

## ENHANCING MIDWIVES' ENTREPRENEURIAL AND FINANCIAL LITERACY

### A. Background and Rationale

1. *High Maternal and Infant Mortality Rates.* In the Philippines, many women of reproductive age are considered to be at high risk of unsafe pregnancy as a result of having had four or more pregnancies, closely spaced pregnancies, being ill or being under the age of 18 or over the age of 35. The Maternal Mortality Ratio (MMR) remains high: for every 100,000 live births, 162 women die during pregnancy and childbirth, or shortly after childbirth according to the 2006 Family Planning Survey. With an average of about 2 million births per year, this means 8 women die every day. Since 1990, the MMR has declined very slowly (1.4% annually), when the Philippines was listed among the 42 countries contributing to 90% of maternal deaths worldwide. To achieve the MDGs' target of 52 deaths per 100,000 live births by 2015, the Philippines should reduce its MMR by at least 7.5% annually.

2. *Limited Access to Health Facility-based Care.* Access to quality health services is hampered by high costs, inefficiencies in health care management and social and cultural barriers. Health care facilities are unevenly distributed and medical professionals are mostly concentrated in urban centers like Metro Manila. The international migration of medical professionals is taking its toll on health services provided, especially in rural areas. The quality of the services in many provincial hospitals has also deteriorated as a consequence of the difficulties related to the full devolution of health care services. Affordable access to health facility-based care is limited to members of the *Philippine Health Insurance Corporation (PHIC)*. The provision of free health services to vulnerable women is subject to the respective local government units (LGUs)' fiscal ability to contribute to the PHIC's Indigent Program. Generally, PHIC coverage packages are presently biased for in-patient hospital care, leading to the neglect of out-patient, pre- and post- natal care of mothers.

3. *Midwives and birthing services.* In the Philippines, there are about 69,000 licensed public and private sector midwives –or skilled birth attendants-, who have been educated and trained to proficiency in the skills needed to manage normal uncomplicated pregnancies, childbirth and the immediate postnatal period, and in the identification, management and referral of complications in women and newborns<sup>1</sup>. As of 2008, private midwives are estimated at 32,000, with 23,000 enrolled in the *Integrated Midwives Association of the Philippines (IMAP)*, 3,000 having birthing homes and only 200 accredited with PHIC. Interviews carried out with midwives at both central and decentralized level identified three critical factors affecting midwives' limited accreditation in PHIC: (i) limited training institutes offering technical accreditation modules; (ii) limited availability of packages from credit lending agencies enabling midwives to purchase the equipment and upgrade physical structures for accreditation; and (iii) misinformation of local chief executives (governor, mayor, *barangay* captain) on women's health rights, entitlements and available health services.

4. Being accredited as a PHIC practitioner is *the* precondition for private midwives and lying-in clinics to provide health services to poor women, and seek reimbursement of eligible expenses by PHIC. Contributing to address the structural barriers affecting midwives' capacity to be accredited PHIC providers is critical to ensure midwives access to the 'small-scale provider' line of credit made available by the ADB –through DBP- for small-scale providers, under the Credit For Better Health Care (CBHC) Loan.

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<sup>1</sup> Their services and facilities range from simple delivery services in homes to birthing centers and clinics. Some public sector midwives are also active in the private sector and some sell family planning commodities from their premises. PHIC has developed benefits that acknowledge midwives as professional providers of maternal health care and their critical role in decongesting government health centers and hospitals of patient loads.

## B. Proposed activities

5. The component aims to both promote access to and supply of affordable reproductive health and family planning services to poor women by supporting the review of standard rules for midwives' accreditation in PHIC and their ability to access financial resources to expand and sustain the private midwifery practice. The component will also promote poor women's ability to avail of their reproductive health and family planning rights and entitlements and advocate with local government agencies (LGUs and offices of health services) for greater access to health information and services.

