



Department of Health

**2022**

**Sin Tax  
Annual  
Report**

**Prepared by:**

The Health Policy  
Development and  
Planning Bureau

# 2022 SIN TAX ANNUAL REPORT OF THE DEPARTMENT OF HEALTH



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## DEPARTMENT OF HEALTH 2022

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# LIST OF ACRONYMS

|        |   |
|--------|---|
| ART    | Antiretroviral Therapy                                      |
| BAR    | Budget Accountability Report                                |
| BARMM  | Bangsamoro Autonomous Region in Muslim Mindanao             |
| BIR    | Bureau of Internal Revenue                                  |
| BOC    | Bureau of Customs   |
| BOQ    | Bureau of Quarantine  |
| CHDs   | Centers for Health Development                              |
| CY     | Calendar Year   |
| DA     | Department of Agriculture                                   |
| DATRC  | Drug Abuse Treatment and Rehabilitation Center              |
| DBM    | Department of Budget and Management                         |
| DOF    | Department of Finance                                       |
| DOH    | Department of Health  |
| DPCB   | Disease Prevention and Control Bureau                       |
| DRRM-H | Disaster Risk Reduction Management for Health               |
| ECQ    | Enhanced Community Quarantine                               |
| FAP    | Foreign-Assisted Project                                    |
| FAR    | Financial Accomplishment Report                             |
| FDA    | Food and Drug Administration                                |
| FP     | Family Planning   |
| GAA    | General Appropriations Act                                  |
| GAS    | General Administration and Support                          |
| GCQ    | General Community Quarantine                                |
| HFEP   | Health Facilities Enhancement Program                       |
| HRH    | Human Resources for Health                                  |
| HTA    | Health Technology Assessment                                |
| HTP    | Heated Tobacco Products                                     |
| ICESDP | Integrated Comprehensive Essential Service Delivery Package |
| IRR    | Implementing Rules and Regulations                          |
| LF     | Lymphatic Filariasis  |
| LFP    | Locally-Funded Project                                      |
| LGU    | Local Government Unit                                       |
| LMIS   | Logistics Management Information System                     |
| MAIPP  | Medical Assistance to Indigent Patients Program             |
| NDRRMC | National Disaster Risk Reduction and Management Council     |

|            |   |
|------------|---|
| NEDA       | National Economic and Development Authority |
| NEQAS      | National External Quality Assurance Scheme  |
| NHIP       | National Health Insurance Program           |
| NRL        | National Reference Laboratories             |
| OSEC       | Office of the Secretary                     |
| P/A/P      | Program/Activity/Project                    |
| PHFDP      | Philippine Health Facility Development Plan |
| PhilHealth | Philippine Health Insurance Corporation     |
| PLHIV      | People Living with HIV                      |
| PNAC       | Philippine National AIDS Council            |
| PREXC      | Program Expenditure Classification          |
| PS         | Personnel Services                          |
| RA         | Republic Act                                |
| RLIP       | Retirement and Life Insurance Premiums      |
| SAGF       | Special Accounts in the General Fund        |
| SDG        | Sustainable Development Goals               |
| STO        | Support to Operations                       |
| TAS        | Transmission Assessment Survey              |
| TB         | Tuberculosis                                |
| UHC        | Universal Health Care                       |



# INTRODUCTION

The earmarking provisions as provided for in Republic Act (RA) No. 10351 or the “Sin Tax Reform Law of 2012” was amended and repealed by RA No. 11346, otherwise known as the “Tobacco Tax Law of 2019” and further repealed by RA No. 11467 or the “New Sin Tax Reform Law of 2020”, respectively. This affects the allocations earmarked for health from various sin products beginning CY 2022. The new sin tax laws mandate that the allocation for Universal Health Care (UHC) shall be based on the collection in the second fiscal year preceding the current fiscal year. Thus, the excise tax collections in 2020 shall be reserved and applied in the 2022 budget of the Department of Health (DOH) and the Philippine Health Insurance Corporation (PhilHealth) in the General Appropriations Act (GAA).

The year 2022 will be the first year of implementation of the new earmarking provisions for health which were collected from the excise taxes on alcohol products, tobacco products, heated tobacco products (HTPs) / vapor products, and sugar-sweetened beverages, as certified by the Department of Finance-Bureau of Internal Revenue (DOF-BIR) and the Bureau of Customs (BOC). Of the excise tax collections from the aforementioned sin products, funds are earmarked particularly to PhilHealth, for the implementation of RA No. 11223 or the “UHC Act”, medical assistance and the Health Facilities Enhancement Program (HFEP), and the attainment of the Sustainable Development Goals (SDG) as determined by the National Economic and Development Authority (NEDA).

This *ninth* annual report is in compliance with Section 11 of RA No. 11467, which requires identified national government agencies involved in the implementation of UHC to submit a detailed report on the expenditure of amounts that have been earmarked under the new sin tax laws by the first week of August every year, and likewise shall be published in the Official Gazette and agency website.

In the 2022 General Appropriations Act (GAA), the Department of Health – Office of the Secretary (DOH-OSEC) and PhilHealth received a total appropriation of PhP 263.37 billion, exclusive of Retirement and Life Insurance Premiums (RLIP) and the Special Accounts in the General Fund (SAGF). This 2022 budget allocation is 28 percent higher than the 2021 budget level of PhP 205.81 billion. Of this amount, 70 percent or PhP 183.37 billion is allocated to the DOH-OSEC; while, the remaining 30 percent or PhP 79.99 billion is allocated for the premium subsidies of indirect contributors under the National Health Insurance Program (NHIP) of PhilHealth.

The significant budget increase from 2021 to 2022 is attributed to the increased allocations<sup>1</sup> for the (1) Health Facilities Enhancement Program from PhP 7.84 billion to PhP 23.07 billion; (2) Procurement and Supply Chain Management Service from PhP 486 million to PhP 2.20 billion; (3) Medical Assistance to Indigent Patients from PhP 17.01 billion to PhP 21.36 billion; and, the five (5) major cost drivers from COVID-19 related locally-funded projects (LFPs) and foreign-assisted projects (FAPs) arranged from highest budget to lowest, namely: (1) PhP 9 billion for Compensation and Other Benefits for COVID-19 Workers in Health Facilities; (2) PhP 7.92 billion for COVID-19 Laboratory Network Commodities; (3) PhP 4.33 billion for COVID-19 Human Resources for Health (HRH) Emergency Hiring; (4) PhP 2.79 billion for Procurement of COVID-19 Vaccines Booster Shots; and, (5) PhP 1.09 billion for Foreign Assisted Projects. These COVID-19 LFPs and FAPs contribute to a total of PhP 25.13 billion appropriations in 2022 from PhP 5.38 billion in 2021.

<sup>1</sup> Exclusive of Unprogrammed Appropriations in the 2022 GAA

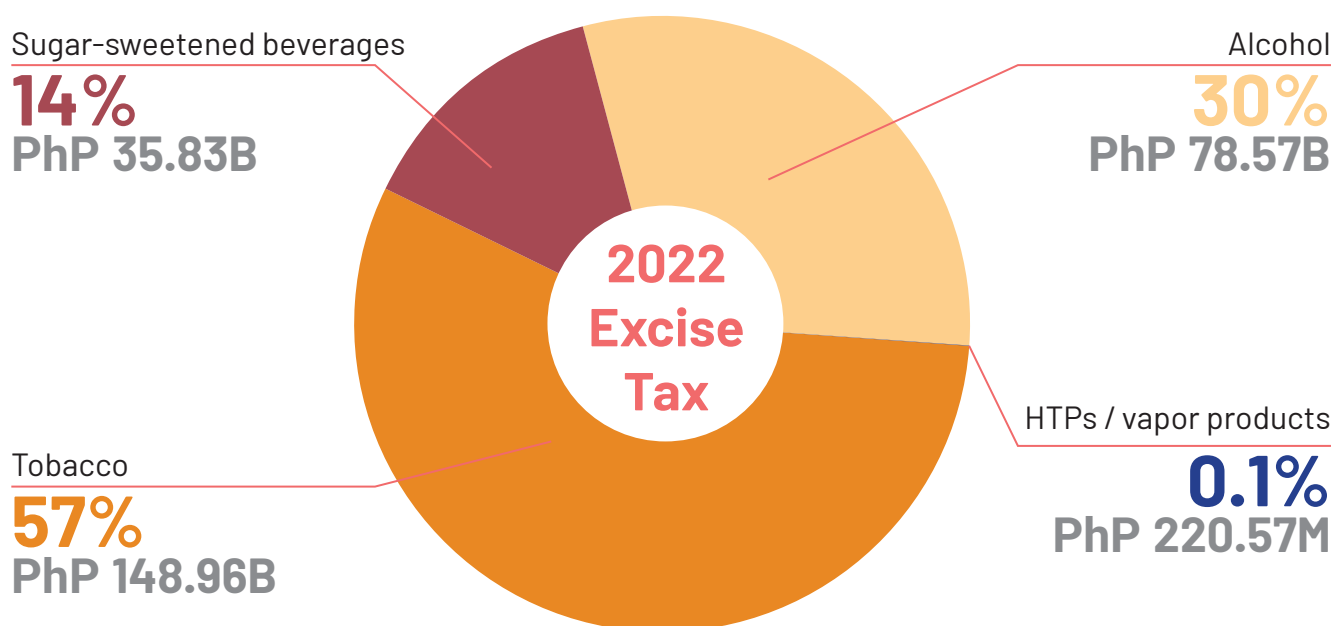
# 2020 EXCISE TAX COLLECTIONS APPLIED IN 2022

Beginning 2022, the excise tax revenues collected in CY 2020 from alcohol, tobacco, HTPs / vapor products, and sugar sweetened beverages, as certified by the DOF-BIR and BOC, shall be earmarked for health and shall form part of the DOH-OSEC and PhilHealth budget in the CY 2022 GAA.

