

# A Philippine team for health and wellness

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About 10 years ago, patients from this region traveled to the United States and Europe for quality health care and treatment. Today, the tide has turned. Asia is now a major destination for those who seek value for money and high quality health care services.

The Philippines is not new in the health and wellness (H&W) market. Some local hospitals and clinics have been treating foreign patients and balikbayans (Filipinos returning from overseas) for decades. The volume may be relatively small in comparison with those of our neighbors, but we have a strategic value proposition that is difficult to match—the reputation of our competent and caring health professionals. There is such a huge preference for Filipino health workers globally. Let's entice the market to experience compassionate and culturally sensitive, high and tender loving quality health care by Filipinos right here in our homeland.

The global H&W industry is estimated to be more than \$40 billion and expected to rise to \$100 billion by 2012. Competition is intense, but good for the clusters of inter-connected H&W stakeholders—full hospital care, specialty clinics, wellness centers and retirement care. Global competition has driven hospitals to invest in facilities, processes and people. Their local and foreign patient base has expanded as a result of improved services and better image.

Competition continues to nurture excellence within and among these clusters. But for our country and people to generate and enjoy the benefits of investments, value added, multiplier effects, and employment opportunities, a public-private partnership (PPP) approach must be taken and implemented seriously. It is only through the convergence of interests of the public and private sectors that the interlinking between the supply and market chains of the H&W clusters will be achieved.

Beyond its support in enticing customers and facilitating travel, such a partnership must now push for the full convergence of its forces and resources in addressing some key issues. The wellness concept is not yet very appreciated in our society. There is still lack of alignment among national and local policies. Wellness centers continue to be categorized as sauna baths and massage clinics under the Sanitation Code, which does not allow raising employee image in this sector. International air carriers are disincentivized to enhance connectivity and pursue long-term plans due to the higher costs of doing business (e.g., airport-related and air transport taxes). Our transport and tourism infrastructure have barely improved. The low priority for R & D is evidenced in our inability to commercially produce a variety of spa wellness products given our resource diversity. We lack a critical mass of local government units with existing clusters that provide special investment promotions and service facilitation units that would incentivize investors and enterprises. Hence, the low ranking of the Philippines among the countries that compete for this burgeoning market.

Collaboration on a PPP basis will help address issues such as accreditation, equity, insurance portability and human resource development. In medical tourism, should providers be internationally accredited to become globally competitive? Yes. It's a signal of our commitment to quality. It facilitates attracting clients of medical insurance firms. Should local facilities be required to secure Joint Commission International accreditation to qualify for fiscal incentives and inclusion in promotions? No. There are other organizations outside the United States (e.g., Accreditation Canada) that perform a similar role; and in our region, a number of public health care systems are granted international accreditation. Our goal is two-fold: to seek international recognition and accreditation of our local system (e.g., Philhealth) by the International Society for Quality in Health Care and to effectively communicate the high quality care by accredited providers. I understand that accreditation bodies such as Accreditation Canada can assist local accreditation bodies.

Some facilities and providers already have their own programs—monthly medical missions, subsidies to charity patients—to address equity. But government and its private partners should involve, develop and engage low income communities as direct providers or outsourced groups at various parts of the supply to market chain. A PPP approach can tap public and private financial institutions to fund projects that are backed up by purchase orders from H&W businesses and their support or related industries. Government must clearly delineate the responsibilities and mandate of its agencies to gain support from the private sector. Cross-border H&W is not the solution to our local health woes nor should it be rejected due to possible risks. Risk recognition and mitigation are essential elements to make the programs sustainable.

Election time is around the corner. Despite the changing of the guard, we need to continue with the successful initiatives and to unite fragmented programs.

The Health and Wellness Task Force under EO 372 should continue, on a PPP approach, to define the policies and monitor implementation. Moving forward, we can consider various models like Singapore Medicine, but my bias is for private sector rather than government to drive and lead this growth engine, although government must provide the policy environment to ensure private sector growth.