6. The proposed activities –under this Component– will be implemented in three Provinces [three municipalities or cities in each target Province, for a total of nine municipalities or cities], to be selected by the implementing agency –in consultation with DBP, DOH and the PHIC– among the following: (a) Luzon: (i) Ifugao Province (Cordillera Administrative Region); (ii) Oriental Mindoro Province (Region IV); and (iii) Quezon City (National Capital Region); (b) in Visayas: Leyte Province [Eastern Visayas (Region VIII)]; (c) in Mindanao: Basilan Province (Autonomous Region in Muslim Mindanao) and Davao del Sur [Davao Region (Region XII)]<sup>2</sup>. Municipalities and cities to be selected must meet the following criteria: (a) commitment to the MDG, as demonstrated by the LGU's progressive increase of budget allocations and tracking of MDG achievements in their respective municipalities or cities; (b) provision of maternal, child and reproductive health services, with earmarked budget for family planning and maternal and child health; (c) LGUs active participation in the PHIC's Indigent Sponsored Program with progressive enrolment of poor families over the last 3 years; and (d) commitment to the allocation of 5% of the LGU budgets to support the implementation of activities included in the gender plans adopted by relevant national agencies.

7. Most specifically, the component will have four subcomponents:

**(a) Subcomponent 1. Supporting PHIC's review for midwives' accreditation standards, process and benefit package.** This subcomponent will support PHIC Accreditation Department's ongoing effort to address the critical aspects underpinning midwives' limited access to its accreditation system, by extending the ongoing consultative process for the review of PHIC's accreditation standards, process and benefits package for midwives to three additional municipalities and cities in target Provinces. More specifically, the subcomponent will (i) assess and document existing barriers faced by private midwives in accrediting their facilities; (ii) assess midwives' understanding on accreditation standards and benefit package, (iii) work in consultation with IMAP and the *Philippine League of Government and Private Midwives Inc.* (PLPGMI)<sup>3</sup> to assess ways to reduce barriers to PHIC's accreditation standards and improve the demand for PHIC accreditation, (iv) expediting PHIC reimbursements – (roughly 6 months for small amounts of P4,500.00) by improving the validation/confirmation of PHIC payments claimed by some birthing/lying-in clinics; and (v) setting up a mechanism whereby communication between IMAP, PLPGMI and other midwives groups and PHIC can be improved through regular or periodic consultations.

<sup>2</sup> Municipalities and cities will be selected –within the retained Provinces- based on the following criteria: (i) high Maternal Mortality and/or Infant Mortality Rates; (ii) limited number of accredited maternal clinics; (iii) limited accreditation of midwives to the PHIC; (iv) limited enrollment of poor and vulnerable families under the PHIC Indigent Sponsored Program; (v) qualification as Low Income Municipalities (preferably class 4-6); (vi) target areas of the *FOURmula-1* (2005) Program of the Department of Health.

<sup>3</sup> PHIC recognizes two national associations of midwives (IMAP and PLPGMI) as official associations able to issue a 'certification of good standing' to the midwives.

- (b) Subcomponent 2: Development of a training curriculum and modules for midwives.** This subcomponent will support and strengthen the ability of IMAP and PLPGMI to (i) develop a comprehensive reproductive health and family planning training curriculum and continuing education program targeting the specific needs of its members. Training modules will be finalized in consultation with the DOH *Human Resources Development Bureau*, midwifery schools, IMAP Regional Training Centers, the Commission on Higher Education, the Philippine Obstetrics and Gynecological Society and the Professional Regulation Commission (Board of Midwifery). They will include: simulation skills practice, case studies, role plays, clinical practices, on-site observation, specific measurable objectives, knowledge, attitudes, skills checklists, and exercises for the development of business action plans. More specifically:
- (i) **Health literacy for midwives.** It will consult with the Dr. Jose Fabella Memorial Hospital<sup>4</sup>, in Santa Cruz (Manila) and other relevant health training institutes (e.g. the Ateneo Graduate School of Business) to identify options for the organization of training accreditation courses addressing the specific needs of licensed midwives – before 1994- (estimated at 10,000) who have not been able to achieve PHIC standards. It will support rolling out the curriculum in three selected municipalities/cities in the three target Provinces. Training will be limited to midwives able to demonstrate their willingness to sign a memorandum of understanding with specific referral networks of physician and/or obstetrician (as a pre-condition to PHIC's accreditation) and/or to operate in association with primary health care centers.
  - (ii) **Health enterprise financing and banking literacy.** The need to connect the targeted beneficiaries to credit lending agencies and to local government units (LGU) in the health sector has been identified as a critical factor affecting midwives' ability to enroll in PHIC: the package for full PHIC accreditation is estimated at P150,000 (or USD3,500); midwives' willingness to borrow is estimated at P50,000 (or USD1,200), used for the purchase of basic equipment or a phased construction of the birthing center/clinic. The proposed training, to be delivered by an experienced business development service (BDS) provider in cooperation with participating MFIs, will involve health enterprise development initiatives targeting female entrepreneurs in the health sector to enable midwives, primary health care doctors, and small drug retailers to develop business proposals, access and manage finance from credit lending agencies. The training will be extended to general physicians, obstetricians, gynecologists and pharmacists.
- (c) Subcomponent 3. Development of loan packages for midwives by credit lending agencies.** The DBP (Wholesale Banking, Microfinance Department) has forty accredited credit lending agencies (rural banks, thrift banks and/or micro-finance institutions) –or authorized conduits of microfinance loans- which could potentially on-lend to private medical practices, midwives and lying-in clinics. The sub-component will work with selected MFIs to develop microfinance loan packages which specifically address the needs faced by midwives in expanding their practices to comply with PHIC accreditation standards. The following non-bank MFIs have been identified as possible pilots: in Visayas, the Negros Women for Tomorrow Foundation (NWTF); *Taytay Sa Kauswagan* (TSKI); in Luzon: the Center for Agriculture and Rural Development (CARD), and *Alalay sa Kaunlaran* (ASKI); and in Mindanao: MILAMDEC Development Foundation<sup>5</sup> and Enterprise Bank.