**Table 1. 2020 Actual Excise Tax Collections to be Applied in the 2022 GAA, Amount in PhP**

| Particulars            | 2020 Actual Excise Tax Collections Attributed in 2022 |                         |                           |
|------------------------|---|-------------------------|---------------------------|
|                        | DOF-BIR Certification                                 | BOC Certification       | Total                     |
| Tobacco                | 148,959,641,004.41                                    | 5,350,003.58            | 148,964,991,007.99        |
| HTP and Vapor Products | 173,269,371.00  | 47,303,145.00           | 220,572,516.00            |
| Alcohol                | 76,749,550,297.49                                     | 1,824,203,937.56        | 78,573,754,235.05         |
| Sweetened Beverages    | 32,237,108,209.91                                     | 3,595,882,467.40        | 35,832,990,677.31         |
| <b>TOTAL</b>           | <b>258,119,568,882.81</b>                             | <b>5,472,739,553.54</b> | <b>263,592,308,436.35</b> |

Table 1 shows the 2020 actual excise tax collections to be applied in the CY 2022 GAA. The 2020 actual excise tax collections, as certified by the DOF-BIR and BOC, amounts to a total of PhP 263.59 billion. Of this amount, the majority or PhP 148.96 billion (57 percent) were derived from tobacco products, followed by PhP 78.57 billion (30 percent) from alcohol products, PhP 35.83 billion (14 percent) from sugar sweetened beverages, and PhP 220.57 million (0.1 percent) from HTPs / vapor products (Figure 1).



**FIGURE 1: Breakdown of 2020 Actual Excise Tax Collections to be Applied in the 2022 GAA**



# General Allocation of the Excise Tax Collections Earmarked for Health in 2022

The sin tax revenues earmarked for health that is appropriated to the DOH-OSEC and PhilHealth 2022 budget is programmed in conformity to the pre-determined programs specified in the RAs 11346 and 11467 and its IRR.

Table 2 details the projected and actual earmarked funds for health in the 2022 GAA based on the 2020 excise tax collections, disaggregated by sin product, whereas Table 3 provides the summary of disaggregation by purpose.

**Table 2. General Allocation of Earmarked Funds for Health under RAs 11346 and 11467 (Projected and Actual), Disaggregated by Sin Product, Amount in Million PHP (Source: Department of Finance)**

| Particulars               | 2020 Projected <sup>2</sup> Excise Tax Collections | 2020 Actual Excise Tax Collections | % Earmarking in the Law | 2022 Projected Earmarked Funds <sup>3</sup> | 2022 Actual Earmarked Funds |
|---------------------------|--|------------------------------------|-------------------------|---|-----------------------------|
| (a)                       | (b)  | (c)                                | (d)                     | (e)   | (f)                         |
| Tobacco                   | 148,960  | 148,965                            | 50                      | 74,480                                      | 74,482                      |
| PhilHealth                |  |                                    | 80                      | 59,584                                      | 59,586                      |
| Medical Assistance & HFEP |  |                                    | 20                      | 14,896                                      | 14,896                      |
| HTP / Vapor Products      | 173  | 221                                | 100                     | 173   | 221                         |
| UHC                       |  |                                    | 60                      | 104   | 132                         |
| Medical Assistance & HFEP |  |                                    | 20                      | 35  | 44                          |
| SDGs (NEDA)               |  |                                    | 20                      | 35  | 44                          |
| Alcohol                   | 76,750   | 78,574                             | 100                     | 76,750                                      | 78,574                      |
| UHC                       |  |                                    | 60                      | 46,050                                      | 47,144                      |
| Medical Assistance & HFEP |  |                                    | 20                      | 15,350                                      | 15,715                      |
| SDGs (NEDA)               |  |                                    | 20                      | 15,350                                      | 15,715                      |
| Sugar Sweetened Beverages | 32,237   | 35,833                             | 50                      | 16,119                                      | 17,916                      |
| PhilHealth                |  |                                    | 80                      | 12,895                                      | 14,333                      |
| Medical Assistance & HFEP |  |                                    | 20                      | 3,224                                       | 3,583                       |
| <b>TOTAL</b>              | <b>258,120</b>                                     | <b>263,592</b>                     |                         | <b>167,522</b>                              | <b>171,193</b>              |

<sup>2</sup> DOF projections as of October 17, 2021

<sup>3</sup> *ibid.*

Table 2 shows that the total actual 2020 excise tax collections and earmarked funds from the aforementioned sin products is more than 2 percent higher than the DOF projections last October 17, 2021. Fifty percent of the total revenues collected from the excise tax on tobacco products and sweetened beverages shall be allocated and used exclusively in the following manner: 80 percent to PhilHealth for the implementation of the UHC Act and 20 percent for medical assistance and HFEP. Meanwhile, 100 percent of the total revenues collected from the excise tax on alcohol products, HTPs and vapor products shall be earmarked as follows: 60 percent for the implementation of the UHC Act; 20 percent for medical assistance and HFEP; and 20 percent for the attainment of SDG targets determined by NEDA.

**Table 3. General Allocation of Earmarked Funds for Health under RAs 11346 and 11467 (Projected and Actual), Disaggregated by Purpose, Amount in Million PhP**

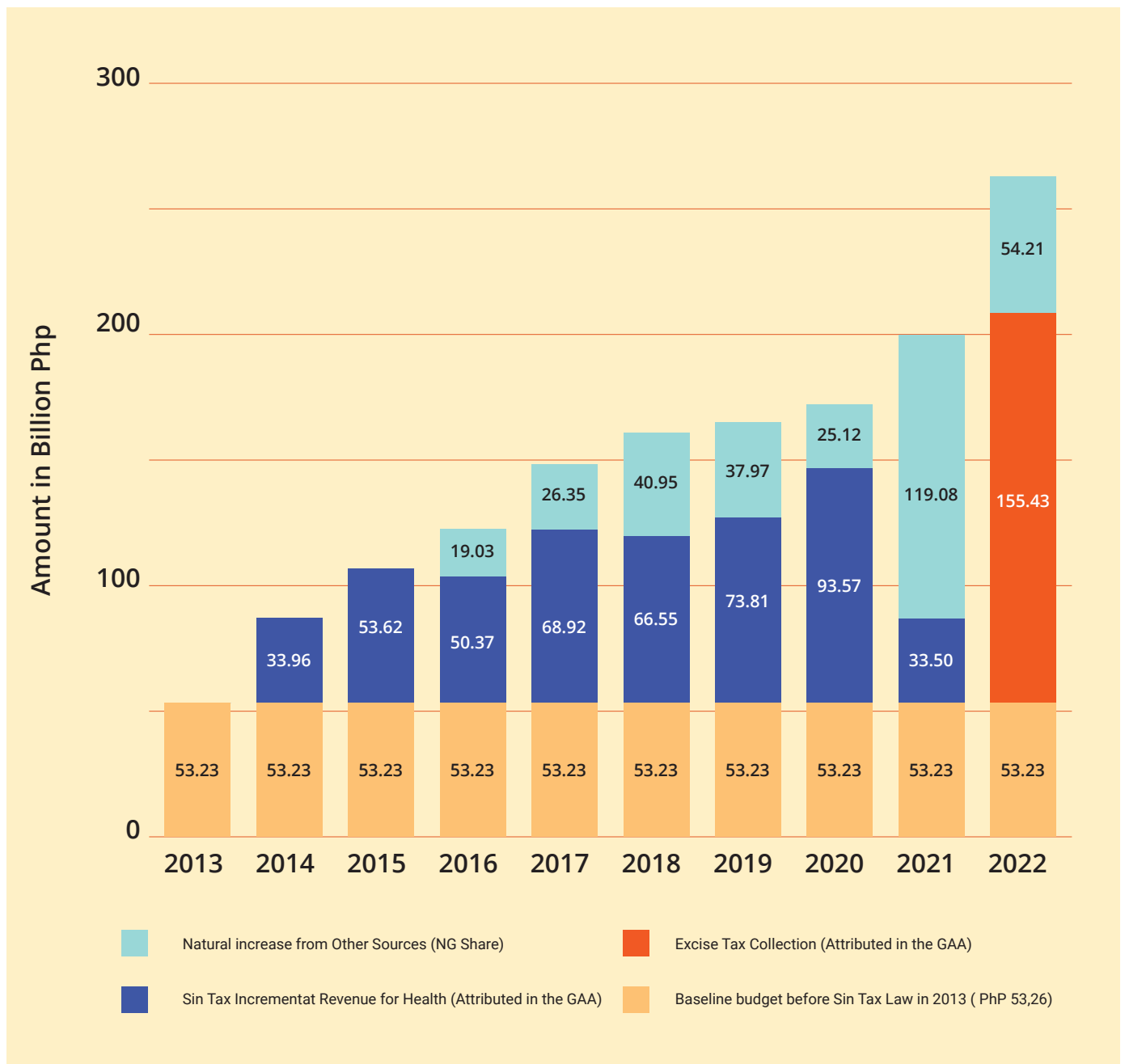
| Particulars                           | 2022 Projected Earmarked Funds <sup>4</sup> | 2022 Actual Earmarked Funds |
|---------------------------------------|---|-----------------------------|
| (a)                                   | (b)   | (c)                         |
| <i>PhilHealth</i>                     | 72,479                                      | 73,919                      |
| <i>UHC</i>                            | 46,154                                      | 47,277                      |
| <i>Medical Assistance &amp; HFEP</i>  | 33,504                                      | 34,239                      |
| <b>Total for Health, net of SDGs</b>  | <b>152,137</b>                              | <b>155,434</b>              |
| <i>SDGs (NEDA)</i>                    | 15,385                                      | 15,759                      |
| <b>Grand total, inclusive of SDGs</b> | <b>167,522</b>                              | <b>171,193</b>              |

The 2022 actual earmarked funds for health in Table 3 is PhP 3.30 billion higher than the 2022 projections last year. The total excise tax collections earmarked for health in 2022 amounts to PhP 155.43 billion or 59 percent of the PhP 263.37 billion appropriations of DOH-OSEC and PhilHealth in the GAA. The remaining 41 percent or PhP 107.94 billion were derived from the counterpart funding of the National Government from other sources, which are also considered as the natural increase of the DOH-OSEC and PhilHealth.

