



Republic of the Philippines  
Department of Health  
**OFFICE OF THE SECRETARY**

APR 30 2021

**ADMINISTRATIVE ORDER**  
No. 2021 - 0032

**SUBJECT: Implementation of the Philippine Health Facility Development Plan (PHFDP)**

**I. RATIONALE**

The Universal Health Care Act (UHC) of 2019, or the Republic Act No. 11223, envisions equitable access to quality and affordable health care for all Filipinos. To ensure that health infrastructure inputs are available and appropriate to deliver the necessary health services and goods, the Department of Health (DOH) developed the Philippine Health Facility Development Plan (PHFDP), which articulates the required investments for responsive, equitable, and resilient health facilities. The PHFDP, as disseminated through Department Circular No. 2020-0412, is a macro plan of health infrastructure and equipment that is intended to guide implementers and ensure that investments are evidence-based.

The PHFDP followed a needs-based approach that accounts for the future burden of disease in projecting the needed health facilities in the country. It is anchored in a primary care-oriented and integrated healthcare system as envisioned by the UHC Act. To estimate the demand for health infrastructure, the PHFDP used Resource-Stratified Frameworks (RSF), projections of diseases accounting for majority of the country's Disability-Adjusted Life Years (DALYs), disease models and probability trees, and geo-spatial analyses. An electronic copy of the PHFDP is accessible through [bit.ly/PHFDP2020\\_2040](http://bit.ly/PHFDP2020_2040).

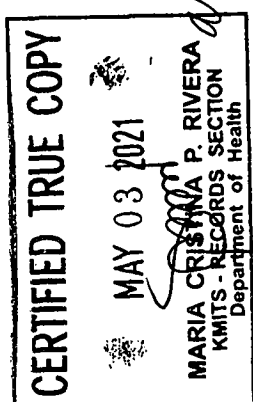
In order to realize the vision of UHC for the country, all stakeholders must be aligned in a single health facility development plan. Moreover, a complementary masterplan for Human Resources for Health and sustained public and private financing is critical to the Plan's success.

**II. OBJECTIVE**

This Order provides guidelines for the implementation of the PHFDP and its adoption by relevant stakeholders.

**III. SCOPE OF APPLICATION**

This Order applies to DOH offices, Centers for Health Development (CHDs), Philippine Health Insurance Corporation (PhilHealth) and other attached agencies, Ministry of Health - Bangsamoro Autonomous Region In Muslim Mindanao (BARMM), pursuant to the provisions of Republic Act (RA) No. 11054 or the Organic Law for BARMM and subsequent laws and issuances, Local Government Units (LGUs),



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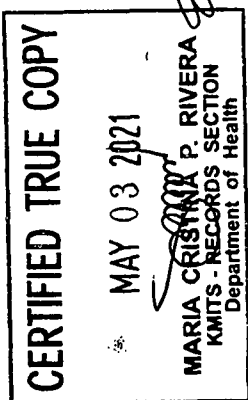
all public and private health facilities, external development partners, and other relevant stakeholders involved in the implementation of PHFDP.

#### IV. DEFINITION OF TERMS

- A. **Health Facility Profiling** - refers to an annual profiling of health facilities, including their service capabilities, human resources, and equipment.
- B. **Health Care Provider Network (HCPN)** - refers to a group of primary to tertiary care providers, whether public or private, offering people-centered and comprehensive care in an integrated and coordinated manner with the primary care provider acting as the navigator and coordinator of health care within the network (UHC Act, 2019).
- C. **Primary Care Facilities (PCF)** - refers to a private or a public institution that primarily delivers primary care services which shall be licensed or registered by the DOH. It refers to the Rural Health Units (RHUs), Health Centers (HCs), and Medical Outpatient Clinics with the service capability prescribed by Administrative Order (AO) No. 2020-0047, "*Rules and Regulations Governing the Licensure of Primary Care Facilities in the Philippines*".
- D. **Specialty Centers** - refers to a unit or department in a hospital that offers highly specialized care addressing particular conditions and/ or providing specific procedures and management of cases requiring specialized training and/ or equipment (AO No. 2020-0019, "*Guidelines on the Service Delivery Design of Health Care Provider Networks*", Department Order No. 2021-0001, "*Designation of Selected DOH Hospitals as Specialty Centers*").
- E. **National Allocation Framework** - refers to a strategic framework that objectively guides resource allocation for LGUs based on their capacity and the calculated gaps in health infrastructure.
- F. **Climate-Resilient Health Facility** - refers to a health facility that can withstand disasters such as earthquakes and typhoons and has the following features that remain functional: (1) structural and non-structural components, (2) energy source, and (3) water, sanitation and chemical waste management (World Health Organization, 2020).