<sup>4</sup> Dr. Jose Fabella Memorial Hospital is the only Maternal and Newborn Tertiary Hospital in the Philippines. It also houses the Jose Fabella Memorial Hospital School of Midwifery, one of the best performing institutions recognized by the Professional Regulation Commission in the Midwife Licensure Examinations.

<sup>5</sup> The above mentioned MFIs have been selected –in consultation with DBP based on the following criteria: (i) established presence and outreach in the selected cities and/or municipalities; (ii) financial health as demonstrated

- (d) **Subcomponent 4. Legal Empowerment on women's health rights, entitlements and services.** The component will support legal empowerment (LE) training activities targeting the specific needs of poor women in three selected municipalities and cities in each of the three target Provinces, by: (i) enhancing women's knowledge of their rights to reproductive health; (ii) promoting indigent families' enrollment in the PHIC Indigent Sponsored Program; (iii) supporting indigents' access to maternal and child health package program, administered by LGU; (iv) supporting the effective provision of health care services for women and children [National Policy and Strategy Framework in Reducing Maternal and Newborn Deaths (2008)]; (v) enhancing the ability of indigent women to actively participate in pursuing gender responsive local policies and programs. The subcomponent will also support LGU's efforts in: (i) initiating and directing local gender budgeting towards MDG programs; (ii) formulating and implementing gender responsive local policies and programs pertaining to reproductive health; (iii) evaluating the implementation of the *Barangay Health Workers Incentives Act (1995)* and the *Magna Carta for Public Health Workers (1999)*, to rationalize implementation of health programs in their respective LGUs; and (iv) discussing with LGUs the possibility of tapping midwives to man idle RHUs/BHS in outside city centers. Training sessions for women will be complemented by specialized training sessions targeting midwives and LGU officials [i.e. policy makers (executive and legislative), staff of health and social welfare departments, municipal health offices, rural health units (RHUs) and/or *barangay* health stations (BHSs)], to ensure fruitful cooperation among the three groups.

### C. Implementation Arrangements

8. One qualified national Health NGO will be recruited by the DBP for 24 months to implement these activities. To be eligible for funding, the national NGO must: (i) be a not-for-profit organization legally registered as NGO in the Philippines; (ii) have a minimum of five paid staff; (iii) maintain a proper accounting and financial management system (with audited records); (iv) have been operated in the project sites for at least 5 years; (v) have demonstrated track record to promote health-related capacity development initiatives; (vi) have experience in promoting sustainable policy and health reforms on sensitive issues related to women's reproductive rights; (vii) availability of pre-tested training methodology, modules and tools informed by GAD approaches which can be adapted to the specific needs of midwives; (viii) demonstrated track record of engagement and partnership with line agencies at central and decentralized level; (ix) experience in liaising with paralegals and legal service NGOs; (x) demonstrated ability to engage with LGUs in promoting pro-poor, gender-responsive policy and law reforms. The NGO will select and subcontract designated national training institutions in target Provinces to carry out the training curriculum and modules for midwives on terms and conditions to be approved pre-fact by the ADB. Services are expected to commence in July 2009 or three months after loan effectiveness and be completed one year in July 2011.