The PhP 155.43 billion excise tax collections earmarked for health in the 2022 GAA are allocated as follows: PhP 73.92 billion or 48 percent for the premium subsidies of indirect contributors under the NHIP of PhilHealth; PhP 47.28 billion or 30 percent for the implementation of the UHC Act; and, PhP 34.24 billion or 22 percent for the medical assistance and HFEP. The remainder of the funding requirements which cannot be attributed to the sin tax collections earmarked for health was shouldered by the National Government from other sources. Meanwhile, the remaining PhP 15.76 billion are earmarked for the implementation of SDG targets to be determined by NEDA.

<sup>4</sup> *ibid.*

In comparison to the 2013 baseline budget of the DOH-OSEC and PhilHealth amounting to PhP 53.23 billion, the sin tax revenues for health has contributed to the significant increase in the annual appropriations for DOH-OSEC and PhilHealth in the GAA. The 2022 DOH-OSEC and PhilHealth budget is now roughly five-fold higher than its 2013 budget (Refer to Figure 2).



**FIGURE 2: Sources of Funds in the DOH-OSEC and PhilHealth Budget 2013-2022, Amount in Billion PhP<sup>5</sup>**

<sup>5</sup> The sin tax collections for applicable years 2014 to 2021 were derived from sin tax incremental revenue for health, whereas the year 2022 were derived from total excise tax earmarked for health

# Specific Allocation of the Excise Tax Collections Earmarked for Health in 2022

Pursuant to the requirements of RAs 11346 and 11467, majority or 78 percent (PhP 121.20 billion) of the sin tax allocations are directly attributed for the implementation of the UHC Act. This is composed of the 48 percent or PhP 73.92 billion for the one-year coverage of indirect members subsidized in the PhilHealth 2022 GAA and 30 percent or PhP 47.28 billion for the implementation of the UHC law which can be attributed to various DOH-OSEC programs, activities, and projects (P/A/Ps). On the other hand, the attributed allocation for the HFEP and medical assistance for indigent and financially-incapacitated patients rendered through the DOH Malasakit Program comprise 22 percent of the total earmarked collections or PhP 34.24 billion.

The details of the sin tax attribution per P/A/Ps in the DOH-OSEC and PhilHealth budget are provided for in Table 4.

**Table 4. Specific Allocation of Earmarked Funds for Health in the DOH-OSEC and PhilHealth 2022 GAA based on RAs 11346 and 11467, Amount in Thousands PhP**

| P/A/Ps in the GAA <sup>6</sup>   | 2013 Baseline Budget | 2022 GAA          | 2022 Sin Tax Attribution | % to Earmarked Funds           | % of Sin Tax Attribution in the 2022 GAA |
|--|----------------------|-------------------|--------------------------|--------------------------------|--|
| (a)  | (b)                  | (c)               | (d)                      | (e) = d / (c of Table 3) x 100 | (f) = d/c x 100                          |
| <b>PhilHealth</b>  |                      |                   |                          |                                |  |
| National Health Insurance Program  | 12,627,883           | 79,990,955        | 73,919,193               | 100%                           | 92%                                      |
| <b>Subtotal</b>  | <b>12,627,883</b>    | <b>79,990,955</b> | <b>73,919,193</b>        | <b>100%</b>                    | <b>92%</b>                               |
| <b>Medical Assistance and HFEP</b>   |                      |                   |                          |                                |  |
| Health Facilities Enhancement Program  | 13,558,065           | 23,006,567        | 12,877,635               | 38%                            | 56% <sup>7</sup>                         |
| Assistance to Indigent Patients either Confined or Out-Patients in Government Hospitals/Specialty Hospitals/LGU hospitals/ Philippine General Hospital/ West Visayas State University Hospital | 0                    | 21,361,029        | 21,361,029               | 62%                            | 100%                                     |
| <b>Subtotal</b>  | <b>13,558,065</b>    | <b>44,427,596</b> | <b>34,238,664</b>        | <b>100%</b>                    | <b>77%</b>                               |

<sup>6</sup> Philippine National AIDS Council (PNAC) is no longer part of the 2022 DOH-OSEC GAA. PNAC were only subsumed under DOH-OSEC in the 2020-2021 GAA; It separated as an attached agency in 2022 per RA no. 11166

<sup>7</sup> Remaining balance was not charged under UHC since HFEP also has an earmarking share from Projected Revenues of Offshore Gaming Operations relative to RA no. 11590 (Pending data projections from DOF; DOH requested through a formal letter dated June 02, 2022)

| P/A/Ps in the GAA <sup>6</sup>  | 2013 Baseline Budget | 2022 GAA   | 2022 Sin Tax Attribution | % to Earmarked Funds           | % of Sin Tax Attribution in the 2022 GAA |
|---|----------------------|------------|--------------------------|--------------------------------|--|
| (a)   | (b)                  | (c)        | (d)                      | (e) = d / (c of Table 3) x 100 | (f) = d/c x 100                          |
| <b>Universal Health Care as determined by DOH</b>                             |                      |            |                          |                                |  |
| Health Information Technology   | 192,081              | 638,668    | 638,668                  | 1.35%                          | 100%                                     |
| Procurement and Supply Chain Management                                       | N/A                  | 2,196,327  | 2,196,327                | 4.65%                          | 100%                                     |
| International Health Policy Development and Cooperation                       | 32,986               | 41,246     | 41,246                   | 0.09%                          | 100%                                     |
| Health Sector Policy and Plan Development                                     | 47,557               | 45,981     | 45,981                   | 0.10%                          | 100%                                     |
| Health Sector Research Development  | N/A                  | 133,060    | 133,060                  | 0.28%                          | 100%                                     |
| Health Facility Policy and Plan Development                                   | 148,110              | 329,079    | 329,079                  | 0.70%                          | 100%                                     |
| Local Health Systems Development and Assistance                               | 24,500               | 503,905    | 503,905                  | 1.07%                          | 100%                                     |
| Pharmaceutical Management   | 1,038,116            | 114,528    | 114,528                  | 0.24%                          | 100%                                     |
| National Health Workforce Support System (formerly known as HRH Deployment)   | 2,880,889            | 17,015,244 | 17,015,244               | 35.99%                         | 100%                                     |
| Human Resources for Health and Institutional Capacity                         | 71,943               | 265,291    | 265,291                  | 0.56%                          | 100%                                     |
| Health Promotion  | 162,479              | 528,726    | 528,726                  | 1.12%                          | 100%                                     |
| Public Health Management  | 3,308,645            | 3,698,774  | 3,698,774                | 7.82%                          | 100%                                     |
| Environmental and Occupational Health   | 51,866               | 5,260      | 5,260                    | 0.01%                          | 100%                                     |
| Family Health, Immunization, Nutrition and Responsible Parenting <sup>8</sup> | 4,489,203            | 7,120,058  | 7,120,058                | 15.06%                         | 100%                                     |
| Prevention and Control of Other Communicable Diseases <sup>9</sup>            | 2,032,157            | 10,013,488 | 10,013,488               | 21.18%                         | 100%                                     |
| Assistance to Philippine Tuberculosis Society                                 | 12,805               | 14,301     | 14,301                   | 0.03%                          | 100%                                     |
| Prevention and Control of Non-Communicable Diseases                           | 70,764               | 1,377,445  | 1,377,445                | 2.91%                          | 100%                                     |
| Epidemiology and Surveillance   | 141,917              | 873,631    | 873,631                  | 1.85%                          | 100%                                     |

<sup>8</sup> National Immunization is already merged under the Family Health, Immunization, Nutrition, and Responsible Parenting line item