#### V. GENERAL GUIDELINES

- A. In line with the goal to build HCPNs by 2025, LGUs shall establish priority health infrastructure to include PCF, hospitals and equipment based on the calculated demand in their area with the aid of the Special Health Fund as stated in DOH - Department of Budget and Management (DBM) - Department of Finance (DOF) - Department of Interior and Local Government (DILG) - PhilHealth Joint Memorandum Circular No. 2021-0001, "*Guidelines on the Allocation, Utilization, and Monitoring of, and Accountability for, the Special Health Fund (SHF)*", subject further to guidelines on full devolution in light of the Mandanas Ruling.



- B. All LGUs with guidance from CHDs shall adopt the PHFDP in their respective Local Investment Plans for Health (LIPH).
- C. Local and National Government shall endeavor to engage private entities to help in building health infrastructure needed by the country.
- D. The DOH shall endeavor to ensure sustained financing to develop identified special facilities, namely, DOH Specialty Centers, Specialized Laboratory Network, Blood Service Facilities, and Drug and Abuse Treatment and Rehabilitation Centers (DATRC), in accordance with guidelines on full devolution in light of the Mandanas Ruling.
- E. The DOH shall determine its funding support for LGU health infrastructure and equipment based on the National Allocation Framework.
- F. The national and local government shall establish new health facilities and improve existing health facilities following the principles and standards of a safe, sustainable and climate-resilient health infrastructure.
- G. The implementation of the PHFDP shall be monitored annually, and the recommendations of the Plan shall be reviewed and updated every five (5) years or as the need arises.

**VI. SPECIFIC GUIDELINES**

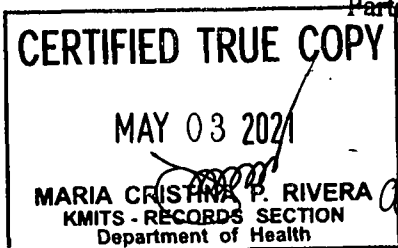
**A. Demand for Priority Health Facilities**

National and local investments for priority health infrastructure shall be guided by the following factors:

- 1. Burden of disease particularly non-communicable diseases (NCDs) and infectious diseases and the demand for outpatient visits and inpatient bed-days;
- 2. Accessibility to PCF, which includes Rural Health Units/ Health Centers (RHU/ HC), within thirty (30) minutes of travel time; and
- 3. Demand for Level 1, 2, and 3 hospitals, especially in areas that remain to have poor access.

**B. Localization of the PHFDP**

- 1. All LGUs shall align their respective LIPH with the targets and priorities of the PHFDP.
- 2. All CHDs shall craft their Regional Health Facility Development Plan (RHFDPP) based on the PHFDP to provide guidance in the planning activities of LGUs.
- 3. The LGUs shall consider the necessary complementary Human Resources for Health (HRH) in accordance with the HRH Master Plan, in the establishment of health infrastructure.
- 4. LGUs shall identify the suitable source of financing such as but not limited to local tax revenues, share of national taxes, loans, SHF, and Public-Private Partnerships (PPP) for their priority health infrastructure investments.



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### C. Private Sector Engagement

1. National and local governments shall encourage private entities to help in building health infrastructure and forming HCPNs through strategies such as but not limited to the following:
  - i. Use of Tax exemptions and incentives such as the Board of Investment tax holidays and duty-free importation of equipment;
  - ii. Creation of attractive financing scheme in PhilHealth reimbursements to promote equity in areas with high gap; and
  - iii. Provision of subsidies, financial grants, and non-financial assistance to encourage building of priority infrastructure.

### D. Required Investment for Special Health Facilities

The DOH shall finance and prioritize the establishment, upgrading, and/or equipping of the following identified government-run special health facilities to complement primary care and hospital-based general health services:

1. Specialty Centers for sixteen (16) specialties: Brain and Spine Care, Burn Care, Cancer Care, Cardiovascular Care, Dermatology Care, Eye Care, Geriatric Care, Infectious Disease and Tropical Medicine, Lung Care, Mental Health, Neonatal Care, Orthopedic Care, Physical Rehabilitation Medicine, Renal Care and Kidney Transplant, Toxicology, and Trauma Care;
  - a. Identified DOH Hospitals shall establish National Specialty Centers, Advanced Comprehensive Specialty Centers and Basic Comprehensive Specialty Centers for each of the specialties by 2025 in accordance with the Department Order No. 2021-0001, "*Designation of Selected DOH Hospitals as Specialty Centers*".
2. Facilities in the Specialized Laboratory Network including the National and Sub-national Reference Laboratories; and
3. Blood Service Facilities and DATRCs in the national, subnational, and regional levels.