9. The impact of the activities will be assessed through a rigorous evaluation methodology, employing empirical tools to measure the impact of the interventions through focus groups discussions and sample surveys, using control groups to allow comparison between the areas with direct interventions and those without. The indicators to assess impact will be defined at project onset and include: knowledge, empowerment, confidence and ability to inform decision-making and budgetary allocation processes.

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by profitability, solvency, collection efficiency [portfolio quality, efficiency, sustainability, and outreach requirements, under the *National Credit Council Guidance*]; (iii) commitment to poverty reduction as demonstrated by their Charter and Mission/Vision Statement; (iv) dedication to the provision of medium-term lending capacity (3-5 years), and/or (v) commitment to develop a 'package' targeting the specific needs of midwives in the project area, and monitor the impact of the package during the two years of implementation

Table 1: Outputs

Outputs	Monitoring targets/indicators	Time
<b>Subcomponent 1: Supporting PHIC's review for midwives' accreditation standards, process and benefit package</b>		
(a) Consultations carried out by the NGO –in consultation with DBP, DOH and PHIC representatives in selected municipalities and cities (3) in target Provinces (3)	<ul style="list-style-type: none"> <li>• Consultations [50 participants/each] carried out by the NGO</li> <li>• 75% target participation of stakeholders (DBP, DOH and PHIC representatives) and beneficiaries</li> <li>• PHIC accreditation standards, benefit packages and claims processing requirements for midwives reviewed and –possibly- revised</li> </ul>	Month 1-6
(b) Training course curriculum developed based on consultations, definition of competencies and available materials	<ul style="list-style-type: none"> <li>• 900 midwives accredited by PHIC in the target Provinces (3)</li> </ul>	Month 24
<b>Subcomponent 2: Development of a training curriculum and modules for midwives</b>		
(c) Training needs assessment carried out in target Provinces (3) [Provincial capitals]	<ul style="list-style-type: none"> <li>• Needs assessment carried out on time by the NGO in target Provinces</li> </ul>	Month 1-3
(d) Training course curriculum reviewed and revised based on TNA results and available materials developed <sup>6</sup>	<ul style="list-style-type: none"> <li>• Training course curriculum on health literacy and health enterprise financing and banking literacy for midwives developed</li> </ul>	
(e) TOT training sessions organized by the NGO in target Provinces (3) [Provincial capitals]	<ul style="list-style-type: none"> <li>• Six TOT ten-day training sessions organized by the NGO</li> <li>• Pool of trainers [20 participants/session, with a total of 60 trainers] in target Provinces (3) [Provincial capitals]</li> </ul>	
(f) Training forums organized in selected municipalities and cities (3) in target Provinces (3), in collaboration with DOH, PHIC and DBP [Provincial capitals]	<ul style="list-style-type: none"> <li>• Sixty five-day forums organized quarterly and facilitated by 30 trainers (representing 50% of the initial pool) in selected municipalities and cities (3) in each of the target Provinces (3)</li> <li>• 75% target participation of DBP, DOH and PHIC representatives</li> <li>• At least 1,800 PHIC non-accredited midwives trained and received certification in health course towards PHIC accreditation by 2011.</li> <li>• At least 1,800 midwives trained in health enterprise financing and banking literacy and at least 50% of them prepared business proposals by 2011.</li> <li>• 1,800 midwives, trained in health enterprise financing and banking literacy</li> </ul>	Month 6-24
<b>Subcomponent 3. Development of loan packages for midwives by credit lending agencies</b>		
(g) Loan Products for Midwives finalized in consultation with credit lending agencies, stakeholders and beneficiaries	<ul style="list-style-type: none"> <li>• Market research on target midwives, loan package and social marketing strategies and materials developed in consultative manner and on time;</li> <li>• Loan products for midwives pilot tested</li> <li>• At least 30% of midwives' by 2010 and 50% of midwives' by 2011 (from baseline) consulted credit lending agencies for credit application.</li> </ul>	Month 1-3
		Month 3-6
		Month 6-24
<b>Subcomponent 4. Legal Empowerment on women's health rights, entitlements and services</b>		
(h) Health rights mechanisms targeting the specific needs and constraints of indigent women established in the project sites	<ul style="list-style-type: none"> <li>• # of women capacitated through legal empowerment training initiatives</li> <li>• # of indigent women's registered under the PHIC Indigent Sponsored Program [30% increase from baseline in year 1; and 50% increase from baseline in year 2]</li> <li>• # of LGU Maternal &amp; Reproductive Health policies and laws/regulations adopted at LGU level</li> </ul>	Month 6-24