<sup>9</sup> TB Control, Rabies Control, Elimination of Diseases, and Prevention and Control of Other Infectious Diseases are already merged under the Prevention and Control of Communicable Diseases

| P/A/Ps in the GAA <sup>6</sup>  | 2013<br>Baseline<br>Budget | 2022 GAA   | 2022<br>Sin Tax<br>Attribution | % to<br>Earmarked<br>Funds        | % of Sin Tax<br>Attribution in<br>the 2022 GAA |
|---|----------------------------|------------|--------------------------------|-----------------------------------|--|
| (a)   | (b)                        | (c)        | (d)                            | (e) = d / (c of<br>Table 3) x 100 | (f) = d/c x 100                                |
| Health Emergency Preparedness and Response                                | 170,863                    | 313,825    | 313,825                        | 0.66%                             | 100%   |
| Regulation of Health Facilities and Services                              | 51,450                     | 81,669     | 81,669                         | 0.17%                             | 100%   |
| Regulation of Regional Health Facilities and Services                     | 132,808                    | 276,702    | 276,702                        | 0.59%                             | 100%   |
| Health Technology Assessment  | N/A                        | 33,077     | 33,077                         | 0.07%                             | 100%   |
| Cancer Assistance Fund  | N/A                        | 529,200    | 529,200                        | 1.12%                             | 100%   |
| Operations of Blood Centers and National Voluntary Blood Services Program | 120,792                    | 506,270    | 10,120                         | 0.02%                             | 2% <sup>10</sup>                               |
| Operation of DOH Hospitals in Metro Manila                                | 4,079,676                  | 14,597,602 | 291,784                        | 0.62%                             | 2% <sup>11</sup>                               |
| Operation of DOH Regional Hospitals and Other Health Facilities           | 5,746,386                  | 39,014,398 | 779,839                        | 1.65%                             | 2% <sup>12</sup>                               |
| Operation of National and Subnational Reference Laboratories              | N/A                        | 888,789    | 17,766                         | 0.04%                             | 2% <sup>13</sup>                               |
| Operation of Dangerous Drug Abuse Treatment and Rehabilitation Centers    | 209,302                    | 1,380,971  | 27,604                         | 0.06%                             | 2% <sup>14</sup>                               |
| <b>Sub-Total</b>  |                            |            | <b>47,276,596</b>              | <b>100%</b>                       |  |
| <b>Total (net of PhilHealth)</b>  |                            |            | <b>81,515,260</b>              |                                   |  |
| <b>Grand Total (PhilHealth and DOH)</b>                                   |                            |            | <b>155,434,452</b>             |                                   |  |

**Note:** P/A/Ps in the GAA that do not have sin tax attributions are not reflected in this table; these P/A/Ps either contribute to the General Administration and Support (GAS), Support to Operations (STO), FAPs and LFPs for COVID-19, Quick Response Fund of National Disaster Risk Reduction and Management Council (NDRRMC); Personnel Services (PS) funding of the Food and Drug Administration (FDA) and Bureau of Quarantine (BOQ); RLIP and SAGF. Funding for these line items are not attributed to sin tax since they cover activities which are either mandatory expenses or loans counterpart; hence, the need to charge under the National Government.

<sup>10</sup> Attribution of sin tax for the Health Facilities Operations PREXC Program is only partial (2%) for population-based health services as these facilities (DOH blood centers, hospitals, reference laboratories, DATRCs) provide more individual-based health services; Further these DOH health facilities lobby for additional budget through enactment of RAs for expansion of their bed capacity which funding source comes from the National Government; DOH health facilities are also entitled to retain their income on top of their GAA subsidy.

<sup>11</sup> *ibid.*

<sup>12</sup> *ibid.*

<sup>13</sup> *ibid.*

<sup>14</sup> *ibid.*

# Physical Performance

This section provides a report on the physical accomplishments of the DOH and PhilHealth in CY 2021. The indicators and targets are updated based on the Budget Accountability Report (BAR), DOH Annual Report, program database, and agencies' scorecards. The performance data per budget line item or P/A/P indicated in this report are limited only to the line items that have specific attributions from the excise tax collections earmarked for health in the 2022 GAA.

The DOH-OSEC and PhilHealth programs with allocations from the sin taxes have a total of 37 performance commitments in 2021. Of which, 26 performance targets or 70 percent were attained, whereas 11 targets or 30 percent were not attained. Table 5 summarizes the Physical Accomplishment in CY 2021. To support and justify the under-accomplishments, the reasons for unmet commitments and next steps are provided for in Table 6.

**Table 5. Physical Accomplishment of DOH-OSEC and PhilHealth in CY 2021**

| P/A/Ps in the GAA  | Performance Indicator   | 2021 <sup>15</sup>                              |  |
|--|---|---|--|
|  |   | Annual Targets                                  | Year-End Performance   |
| <b>PhilHealth</b>  |   |   |  |
|  | Percent of population covered by the NHIP   | 100%  | 100% <sup>16</sup>   |
| National Health Insurance Program  | PhilHealth Registration or Enrolment Rate   | 90%   | 89% <sup>17</sup><br>(98,030,269 registered members and dependents in the Philhealth database) |
| <b>Medical Assistance and HFEP</b>   |   |   |  |
| Health Facilities Enhancement Program  | Percent (Number) of HFEP-funded projects started implementation using current year's appropriation                      | 100%<br>(3,775 projects started implementation) | 100% <sup>18</sup><br>(3,775 projects started implementation)<br>*data as of May 31, 2022      |
| Assistance to Indigent Patients either Confined or Out-Patients in Government Hospitals/Specialty Hospitals/ LGU Hospitals/ Philippine General Hospital / West Visayas State University Hospital | Percent of excess net bill covered by MAIP incurred by poor in-patients admitted in basic accommodation or service ward | 100%  | 73%  |
|  | Number of patients provided with medical assistance   | 1,800,000                                       | 1,717,830  |

15 SOURCE: 4th Quarter 2021 PREXC Budget Accountability Report (BAR) as of December 31, 2021 as posted in the DOH Transparency Seal via <https://doh.gov.ph/transparency/BAR2021>

16 Placing the UHC as the platform in strengthening healthcare system resilience in the country, PhilHealth through the National Health Insurance Program (NHIP) has automatically included every Filipino in its coverage, thus, making PhilHealth coverage at 100 percent in principle.

17 Source: PhilHealth Stats and Charts

18 Source: 2021 HFEP Performance as of May 31, 2022

| P/A/Ps in the GAA   | Performance Indicator   | 2021 <sup>15</sup> |                      |
|---|---|--------------------|----------------------|
|   |   | Annual Targets     | Year-End Performance |
| <b>Universal Health Care as determined by DOH</b>                           |   |                    |                      |
| Health Information Technology   | Not applicable; No PREXC indicator since these P/A/Ps fall under Support to Operations only   | N/A                | N/A                  |
| Procurement and Supply Chain Management                                     |   |                    |                      |
| International Health Policy Development and Cooperation                     | Not applicable; No PREXC indicator in the GAA   | N/A                | N/A                  |
| Health Sector Policy and Plan Development                                   | Performance Governance Strategic Readiness Score  | 3                  | 4                    |
|   | Percent of policies issued based on the policy agenda list  | 100%               | 100%                 |
| Health Sector Research Development  | Percent of research/ policy briefs rated as useful or adoptable   | 85%                | 89%                  |
| Health Sector Research Development  | Number of briefs based on researches (including but not limited to DOH funded researches) developed and disseminated (e.g. research, policy, etc) | 4                  | 4                    |
| Health Facility Policy and Plan Development                                 | Number of policies, manuals and plans developed on health facility development  | 10                 | 39                   |
| Local Health Systems Development and Assistance                             | Percent of partners provided with technical assistance on local health systems development  | 100%               | 100%                 |
| Pharmaceutical Management   | Percent of public health facilities with no stock-outs  | ≥70%               | 41%                  |
| National Health Workforce Support System (formerly known as HRH Deployment) | HRH to Population Ratio   | 17 HRH : 10,000    | 17 HRH : 10,000      |
|   | Percent of priority areas supplemented with HRH from DOH Deployment Program   | 100%               | 100%                 |
| Human Resources for Health and Institutional Capacity                       | <i>100% of deployed HRH are provided learning and development intervention</i>  |                    |                      |
| Health Promotion  | <i>Accomplishment is in support of all public health programs below</i>   |                    |                      |



| P/A/Ps in the GAA  | Performance Indicator   | 2021 <sup>15</sup> |   |
|--|---|--------------------|---|
|  |   | Annual Targets     | Year-End Performance  |
| Public Health Management   | Percent of external clients who rate the technical assistance provided as satisfactory or better  | 100%               | 100%  |
|  | Percent of LGUs and other health partners provided with technical assistance on public health programs  | 100%               | 100%  |
|  | Percent of received health commodities from the Central Office distributed to health facilities based on the allocation list  | 80%                | 89%   |
|  | Percent of Centers for Health Development (CHDs) with no stock-outs of centrally procured major health commodities for Integrated Comprehensive Essential Service Delivery Package (ICESDP) as identified by the Programs | 85%                | 99%   |
| Environmental and Occupational Health                            | <i>Performance is part of the indicators on Public Health Management</i>  |                    |   |
| Prevention and Control of Non-Communicable Diseases              |   |                    |   |
| Family Health, Immunization, Nutrition and Responsible Parenting | Percent of Fully Immunized Children   | 95%                | 52% <sup>19</sup>   |
|  | Modern contraceptive prevalence rate  | 29%                | 26.4% <sup>20</sup>   |
| Prevention and Control of Other Communicable Diseases            | Number of Malaria-free provinces  | 72                 | 62  |
|  | Number of Filariasis-free provinces   | 46                 | 44  |
|  | Number of Rabies-free zones (provinces)   | 10                 | 8   |
|  | Percent of Antiretroviral Therapy (ART)-eligible People Living with HIV (PLHIV) on ART  | 90%                | 63% <sup>21</sup><br>(56,385 PLHIV on ART among 88,964 diagnosed PLHIV who are alive) |
|  | Treatment success rate for all forms of TB  | ≥90%               | 91%   |
| Assistance to Philippine Tuberculosis Society                    | <i>Performance is attributed to TB indicator</i>  |                    |   |

