”

There is an overall lack of policy engagement in terms of developing a sustainable cervical cancer program; according to a representative from the Cancer Warriors Foundation, “… a sustainable cervical cancer program needs a strategy, an implementation plan, and a budget. Currently the government does not have a group of experts to work on preparing these initiatives.” Thus, to more sufficiently and sustainably fund the cost-effective interventions that are critical to cervical cancer elimination, cervical cancer elimination needs to be elevated as a national priority and the investment case strengthened in order to secure sustained policy and funding support.

Cervical cancer can be eliminated as a public health problem in the Philippines; with a decentralized health system, the proposed policy actions that follow have financing implications that impact the different agents within the system: LGUs, the DOH, and PhilHealth. As each of these agents is accountable for different elements of the cervical cancer elimination continuum, we have tried to organize the policy actions accordingly. Further, as shown in Figure 7, the policy actions work across the different elements of financing functions within the overall health system, and can be considered as both a set of individual actions or as a portfolio that could be taken together to advance broad-based improvements in the overall financing picture for cervical cancer elimination.

Stronger integration of cervical cancer preventative care, particularly the HPV vaccination program, may also help to close coverage gaps. In a comparative analysis of HPV vaccination programs in the Asia-Pacific Region, researchers found the following: “...[countries] in the scale up group were more likely to have their [HPV] implementation strategy in the National Cancer Control Program. This may suggest that to scale up HPV vaccination, at least in the future, it should not be only part of the immunization plan or stand-alone cervical cancer control plan, but also made an integral part of the broader cancer control agenda and deployed with in the strategic national cervical cancer prevention” (Nouvase et al. 2021: 1335).
Notably, at the time of the publication of the comparative analysis in November 2021, the study authors categorized Philippines as a “delivery group” given that there is no nationwide HPV program (48 provinces out of 81 total, as of 2021) and that coverage was low even within provinces where the HPV vaccine is being rolled out. As the stakeholders mentioned repeatedly, there are many potential entry points for cervical cancer to be more deeply integrated into other priorities—from gender empowerment to breast cancer support to sexual health and family planning services. Demonstrating the multiplier effect of a strong cervical cancer elimination strategy would help to crowd in resources from other priorities in the health sector, and potentially from outside of it as well.

Policy Action 1. Ensure that the health sector benefits from strong overall economic growth. The Philippines is currently on an economic growth trajectory that could feasibly create additional fiscal space for increased spending on health, should policymakers choose to allocate such resources. This economic growth could be driven by recent signals that cancer could attract more funding and attention, and there are positive signs that increased resources for cervical cancer are secured, even through an overall increase in health system resources or through other channels, the challenge will be to ensure that access to proven and cost-effective strategies increases. Cervical cancer advocates have an important role to play in maintaining pressure on government decision-makers to maintain support and allocate resources to health providers to increase outreach and education efforts among eligible populations, particularly vulnerable and hard-to-reach women and girls.

Policy Action 2. Increase and optimize the government’s share of funds for the health system at all levels. The Philippines underinvests in health relative to other countries in the region with similar income levels. Though government health spending increased last year, the overall investment has not reached the levels needed to achieve effective UHC. The pervasively high rates of OOP are a clear indication that the health system over-relies on individuals and households to pay for care. Only around 40% of overall cancer care is publicly funded in the Philippines, and patients often end up self-financing a sizable proportion of their own treatment. Even for low-cost of free services, like HPV screening, lack of money to access screening services was cited as the primary barrier among a study of rural women (Imoto, Honda, and Clark 2020). If advocates at all levels, in particular, at the local level can keep the pressure on government decision-makers to maintain support and allocate resources to health providers to increase outreach and education efforts among eligible populations, particularly vulnerable and hard-to-reach women and girls.