<sup>6</sup> The IMAP and PLPGMI are committed to tap other private organizations to extend the training program beyond the selected municipalities and cities supported under the Credit For Better Health Care (CBHC) Loan.

**Table 1: Cost Estimate (in U\$)**

	Quantity	Amount
<b>1. Consultants</b>		
a. Remuneration and per diem <sup>a</sup>		
a.1. National Health NGO [24 months continuously] <sup>b</sup>		
-Implementation Officer (national level)	12	24,000
-Implementation Officers (provincial level)	72	108,000
a.2. National Legal Services NGO [6 months, intermittently]	18	27,000
b. Local travel [lump sum/month]	24	24,000
	<b>Sub-total (1)</b>	<b>183,000</b>
<b>2. Consultations and Trainings</b>		
a. Consultations on review of PHIC accreditation standards and benefits [3 Provinces, 3 municipalities/cities each] <sup>c</sup>	9	9,000
b. Training Needs Assessments [3 Provinces, 3 municipalities/cities each]	9	9,000
c. Training of Trainers (TOT)		
TOT, Provinces (3), 20 participants/session [80 trainers trained]	60	30,000
d. Training of Midwives		
Trainees Participation Costs [4/year on Health Literacy; 4/year on Health Enterprise financing and Banking Literacy for Midwives], municipalities and cities [3] in selected Provinces [3], 25 participants/each, 5 day courses	3,600	151,200
<b>3. Publication of Material and Outputs</b>		6,000
<b>4. Contingencies</b>		11,800
	<b>Sub-total (2)</b>	<b>217,000</b>
	<b>TOTAL</b>	<b>400,000</b>

Source: Asian Development Bank estimates.

<sup>a</sup> The item "Remuneration and Per Diem" includes all costs associated with carrying out technical assistance activities listed in the subcomponents. More specifically, it includes the development of a training curriculum and modules for midwives (Subcomponent 2); and the development of loan packages for midwives by credit lending agencies (Subcomponent 3)

<sup>b</sup> The item "National Health NGO" includes the recruitment of full-time Provincial Implementation Officers (24 months/each) and a National Implementation Officer (intermittent, 12 months), responsible for the overall implementation of the GDCF financed activities.

<sup>c</sup> The items "Consultations on review of PHIC accreditation standards and benefits", "Training Needs Assessment", "Training of Trainers", and "Training of Midwives" include all costs (incl. information and data collection, in-country travel and per diem) incurred by the participants.

## Appendix 1:

## OUTLINE TERMS OF REFERENCE

**(1) National Health nongovernment organization [24 months, continuously]**

1. The national health nongovernment organization (NGO) will be selected by the ADB –in consultation with the Department of Health (DOH) and the PHIC, based on selection criteria set out in para. 8 above. The NGO will be responsible to:

- (a) Organize, facilitate and document the consultative process for the review of PHIC accreditation standards in selected municipalities and cities (2) in target Provinces (3), in consultation with the DBP, DOH and PHIC. It will ensure the timely and effective participation of all stakeholders and beneficiaries and ensure adequate consultation with local chief executives (governors, mayors and *barangay* captains) and be responsible to carry out focus group discussions with local stakeholders (incl. representatives from public and private health service providers, IMAP, PLPGMI and other relevant midwives associations or cooperatives, women’s NGOs, legal services NGOs and civil society (incl. faith-based organizations). It will finalize the report and recommendations.
- (b) Develop –in close association with IMAP, PLPGMI and the DOH’s Health and Human Resources Development Bureau- a training curriculum and modules for midwives, consult with the *Favella Hospital* (Quezon City) and other potential health training institutes to identify options for the extension of training accreditation for midwifery courses to other structures across the Philippines<sup>7</sup>.
- (c) Roll out the training program on ‘Health literacy for midwives’ and ‘Health enterprise financing/banking literacy for midwives’ in selected municipalities and cities (3) in the selected Provinces (3), based on the sequencing indicated in Table 1 above (e.g. Training of Trainers; demonstration forums and training forums) and calendar to be agreed on by DBP and PHIC<sup>8</sup>.
- (d) Identify –in consultation with DBP Fund Sourcing Department- relevant credit lending agencies (rural banks, thrift banks and/or micro-finance institutions) to develop targeted loan packages for midwives; facilitate consultation with relevant stakeholders and/or beneficiaries –as needed- to inform the design of financial packages addressing the specific needs of midwives; and support the selected credit lending agencies in the development of their social marketing strategies for effective response by the midwives,
- (e) Subcontract –and work in strict consultation- with a legal services NGOs responsible to carry out the health and legal empowerment activities [through the support to legal identity, legal awareness, legal literacy, legal aid and gender-responsive policy and law formulation activities) aimed at promoting poor women’s greater access to health-related rights, entitlements and services.
- (f) The reporting requirements for the national NGO are as follows: (i) an inception report, including a detailed work plan, within 4 weeks upon signature of the contract; (ii)

<sup>7</sup> National training institutes will be selected to carry out the proposed training activities and include- but not be limited to- Baguio Center for Young Adults (BCYA); Friendly Care; the Institute of Maternal and Child Health (IMCH); *Katungod Han Samareña Foundation* (KSFI), Medical Mission Group; TriDev Specialists Foundation Inc and Well-Family Midwives Clinics Foundation.

<sup>8</sup> The training will be based on –and adapt- training modules adopted by the USAID’s Program Banking on Health and submitted for endorsement to the Department of Health: (a) Clinic Management for Private Practice Midwives: A Guide to Business Growth – Trainer’s Guide (November 2007) [4 day-training]; and (b) The 4-day training modules have been finalized by USAID will be used: (a) Business Planning and Management for Midwife Entrepreneurs – Trainer’s Guide (September 2007 [4 day-training]. 4-day training (incl. family planning, maternal and child health updates) course; post-training monitoring and –if needed- refresher.

semiannual progress reports; and (iii) a final report summarizing the outputs with appropriate documentation of achievements.

**(2) Legal Services nongovernment organization [6 months, intermittently]**

2. The legal services nongovernment organization (NGO) will be sub-contracted –by the Health NGO -based on selection criteria to be discussed with the DOH and PHIC- to support its interventions in the twelve selected municipalities/cities in the four Provinces, through the implementation of legal empowerment activities in subcomponent 4, aimed at ensuring indigent women’s greater access to health rights, entitlements and services. The NGO will be responsible to: (i) collect and/or update existing information on applicable laws/regulations related to women’s health rights, as a result of the recent approval of the *National Policy and Strategy Framework in Reducing Maternal and Newborn Deaths* (2008); (ii) carry out needs assessment of indigent families’ knowledge on health rights, entitlements and programs; (iii) develop legal literacy material addressing the specific needs of indigent families and describing eligible services, programs and benefits available –under DOH and PHIC- to them at the local level; (iv) carry out legal literacy and awareness activities targeting the specific need of indigent women (Module 1), and specialized training sessions targeting the specific needs of midwives (Module 2) and LGU officials [i.e. policy makers (executive and legislative), staff of health and social welfare departments, municipal health offices, rural health units (RHUs) and/or *barangay* health stations (BHSs) (Module 3) on women’s health rights related issues, programs and budgets; (v) support indigent families’ enrollment in the PHIC *Indigent Sponsored Program*; (vi) assist indigent families in accessing maternal and child health package programs administered by LGU; (vii) enhance the ability of indigent women to participate in consultative process –at the LGU level- to adopt gender responsive policies and legislation (e.g. the LGU reproductive health Codes), programs and advocate for greater budgetary allocations for maternal health services.