19 Source: Updated partial unofficial FHSIS data as of June 15, 2022

20 Updated accomplishment due to data validation of previous Family Planning Estimation Tool (FPET) projections since the 2021 data became available in May 2022

21 Source: Numerator - HIV/AIDS and ART Registry (HARP) as of December 2021; Denominator - AIDS Epidemic Model-Spectrum as of May 2021

| P/A/Ps in the GAA   | Performance Indicator  | 2021 <sup>15</sup> |                      |
|---|--|--------------------|----------------------|
|   |  | Annual Targets     | Year-End Performance |
| Epidemiology and Surveillance   | Percent of epidemiological and public health surveillance strategic report disseminated  | 90%                | 100%                 |
|   | Percent of outbreak/epidemiologic investigations conducted   | 75%                | 100%                 |
| Health Emergency Preparedness and Response                                | Percent of LGUs with institutionalized Disaster Risk Reduction Management for Health (DRRM-H) Systems  | 40%                | 45%                  |
|   | Percent (& Number) of LGUs provided with technical assistance on the development or updating of Disaster Risk Reduction Management-Health (DRRM-H) | 100%               | 117%                 |
| Regulation of Health Facilities and Services                              | Percent of licensed health facilities and services monitored and evaluated for continuous compliance to regulatory policies                        | 96%                | 118%                 |
| Regulation of Regional Health Facilities and Services                     |  |                    |                      |
| Health Technology Assessment (HTA)  | Percent of timely and high quality evidence-based recommendations (out of all priority topics submitted to HTA Division and HTA Council)           | 80%                | 63.64% (49/77)       |
| Health Technology Assessment (HTA)  | Percent of adopted recommendation to inform coverage decisions and policies (out of all recommendations submitted by HTA Council)                  | 100%               | 100% (49/49)         |
| Cancer Assistance Fund  | Not applicable; No PREXC indicator in the GAA  | N/A                | N/A                  |
| Operations of Blood Centers and National Voluntary Blood Services Program | Number of blood units collected by Blood Service Facilities  | 83,546             | 85,091               |
| Operation of DOH Hospitals in Metro Manila                                | Hospital infection rate  | <1%                | 0.82%                |
| Operation of DOH Regional Hospitals and Other Health Facilities           |  |                    |                      |
| Operation of National and Subnational Reference Laboratories              | Percent of National External Quality Assurance Scheme (NEQAS) provided to Health Facilities by the National Reference Laboratories (NRLs)          | 20%                | 100%                 |

| P/A/Ps in the GAA  | Performance Indicator  | 2021 <sup>15</sup> |                      |
|--|--|--------------------|----------------------|
|  |  | Annual Targets     | Year-End Performance |
| Operation of Dangerous Drug Abuse Treatment and Rehabilitation Centers | Percent of drug dependents who completed the treatment program | 86%                | 89%                  |
|  | Number of inpatient and outpatient drug abuse cases managed    | 24,257             | 114,285              |

Table 6 provides the reasons for non-attainment of some commitments in 2021 and ways forward to improve the agency's physical performance.

**Table 6. Programs with Unmet Commitments for 2021, Reasons, and Next Steps**

| Program / Activity                                      | Commitment and 2021 Accomplishment   | Reason and Next Steps   |
|---|--|---|
| National Health Insurance Program (NHIP)                | <i>Commitment:</i> 90%<br><i>Accomplishment:</i> 89%   | <p>The NHIP beneficiary database for members and their qualified dependents is continuously being updated and cleaned up for data inaccuracies.</p> <p>To strengthen its data integrity, it is planned that the NHIP beneficiary database in the medium term be integrated and authenticated with the PhilSys implementation (RA no. 11055) pursuant to Memorandum Circular no. 90, series of 2022 issued by the Office of the President of the Philippines. This initiative is also in accordance with the whole-of-government and whole-of-system approach in the implementation of NHIP under the UHC Act.</p> |
| Medical Assistance to Indigent Patients Program (MAIPP) | <i>Commitment:</i> 100% of excess net bill covered by MAP incurred by poor in-patients admitted in basic accommodation or service ward<br><i>Accomplishment:</i> 73% | <p>There were late 2021 PREXC reports submission from four (4) DOH Hospitals and two (2) CHDs at the time of data collection. To ensure timely submission of reports, collaboration and coordination with all concerned stakeholders will be strengthened through:</p> <ol style="list-style-type: none"> <li>1. Issuance of policies and guidelines requiring timely submission of reports pertaining to Malasakit Center operations; and,</li> <li>2. Conduct of regular reconciliation and monitoring activities to ensure efficient utilization of MAIPP funds.</li> </ol>                                    |

| Program / Activity   | Commitment and 2021 Accomplishment  | Reason and Next Steps  |
|--|---|--|
| Medical Assistance to Indigent Patients Program (MAIPP)          | <p><i>Commitment:</i> 1.8 million patients provided with medical assistance</p> <p><i>Accomplishment:</i> 1.72 million patients</p> | <p>There were late submissions of utilization reports from three (3) DOH Hospitals and three (3) CHDs due to the COVID-19 pandemic.</p> <p>Variance between the accomplishment and commitment is attributed to increasing costs/bills incurred per patient. For CY 2021, the Malasakit Program Office catered less patients despite the increased budget from 2020 levels.</p> <p>To ensure that accurate accomplishments are reported and recorded, collaboration and coordination with concerned stakeholders will be enhanced through:</p> <ol style="list-style-type: none"> <li>1. Conduct of regular follow-ups and collaborative activities to ensure timely submission of accomplishment reports and status of Malasakit Center Operations; and,</li> <li>2. Conduct of regular reconciliation and monitoring activities regarding MAIPP fund utilization to verify alignment of outputs with the Office's commitment or recalibration of Office targets.</li> </ol> |
| Family Health, Immunization, Nutrition and Responsible Parenting | <p><i>Commitment:</i> 95% Fully Immunized Child</p> <p><i>Accomplishment:</i> 52%<sup>22</sup></p>                                  | <p>Unequal prioritization between COVID-19 vaccination and National Immunization Program, sharing of logistics, and human resources for health for both vaccination programs.</p> <p>To address the issues and concerns in the routine immunization for children, the following will be implemented: (1) Integrate COVID-19 and routine immunization as guided by the recommendations from the COVID-19 Post-Implementation Evaluation; (2) Integrate immunization in general with other essential services through the Omnibus Health Guidelines; and, (3) Digitalization of immunization records similar to COVID-19 to monitor timely and complete coverage.</p>  |
|  | <p><i>Commitment:</i> 29% Modern contraceptive prevalence rate</p> <p><i>Accomplishment:</i> 26.4%</p>                              | <p>Competing priorities in health resources resulted in challenges in meeting the Family Planning (FP) needs of the people. Some of the funds allotted for FP were realigned for COVID-19 response and vaccination efforts. Human resources for FP advocacy and service delivery were shifted to do vaccination activities in the field.</p> <p>Priority next step is the issuance of the Omnibus Health Guidelines that shall integrate FP into a comprehensive primary care service package for easy uptake by the LGUs, service providers, and the intended beneficiaries, and empower LGUs in formulating specific policies and programs based on the needs of the local communities.</p>  |

22 Source: Updated partial unofficial FHSIS data as of June 15, 2022

| Program / Activity        | Commitment and 2021 Accomplishment  | Reason and Next Steps   |
|---------------------------|---|---|
| Pharmaceutical Management | <p><i>Commitment:</i> ≥70% of public health facilities with no stock-outs</p> <p><i>Accomplishment:</i> 41%</p> | <p>Issues and bottlenecks were encountered in the supply chain management and allocation, as follows:</p> <ol style="list-style-type: none"> <li>1. Some deliveries were put on hold due to unavailability of storage or warehouse space;</li> <li>2. Coordination issues due to outdated and/or unavailable contact information of recipients;</li> <li>3. Commodities being offloaded in the transportation flight due to aircraft maintenance causing delivery delays;</li> <li>4. Third party logistics partners' delivery interruptions;</li> <li>5. Projected allocation for the commodities differ from the actual consumption leading to either stock-outs or overstocks; and,</li> <li>6. Limitations in commodity stock monitoring at the health facility level.</li> </ol> <p>Other challenges were also encountered, such as:</p> <ol style="list-style-type: none"> <li>1. Limited mobility due to the COVID-19 pandemic which decreased the demand of certain commodities; and,</li> <li>2. Cancelled procurement in CY 2021.</li> </ol> <p>To address the issues, bottlenecks and challenges identified above, the following are the next steps:</p> <ol style="list-style-type: none"> <li>1. Construction of warehouse hubs: (a) National Hub in Dr. Jose N. Rodriguez Memorial Hospital, Caloocan City; (b) South Luzon Hub in Bicol Region General Hospital and Geriatric Medical Center, Camarines Sur; (c) Visayas Hub in Eversley Childs Sanitarium, Cebu City; (d) Mindanao Hub in Mindanao Central Sanitarium, Zamboanga City;</li> <li>2. Provision of two (2) delivery vans per region;</li> <li>3. Installation of additional vaccine cold rooms in selected regions, provinces, and cities;</li> <li>4. Distribution of ice lined refrigerators and ultra low freezers nationwide;</li> <li>5. Sub-allotment of funds to all regions including BARMM for the warehousing and hauling services;</li> <li>6. Updating the directories for complete contact information of the regional, provincial, and city supply officers per region;</li> <li>7. Request assistance from the Armed Forces of the Philippines and the Philippine Coast Guard for use of military aircraft and vessels for the distribution of health commodities;</li> <li>8. Close coordination with the third party logistics for the scheduling/rescheduling;</li> <li>9. Close monitoring on the utilization of the contract for hauling services and follow up on request for contract extensions; and,</li> <li>10. Introduction and implementation of the Electronic Logistics Management Information System (e-LMIS).</li> </ol> |