Policy Action 3. Ensure adequate financing to meet mandates of DOH on cervical cancer preventative care. The DOH has endorsed universal screening and HPV vaccination for girls 9-11 since 2015 (DOH April 2015, DOH August 2015). Both strategies have been shown to be cost-effective, but uptake is low (Guerrero et al. 2015). These low coverage rates mean that realization of the health and economic returns on investment is not being achieved, and therefore value for money is not being demonstrated. If new resources for cervical cancer are secured, either through an overall increase in health system resources or through other channels, the challenge will be to ensure that access to proven and cost-effective strategies increases. Cervical cancer advocates have an important role to play in maintaining pressure on government decision-makers to maintain support and allocate resources to health providers to increase outreach and education efforts among eligible populations, particularly vulnerable and hard-to-reach women and girls.

Policy Action 4. Elevate and integrate cervical cancer elimination into primary health care and cancer control agendas. The Philippines has only recently begun to bring forward strategies (Box 3) aimed at cervical cancer care, but the Philippines has yet to be fully

Policy Action 5. Call upon PhilHealth and the Philippines DOH to organize financing to address cervical cancer through a more integrated, people-centered approach and to delivering comprehensive cervical cancer prevention and care services across the life course. Even if a national HPV vaccination strategy was launched at scale, there would still be a need for screening and treatment of pre-cancerous lesions among women who have not received the vaccine, and for treatment of invasive cancer if detected. With each of these services being financed and delivered by different actors and funders in the system, it is not surprising that there are drop-offs and breakdowns in care delivery. Just as PhilHealth has prioritized maternal and newborn care, tuberculosis, or HIV by covering services as “packages,” the development of a dedicated cervical cancer package that covers screening, early treatment, and referral costs could be added either as a set of benefits under outpatient benefits or as an extension of the 2-Benefits Package. Recent experience with a more comprehensive set of services covered under 2-Benefits for rectal and colon cancer demonstrates that there is appetite from PhilHealth to expand and adapt coverage as population health needs and demands evolve, and when cost-effectiveness can be demonstrated (Ting et al. 2020). Cervical cancer and patient advocacy groups can continue to build the case for inclusion of a comprehensive set of cost-effective benefits that can be part of the financing solution for accelerating towards the WHO 90-70-90 targets.6

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6 The WHO’s Global Strategy to Accelerate the Elimination of Cervical Cancer as a Public Health Problem calls for 90% of girls to be fully vaccinated with HPV vaccine by age 15; 70% of eligible women to have screened for cervical cancer; and 90% of all curable cases to be treated. The strategy was launched in 2018 and aims to eliminate cervical cancer as a public health problem by 2030.
Cervical cancer can be eliminated as public health problem in the Philippines, and sufficient and well-targeted financing can support countries to accelerate the country’s progress in reaching the WHO 90-70-90 targets. A key objective of the UHC Law is to ensure that financing promotes service integration, which could open new opportunities at the policy level for consideration of integrated service delivery across the cervical cancer service continuum. These channels could influence how services could be paid for by PhilHealth concordant with the life-stage approach that the cervical cancer service continuum. These channels could influence how services could be paid for by PhilHealth concordant with the life-stage approach that the cervical cancer service continuum.

This study has important limitations. For one, as the financing and delivery of services for cervical cancer spans multiple levels and financing entities within the Philippine health system, it is challenging to quantify cervical cancer financing by agent. This is not unique to cervical cancer; as a decentralized system with devolved funding arrangements, screening, and other preventive services—like demand generation and outreach—are often the responsibility of the local level, while higher-level and referral care is the responsibility of provincial or central authorities. Disease-specific expenditure data are not always prioritized by national statistical agencies; for instance, while the Philippines does have robust and centralized data and expenditure tracking systems, it does not collect or report expenditure data on cervical cancer services. Direct costs of or expenditures related to provision of these services are not routinely collected or reported in the Philippines. Understanding how public commitments will impact cervical cancer services will require deeper analysis on what is currently spent on cervical cancer and how much an optimal cervical cancer elimination strategy would cost.

CONCLUSIONS

LIMITATIONS

REFERENCES