### E. National Allocation Framework

1. The DOH shall determine its investment in health infrastructure following the National Allocation Framework. To promote equity, a higher allocation shall be given to low capacity compared to high capacity areas, and high gaps compared to low gaps.
2. LGUs shall be categorized based on capacity parameters such as resources of the local government, presence of Geographically Isolated and Disadvantaged Areas (GIDA) as classified by the DOH, and the level of household income. The four (4) categories are the following:
  - a. Category 1: Low Capacity and High Gap;
  - b. Category 2: Low Capacity and Low Gap;
  - c. Category 3: High Capacity and High Gap; and
  - d. Category 4: High Capacity and Low Gap.
3. The funding support from the DOH shall be guided by the following for each health facility and equipment:

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MAY 03 2021

MARIA CRISTINA P. RIVERA  
KMITS - RECORDS SECTION  
Department of Health

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Health Facility Type	Category 1	Category 2	Category 3	Category 4
Primary Care Facilities	50%	No gap	50%	No gap
Level 1-2 hospitals	100%	100%	50%	25%
Level 3 hospitals	100%	50%	25%	-
Medical Equipment	100%	50%	25%	-

#### F. Climate-Resilient Health Facilities

In the establishment of new and improvement of existing health facilities, the DOH and LGUs shall:

1. Follow the standards and principles of a safe, sustainable and resilient health infrastructure in the PHFDP; and
2. Include the additional cost to add protective measures needed to withstand identified risks due to natural or environmental hazards which will depend on the context, building location, and hazards present in the area.

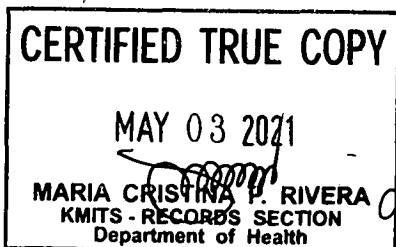
#### G. Monitoring and Evaluation

1. The implementation of the PHFDP shall be monitored annually through the conduct of a Health Facility Profiling, which will track the supply of priority health facilities and determine the remaining gaps.
2. The Health Facility Profiling will be conducted by the DOH Health Facility Development Bureau and the Knowledge Management and Information Technology Service in partnership with CHDs.
3. The PHFDP shall be reviewed and updated every five (5) years or as the need arises.

### VII. ROLES AND RESPONSIBILITIES

#### A. Health Facility Development Bureau (HFDB)

1. Provide technical assistance and capacity building to CHDs and health facilities in the implementation of the PHFDP
2. Release annual reports, monitor the implementation of the plan, and provide necessary recommendations;
3. Advocate the adoption of the PHFDP to relevant stakeholders and external development partners;
4. Conduct the Health Facility Profiling with the technical support of the Knowledge Management Information and Technology Service (KMITS); and
5. Evaluate and update the PHFDP every five (5) years or as needed.



**B. Health Facilities Enhancement Program (HFEP)**

1. Prioritize and monitor health infrastructure and equipment projects as set in the PHFDP; and
2. Utilize the strategic National Allocation Framework in prioritizing allocation among health facilities and LGUs.

**C. Health Human Resources Development Bureau (HHRDB)**

1. Publish an updated complementary Human Resource for Health (HRH) Plan that shall address the HRH concerns in the development of health facilities.

**D. Centers for Health Development (CHDs)**

1. Craft the Regional Health Facility Development Plan and cascade the PHFDP and priority infrastructure and equipment to their respective LGUs and health facilities;
2. Guide the respective LGUs in the crafting of their investment plans including private sector engagement to ensure the adoption of the PHFDP; and
3. Facilitate the conduct of the Health Facility Profiling in their respective regions.

**E. Philippine Health Insurance Corporation (PhilHealth)**

1. Develop provider payment schemes that are commensurate to the services provided by the health facility in the HCPN, in accordance with the UHC law.

**F. Local Government Units (LGUs)**

1. Align the respective Local Investment Plans for Health (LIPH) with the articulated priority health infrastructure and equipment of the PHFDP;
2. Regularly submit data to CHD for the Health Facility Profiling to monitor the supply of health facilities; and
3. Advocate for investment from the private sector in their jurisdiction to invest in filling the gaps in health facilities.

**G. Public Health Facilities**

1. Align the health facility development plans of hospitals and primary care facilities with the PHFDP; and
2. Submit information to the Health Facility Profiling to monitor the supply of health facilities.

**H. Private Health Facilities**

- A. Endeavor to align their development plans with the strategic goals of the PHFDP; and
- B. Submit information to the Health Facility Profiling to monitor the supply of health facilities.

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Department of Health

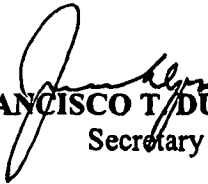
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**VIII. SEPARABILITY CLAUSE**

If any portion or provision of this order is held invalid or unconstitutional, the same shall not affect the validity and effectivity of the other provisions thereof.

**IX. EFFECTIVITY**

This order shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

  
**FRANCISCO T. DUQUE III, MD, MSc**  
Secretary of Health

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