| Program / Activity                              | Commitment and 2021 Accomplishment   | Reason and Next Steps   |
|---|--|---|
| Prevention and Control of Communicable Diseases | <p><i>Commitment:</i> 72 Malaria-free provinces</p> <p><i>Accomplishment:</i> 62</p>   | <p>Due to mobility restrictions and prioritization of COVID-19 activities in 2021, only two provinces (Apayao and Negros Occidental) completed their reports and were declared with malaria-free status.</p> <p>For 2022, the Disease Prevention and Control Bureau (DPCB), through the program, finished the evaluation and validation together with the members of the Technical Working Group for Malaria<sup>23</sup>. Currently the program is finalizing the recommendation of declaring Mindoro Occidental as malaria-free. Moreover, there are provinces that the program is closely monitoring and assisting for the submission of their final reports.</p>  |
|   | <p><i>Commitment:</i> 46 Filariasis-free provinces</p> <p><i>Accomplishment:</i> 44</p>  | <p>No province was added in 2020 from the 2019 list of declared Lymphatic Filariasis (LF)-free provinces due to the pandemic.</p> <p>One province (Aklan) was able to conduct the Transmission Assessment Survey (TAS) later in 2020 and finished in early 2021. Aklan was added as LF-free last 2021.</p> <p>Status:<br/>2020 - no declaration<br/>2021 - 44 provinces declared free out of 46 endemic provinces. There is unavailability of Filariasis Test Strips to conduct Transmission Assessment Survey.</p> <p>For 2022, the Province of Sultan Kudarat is scheduled for Mass Drug Administration (MDA) and Zamboanga del Norte will be conducting TAS 1.</p> |
|   | <p><i>Commitment:</i> 10 Rabies-free zones (provinces)</p> <p><i>Accomplishment:</i> 8</p>   | <p>Due to mobility restrictions in 2021 brought about by the pandemic, no province was evaluated for rabies-free status. Instead, there were two (2) areas jointly declared by Regional DOH and the Department of Agriculture (DA) as rabies-free.</p> <p>These are:</p> <ol style="list-style-type: none"> <li>1. Bisig City, Surigao del Sur; and,</li> <li>2. Mararison Island in the municipality of Culasi, Antique.</li> </ol> <p>The proposed Target for 2022 is 1 rabies-free province, jointly declared nationally by the DOH and DA.</p>  |
|   | <p><i>Commitment:</i> 90% ART-eligible PLHIV on ART</p> <p><i>Accomplishment:</i> 63% or 56,385 PLHIV on ART among 88,964 diagnosed PLHIV who are alive<sup>24</sup></p> | <p>The figure represents those PLHIV who are alive and on ART and does not include those who were diagnosed earlier and had not been enrolled to treatment for various reasons, those who were already enrolled but have not been reported, those who were previously enrolled to treatment but were lost to follow up, and those who expired as of December 2021.</p> <p>HIV case management has been intensified to ensure that diagnosed PLHIV will be enrolled to treatment, and those who are on treatment will adhere and achieve viral suppression and barriers to treatment access and adherence will be addressed appropriately.</p>                         |

<sup>23</sup> Department Personnel Order No. 2016-4480 dated October 26, 2016

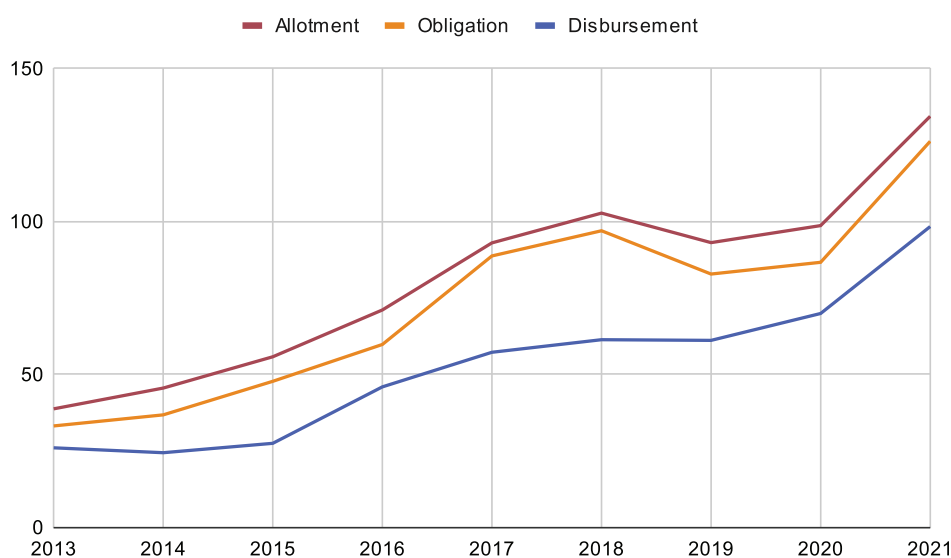
<sup>24</sup> Source: Numerator - HIV/AIDS and ART Registry (HARP) as of December 2021; Denominator - AIDS Epidemic Model-Spectrum as of May 2021.

# Financial Performance

The DOH-OSEC financial performance in 2021 comprises two utilization rates: 94 percent in terms of obligations out of the allotment; and, 78 percent in terms of disbursements out of the total obligations incurred. From 2013 to 2021, the utilization by obligation remains high with an average of 89 percent, however, the utilization by disbursement continues to pose a challenge averaging at 71 percent in the past nine years.

**Table 7. DOH-OSEC (All Current GAA) Budget Utilization<sup>25</sup> 2013 to 2021, By Obligation over Allotment and Disbursement over Obligations Incurred, Amount in Billion PhP**

| Year | (a)<br>Allotment | Obligation    |                          | Disbursement  |                          |
|------|------------------|---------------|--------------------------|---------------|--------------------------|
|      |                  | (b)<br>Amount | (b/a)<br>% <sup>26</sup> | (c)<br>Amount | (c/b)<br>% <sup>27</sup> |
| 2013 | 38.82            | 33.23         | 85.62%                   | 26.08         | 78.48%                   |
| 2014 | 45.63            | 36.85         | 80.76%                   | 24.48         | 66.43%                   |
| 2015 | 55.84            | 47.82         | 85.64%                   | 27.55         | 57.62%                   |
| 2016 | 71.14            | 59.86         | 84.14%                   | 46.00         | 76.85%                   |
| 2017 | 93.07            | 88.80         | 95.41%                   | 57.31         | 64.54%                   |
| 2018 | 102.80           | 97.03         | 94.38%                   | 61.42         | 63.30%                   |
| 2019 | 93.15            | 82.88         | 88.97%                   | 61.20         | 73.84%                   |
| 2020 | 98.72            | 86.72         | 87.84%                   | 69.99         | 80.71%                   |
| 2021 | 134.45           | 126.28        | 94.92%                   | 98.41         | 77.93%                   |



In the DOH-OSEC budget, the three major expenditure items that contribute to the low budget utilization are the MAIPP, HFEP, and the Public Health Program commodities. Table 8 shows the identified reasons for low utilization and the ways forward to address the cited causes and its corresponding justification.

**FIGURE 3: DOH-OSEC (All Current GAA) Budget Utilization Trend 2013-2021**

<sup>25</sup> DOH Financial Accomplishment Reports (FAR): Statement of Appropriations. Allotments, Obligations, Disbursements and Balances which can be accessed via <https://doh.gov.ph/philippine-transparency-seal>

<sup>26</sup> Percentage utilization are computed based on actual amounts

<sup>27</sup> *ibid.*

**Table 8. Drivers of Low Budget Utilization in CY 2021, Reasons, and Ways Forward**

| Reasons for Low Utilization in 2021   | Ways Forward  |
|---|---|
| <b>A. Medical Assistance for Indigent Patients Program</b>  |   |
| <p>Funds under this line item are specifically designed to address the healthcare needs of indigent and financially incapacitated patients. Due to mobility restrictions brought by COVID-19 pandemic, patients encountered difficulties in going to medical facilities and tapping the funds coming from this line item.</p>   | <p>Improved coordination with all stakeholders with regard to the availability and the importance of efficient utilization of the MAIPP funds within the fiscal year through the following strategies:</p> <ul style="list-style-type: none"> <li>• Conduct of reconciliation activities with Malasakit Centers; and,</li> <li>• Hiring of additional staff for better coordination and collaboration with other stakeholders</li> </ul>  |
| <b>B. Health Facilities Enhancement Program</b>   |   |
| <p><b>1. Policy Constraints.</b> COVID-19 quarantine restrictions widely affected the implementation of HFEP projects, most especially in 2021.</p> <ul style="list-style-type: none"> <li>• Declaration of Enhanced Community Quarantine (ECQ) in NCR and other major cities. (March-April, August-September 2021) twice. General Community Quarantine (GCQ) was also implemented in the other months all throughout 2021.</li> <li>• Quarantine restrictions contribute to limited supply, challenges in delivery of materials/equipment.</li> </ul> <p><b>2. Specific Sector Constraints.</b> Non-responsiveness and low financial capacity of bidders contributes to unmet physical and financial performance targets.</p> <ul style="list-style-type: none"> <li>• Failed bidding of projects due to low ABC</li> <li>• Savings from the bidding</li> <li>• Lack of competent/qualified supplier and contractor</li> </ul> | <ol style="list-style-type: none"> <li>1. Strict adherence to HFEP policies and availment guidelines, through the following: <ul style="list-style-type: none"> <li>• Issuance of Department Memorandum (HFEP 2022 Availment Guidelines)</li> <li>• Completeness of prerequisite requirements (i.e. lot, permits etc.) for infrastructure</li> <li>• Readiness of a space to install and manpower to use for equipment</li> <li>• Alignment of HFEP Proposals to the Philippine Health Facility Development Plan (PHFDP) Guidelines.</li> </ul> </li> <li>2. Implementation of a defined and effective organizational structure, through the following: <ul style="list-style-type: none"> <li>• Proposal for the transitioning of HFEP to Health Facilities Capital Outlay Management Bureau to maximize the utilization of capital outlay by managing the investments from the start of implementation to maintenance</li> <li>• Establishment of a Performance Management Unit to closely monitor the performance of CHDs, DOH Hospitals, and other healthcare facilities and make immediate necessary actions to address implementation concerns</li> </ul> </li> <li>3. Strengthening of Monitoring and Evaluation System <ul style="list-style-type: none"> <li>• Evaluation of contractors' performance implementation to closely monitor the progress of project implementation</li> <li>• Regular progress billing to utilize the funds immediately according to the accomplishment of the projects</li> </ul> </li> </ol> |
| <b>C. Public Health Program Commodities</b>   |   |
| <ul style="list-style-type: none"> <li>• Ongoing deliveries of the commodities under the Family Health, Immunization, Nutrition, and Responsible Parenting line item and the Prevention and Control of Communicable Diseases line item brought by mobility restrictions caused by the COVID-19 pandemic.</li> </ul>   | <ul style="list-style-type: none"> <li>• Close monitoring of inventory and delivery of various public health commodities. The decision to approve or reject requests for extension of deliveries were based on the recent COVID-19 situation (number of cases, alert levels, etc.), current stocks of commodities at the national and regional warehouses, and the current implementation of various programs by the local government units.</li> </ul>   |



| Reasons for Low Utilization in 2021  | Ways Forward  |
|--|---|
| <ul style="list-style-type: none"> <li>Request of some suppliers for extension of deliveries due to the pandemic.</li> <li>Ongoing compliance of some suppliers with the documentary requirements for the disbursement vouchers.</li> <li>Pending compliance of implementing agencies on the liquidation of sub-allotted and transferred funds for the Public Health Management line item</li> <li>Ongoing procurement process of a commodity under the Environmental and Occupational Health</li> </ul> | <ul style="list-style-type: none"> <li>Close coordination with the suppliers and relevant offices for the compliance of various documentary requirements for disbursement.</li> <li>Coordination and monitoring of the utilization and liquidation of various implementing agencies on the transferred funds. Moreover, the decision to grant another sub-allotment or transfer of funds will depend on their utilization of the funds previously given to them.</li> </ul> |

Table 9 features the financial performance per budget line item for CY 2021.

**Table 9. Financial Accomplishment in CY 2021 as of December 31, 2021, Amount in Thousands PhP**

| P/A/Ps in the GAA   | CY 2021 <sup>28</sup> |            |    |              |    |
|---|-----------------------|------------|----|--------------|----|
|   | Adjusted Allotment    | Obligation |    | Disbursement |    |
|   |                       | Amount     | %  | Amount       | %  |
| <b>PhilHealth</b>   |                       |            |    |              |    |
| National Health Insurance Program   | 71,353,360            | 71,238,467 | 99 | 71,238,467   | 99 |
| <b>Medical Assistance and HFEP</b>  |                       |            |    |              |    |
| Health Facilities Enhancement Program   | 7,839,298             | 6,886,205  | 88 | 2,507,646    | 36 |
| Assistance to Indigent Patients either Confined or Out-Patients in Government Hospitals/Specialty Hospitals/LGU Hospitals/ Philippine General Hospital / West Visayas State University Hospital | 17,008,992            | 12,381,157 | 73 | 7,350,384    | 59 |
| <b>Universal Health Care as determined by DOH</b>   |                       |            |    |              |    |
| Health Information Technology   | 97,309                | 87,895     | 90 | 62,200       | 71 |
| Procurement and Supply Chain Management   | 486,307               | 463,620    | 95 | 309,941      | 67 |
| International Health Policy Development and Cooperation   | 41,466                | 40,470     | 98 | 34,262       | 85 |
| Health Sector Policy and Plan Development   | 50,695                | 46,483     | 92 | 42,103       | 91 |
| Health Sector Research Development  | 172,829               | 151,293    | 88 | 99,355       | 66 |
| Health Facility Policy and Plan Development   | 173,659               | 157,114    | 90 | 141,474      | 90 |
| Local Health Systems Development and Assistance   | 502,174               | 447,463    | 89 | 298,233      | 67 |

<sup>28</sup> Utilization based on Financial Accomplishment Report as of December 31, 2021 as posted in the DOH website - Transparency Seal; Retrieved from <https://doh.gov.ph/philippine-transparency-seal>

| P/A/Ps in the GAA   | CY 2021 <sup>28</sup> |            |     |              |     |
|---|-----------------------|------------|-----|--------------|-----|
|   | Adjusted Allotment    | Obligation |     | Disbursement |     |
|   |                       | Amount     | %   | Amount       | %   |
| Pharmaceutical Management   | 284,375               | 268,754    | 95  | 67,268       | 25  |
| National Health Workforce Support System (formerly known as HRH Deployment) | 16,582,920            | 16,391,686 | 99  | 15,618,038   | 95  |
| Human Resources for Health and Institutional Capacity                       | 138,338               | 117,072    | 85  | 89,962       | 77  |
| Health Promotion  | 253,751               | 226,552    | 89  | 146,114      | 64  |
| Public Health Management  | 2,911,383             | 2,748,823  | 94  | 2,099,138    | 76  |
| Environmental and Occupational Health                                       | 2,062                 | 879        | 43  | 30           | 3   |
| Prevention and Control of Non-Communicable Diseases                         | 562,443               | 562,436    | 100 | 562,423      | 100 |
| Family Health, Immunization, Nutrition and Responsible Parenting            | 12,205,012            | 12,007,238 | 96  | 6,091,804    | 50  |
| Prevention and Control of Other Communicable Diseases                       | 8,220,953             | 7,950,859  | 97  | 3,731,688    | 47  |
| Assistance to Philippine Tuberculosis Society                               | 14,048                | 14,048     | 100 | 14,048       | 100 |
| Epidemiology and Surveillance   | 158,631               | 146,860    | 93  | 133,831      | 91  |
| Health Emergency Preparedness and Response                                  | 283,140               | 266,539    | 94  | 120,234      | 45  |
| Regulation of Health Facilities and Services                                | 77,028                | 72,891     | 95  | 67,829       | 93  |
| Regulation of Regional Health Facilities and Services                       | 270,296               | 264,367    | 98  | 252,274      | 95  |
| Health Technology Assessment  | 50,952                | 30,323     | 60  | 18,079       | 60  |
| Cancer Assistance Fund  | 120,000               | 120,000    | 100 | 120,000      | 100 |
| Operations of Blood Centers and National Voluntary Blood Services Program   | 286,863               | 252,831    | 88  | 133,009      | 53  |
| Operation of DOH Hospitals in Metro Manila                                  | 12,554,879            | 12,309,502 | 98  | 11,495,972   | 93  |
| Operation of DOH Regional Hospitals and Other Health Facilities             | 34,687,924            | 34,127,419 | 98  | 31,458,921   | 92  |
| Operation of National and Subnational Reference Laboratories                | 496,330               | 469,344    | 95  | 183,864      | 39  |
| Operation of Dangerous Drug Abuse Treatment and Rehabilitation Centers      | 1,280,015             | 1,217,405  | 95  | 1,081,011    | 89  |

# LIST OF ATTACHMENTS

## ATTACHMENT 1

**Bureau of Internal Revenue Certification  
of 2020 Actual Excise Tax Collections of  
Sin Products**

## ATTACHMENT 2

**Bureau of Customs Certification of 2020  
Actual Excise Tax Collections of Sin  
Products**

## Attachment 1



Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004

August 16, 2021

**HON. TINA ROSE MARIE L. CANDA**  
Undersecretary / Officer-in-Charge  
Department of Budget and Management  
Boncodin Hall, General Solano St.,  
San Miguel, Manila

Subject: **Certification on Excise Taxes Collected for Calendar Year 2020**

Dear Undersecretary Canda:

This is to respectfully endorse the attached certification issued by the Bureau of Internal Revenue on the excise taxes collected from tobacco products, alcohol products, sweetened beverages, and heated tobacco products for Calendar Year 2020. The certification is issued in compliance with to DOF-BIR-DOH-DBM-DA Joint Circular No. 001.2014 which implements Section 8(c) of Republic Act No. 10351.

Thank you.

Very truly yours,

A handwritten signature in blue ink that reads "Antonette C. Tionko".

**ANTONETTE C. TIONKO**  
Undersecretary for Revenue Operations Group



DEPARTMENT OF FINANCE  
Republic of the Philippines



061921U8EC003400



REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**  
Quezon City

CS-RAD-2021-06-055  
June 23, 2021

080521 DOF 00237E



**HONORABLE CARLOS G. DOMINGUEZ III**  
Secretary, Department of Finance  
Roxas Boulevard corner Pablo Ocampo, Sr. Street, Manila

Sir:

In compliance with DOF-BIR-DOH-DBM-DA Joint Circular (JC) No. 001.2014 implementing the provisions of Section 8(c) of Republic Act (RA) No. 10351, transmitted herewith is the certification from the Large Taxpayers Service (LTS) of this Bureau relative to the revenues from excise tax collection on tobacco products, alcohol products, sweetened beverages, and heated tobacco products and vapor products for Calendar Year (CY) 2020.

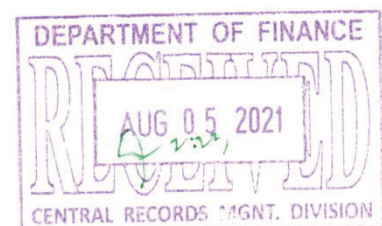
Please acknowledge receipt hereof.

Very truly yours,

**CAESAR R. DULAY**  
Commissioner of Internal Revenue

043885

J-3/





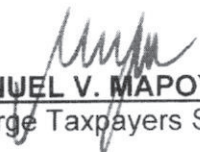
REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

May 03, 2021

## CERTIFICATION

This is to certify that, based on the actual removals culled from Official Register Books from tobacco products for Calendar Year (CY) 2020, the revenue collected by the Bureau of Internal Revenue on excise taxes due from these removals amounted to One hundred forty eight billion nine hundred fifty nine million six hundred forty one thousand four & 41/100 (P 148,959,641,004.41).

This Certification is issued for the purpose of computing the fifty percent (50%) share in compliance with DOF-BIR-DOH-DBM-DA Joint Circular (JC) No. 001.2014 dated January 30, 2014 that implements the provisions of Section 8(C) of Republic Act (RA) No. 10351 as amended by Republic Act (RA) No. 11346.

  
**MANUEL V. MAPOY**  
ACIR-Large Taxpayers Service



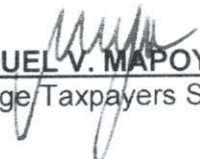
REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

May 03, 2021

## **CERTIFICATION**

This is to certify that, based on the actual removals culled from Official Register Books from Sweetened Beverages for Calendar Year (CY) 2020, the Bureau of Internal Revenue collected the excise taxes due therefrom in the total amount of Thirty Two billion two hundred thirty seven million one hundred eight thousand two hundred nine & 91/100 (₱ 32,237,108,209.91).

This Certification is issued for purposes of computing the fifty percent (50%) share pursuant to Republic Act (RA) No. 10963.

  
**MANUEL V. MAPA**  
ACIR-Large Taxpayers Service




REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

May 03, 2021

## **CERTIFICATION**

This is to certify that, based on the actual removals culled from Official Register Books from alcohol products for Calendar Year (CY) 2020, the Bureau of Internal Revenue collected the excise taxes due therefrom in the total amount of Seventy six billion seven hundred forty nine million five hundred fifty thousand two hundred ninety seven & 49/100 (₱ 76,749,550,297.49).

This Certification is issued in compliance with DOF-BIR-DOH-DBM-DA Joint Circular (JC) No. 001.2014 dated January 30, 2014 that implements the provisions of Section 8(C) of Republic Act (RA) No. 10351 as amended by Republic Act (RA) No. 11467.

  
**MANUEL V. MAPOY**  
ACIR-Large Taxpayers Service





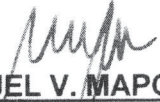
REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
**BUREAU OF INTERNAL REVENUE**

May 03, 2021

## **CERTIFICATION**

This is to certify that, based on the actual removals culled from Official Register Books from Heated Tobacco and Vapor products for Calendar Year (CY) 2020, the Bureau of Internal Revenue collected the excise taxes due therefrom in the total amount of One hundred seventy three million two hundred sixty nine thousand three hundred seventy one (₱ 173,269,371.00).

This Certification is issued in compliance for the implementation of Republic Act (RA) No. 11346 as amended by Republic Act (RA) No. 11467

  
**MANUEL V. MAPOY**  
ACIR-Large Taxpayers Service

Attachment 2



Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004

13 December 2021

**HON. TINA ROSE MARIE L. CANDIA**

Officer-in-Charge

Department of Budget and Management

[osec@dbm.gov.ph](mailto:osec@dbm.gov.ph) / [tcandia@dbm.gov.ph](mailto:tcandia@dbm.gov.ph)

**SUBJECT : BOC Certification on Excise Tax Collection for Calendar Year 2020**

Dear **Undersecretary Candia**:

This is to respectfully endorse the attached certification from the Bureau of Customs on the excise tax collection from the importation of alcohol, tobacco, sugar-sweetened beverages, and heated tobacco and vape products for the calendar year 2020. This certification is issued in compliance with Section 288-A of Republic Act (RA) No. 11346, as amended by RA No. 11467.

Thank you.

Very truly yours,

  
**DAKILA ELTEEN M. NAPA**  
Assistant Secretary  
Revenue Operations Group  
[dnapao@dof.gov.ph](mailto:dnapao@dof.gov.ph)

0006306



DEPARTMENT OF FINANCE  
Republic of the Philippines



122221A8EC003990

CC: **COMM. REY LEONARDO B. GUERRERO**  
Bureau of Customs  
[boc.com@customs.gov.ph](mailto:boc.com@customs.gov.ph)





Republic of the Philippines  
**DEPARTMENT OF FINANCE**

Roxas Boulevard Corner Pablo Ocampo, Sr. Street  
Manila 1004

**13 December 2021**

**HON. TINA ROSE MARIE L. CANDA**

Officer-in-Charge

Department of Budget and Management

[osec@dbm.gov.ph](mailto:osec@dbm.gov.ph) / [tcanda@dbm.gov.ph](mailto:tcanda@dbm.gov.ph)


**SUBJECT : BOC Certification on Excise Tax Collection for Calendar Year 2020**

Dear **Undersecretary Canda**:

This is to respectfully endorse the attached certification from the Bureau of Customs on the excise tax collection from the importation of alcohol, tobacco, sugar-sweetened beverages, and heated tobacco and vape products for the calendar year 2020. This certification is issued in compliance with Section 288-A of Republic Act (RA) No. 11346, as amended by RA No. 11467.

Thank you.

Very truly yours,

  
**DAKILA ELTIEN M. NAPAO**  
Assistant Secretary  
Revenue Operations Group  
[dnapao@dof.gov.ph](mailto:dnapao@dof.gov.ph)

0003306

**CC: COMM. REY LEONARDO B. GUERRERO**  
Bureau of Customs  
[boc.ocom@customs.gov.ph](mailto:boc.ocom@customs.gov.ph)



# BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



PROFESSIONALISM INTEGRITY ACCOUNTABILITY

1 December 2021

**CARLOS G. DOMINGUEZ**  
Secretary  
**DEPARTMENT OF FINANCE**  
P. Ocampo St., Roxas Boulevard  
Manila



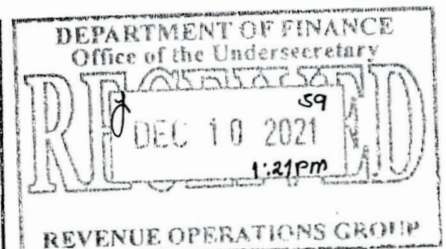
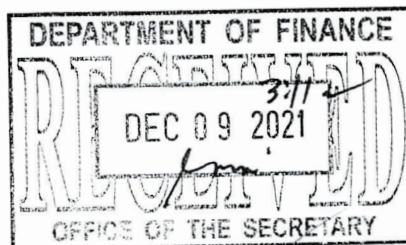
Dear **Secretary Dominguez**:

In line with the implementation of Sec 288-A of RA 11346, as amended by RA 11467, transmitted herewith is the certification from the Revenue Accounting Division of the Bureau relative to the revenues from excise tax collection from the importation of Alcohol, Tobacco, Sugar-Sweetened Beverages and Heated tobacco and Vape Products for Calendar Year 2020.

Please acknowledge receipt hereof.

Respectfully,

**REY LEONARDO B. GUERRERO**  
Commissioner



*MANILA 3:27*

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# BUREAU OF CUSTOMS

MAKABAGONG ADUANA, MATATAG NA EKONOMIYA



PROFESSIONALISM

INTEGRITY

ACCOUNTABILITY

## 2<sup>nd</sup> Indorsement

November 24, 2021

Respectfully returned to **CECILE MARIE C. SORIANO, OIC DIRECTOR, FINANCIAL SERVICE**, this Bureau, the herein verification of payment from the data you have provided us for **RA 11346** and **RA 11467** for the year 2020,

| PRODUCT                  | EXCISE                  | % ALLOCATION | ALLOCATION              |
|--------------------------|-------------------------|--------------|-------------------------|
| ALCOHOL                  | 1,824,203,937.56        | 100%         | 1,824,203,937.56        |
| TOBACCO                  | 5,350,003.58            | 50%          | 2,675,001.79            |
| SUGAR SWEETENED BEVERAGE | 3,595,882,467.40        | 50%          | 1,797,941,233.70        |
| VAPE                     | 47,303,145.00           | 100%         | 47,303,145.00           |
| <b>TOTAL</b>             | <b>5,472,739,553.54</b> |              | <b>3,672,123,318.05</b> |

  
**EMILIO L. JACINTO**  
Chief, Revenue Accounting Division

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**2022 SIN TAX ANNUAL REPORT OF THE DEPARTMENT OF HEALTH**

**Health Policy Development and Planning Bureau**