

**PHILIPPINE PHARMA PROCUREMENT, INC. (PPPI)
2016 PERFORMANCE SCORECARD**

	Objectives / Measures	Component			Rating Scale	PPPI Submission		GCG Validation		Supporting Documents	GCG Remarks	
		Formula	Weight	Target		Actual	Rating	Score	Rating			
SOCIAL IMPACT	SO 1	Provide Access to Affordable Essential Medicines through Public Entities / Facilities										
	SM 1	Sales Generated from all PhilHealth (contracted government hospitals) for Z package	Absolute Number	20%	50%	(Actual/Target) x Weight	16	20.00%	15	20.00%	- 2016 Sales Report and Copy of Sales Invoices	<p>The target for this measure is to generate sales from 50% of the (twenty) 25 Philhealth-contracted for Z package. The PPPI's servicing of the Philhealth contracted hospitals was only limited to the Breast Cancer Medicine Program (BCMAP) and Acute Lymphocytic Leukemia Medicines Access Program (ALLPMAP). Out of the 25, PPPI has served 15 Philhealth Z-contracted hospitals for BCPMAP and ALLMAP in 2016.</p> <p>The Research Institute for Tropical Medicine (RITM) is a DOH retained hospital but it is not considered as a Philhealth-contracted hospital.</p>
	SM 2	Number of Local Government Units (LGUs) served by PPPI Provinces - 80; Cities -122 and Municipalities - 1,496	Absolute Number	15%	40 provinces through DBM PS or direct	(Actual/Target) x Weight	16	6.00%	15	5.63%	- 2016 Sales Report and copy of Sales Invoices	<p>In 2016, PPPI was only able to serve 15 provinces or 37.5% of the target. These are the following: Abra, Batangas, Bulacan, Camarines Sur, Cavite, Isabela, Laguna, Leyte, Negros Occidental, Pampanga, Quezon, Rizal, Sorsogon, Tarlac, and Zamboanga del Norte. The National Capital Region was not counted since it is independent of any provincial government.</p>

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FINANCIAL	SO 2 Grow Sales											
	SM 3	Gross Revenue	Absolute Number	12%	₱151 Million	(Actual/Target) x Weight	₱173 Million	12.00%	₱172.89 Million	12.00%	2016 Sales Report, Summary of Sales Invoices	<p>Previously, PPPI was able to generate income through its mark-up price for its pooled procurement. However, starting 2015, the DOH refused this business strategy and instead opted for servicing agreement. Under the servicing agreement, PPPI is provided with service fee of 3% of the contract price. The revision on business strategy significantly affected PPPI's revenue, hence a minimal target of ₱151 Million for 2016. Actual report showed PPPI was able to exceed its target by posting a ₱172.89 Million revenue.</p> <p>While PPPI was able to exceed the set target, it is still noted that PPPI's business is largely dependent on transactions with DOH. Of the gross revenue reported for the year, ₱110.67 Million was for the DOH transactions in 2015.</p>
	SO 3 Sustain the Organization's Viability											
SM 4	EBITDA (Procurement Service for DOH)	Absolute Number	10%	₱18.50 Million	(Actual/Target) x Weight	Non-submission	0.00%	-	0.00%	Income Statement - EBITDA Method (Interim FS)	Given PPPI's high dependency with DOH, the target of EBITDA aims to measure the efficient use of PPPI's resource against its revenue generated from transactions with DOH. Given that for 2016 no transaction was made	

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									between PPPI and DOH, no EBITDA was recorded.		
SO 4	Achieve Customer Satisfaction										
SM 5	Overall satisfaction rating	5%	Above satisfactory by third party	(Actual/Target) x Weight	Customer survey ongoing	-	-	0%	Non-submission	In 2015, the customer satisfaction survey of PPPI shows a 4.10 or Very Satisfactory Rating from respondents. However, in 2016, PPPI did not submit any accomplishment or progress report. PPPI only noted that its customer satisfaction survey is still ongoing.	
SO 5	Ensure a Transparent and Fair Business Process for Supplies										
SM 6	Number of suppliers participating in procurement of activities for trade goods	Absolute Number	5%	Specialty medicine - Average of 3 suppliers	(Actual/Target) x Weight	1.33	2.22%	Average of 1.44 supplier per medicine	2.40%	Procurement Record of Various Specialty Medicines	In 2016, there are 45 specialty medicines identified for bidding. The target requires 3 participants/suppliers to bid for each medicine. With a total 65 participants/suppliers for all medicines, PPPI only had 48.15% of the required bidders for the 42 specialty medicines or an average of 1.44 bidder/supplier per medicine. The difference between the reported score and validated score cannot be accounted for because PPPI was not able to explain how 1.33 was computed.
		Sub-total	67%				40.22%		40.03%		

CUSTOMERS

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INTERNAL PROCESS	SO 6	Expand Product Lines and Business Partnerships									
	SM 7	New product lines and packages introduced	8%	3	(Actual/Target) x Weight	1	2.67%	1	2.67%	- Copy of NOA and NTP with Phil Pharmawealth, Inc.	PPPI provided the Notice of Award (NOA) dated 29 December 2016 and Notice to Proceed (NTP) dated 17 January 2017 to the Phil Pharmawealth, Inc. for the procurement of a new package - the Intravenous Immunoglobulin for Kawasaki Medicines Access Programs (KDMAP) of the DOH.
	SM 8	New business partnerships	8%	2 (DBM-PS and PCSO-Lung Center)	(Actual/Target) x Weight	1	4.00%	1	4.00%	- Copy of MOA with PGEA	Per representation of PPPI, it was discussed during one of the meetings with the GCG that since PPPI is having difficulty in partnering with the said agencies because of the 2016 election and new appointments, the target would no longer be restricted to partnership with DBM PS and PCSO, as long as PPPI is able to forge partnerships with organizations to further its business reach. For 2016, PPPI was only able to establish one partnership with the Philippine Government Employees Association (PGEA) for the supply/purchase of various vaccines for the member-employees of PGEA. The Memorandum of Agreement between the PPPI and PGEA has a reference number LEGAL/C 2016-06-019. Request for consideration of target is ACCEPTABLE.

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SO 7	Deliver Responsive and Timely Services to Customers									
SM 9	Percentage of orders delivered on time for DBM PS and PhilHealth	7%	90%	(Actual/Target) x Weight	62%	4.82%	-	0.00%	Non-submission	According to PPPI's submission, 62% of order was delivered on time for DBM PS and Philhealth, hence its self-rating of 4.82%. However, PPPI was unable to submit any documents/proofs that would support its accomplishment. Therefore, it was given a zero score for this measure.
SO 8	Develop Organizational Competencies									
SM 10	Establish SPMS	5%	CSC-Approved SPMS	(Actual/Target) x Weight	SPMS submitted to CSC	5.00%	CSC Approval of PPPI SPMS for Initial Implementation	5.00%	- Approval Letter from CSC for the Initial Implementation of PPPI SPMS	The PPPI submitted its SPMS to the CSC for approval on 09 November 2016. In its letter dated 17 March 2017, the SPMS of PPPI was "approved for initial implementation" by the CSC subject to compliance with its observations/findings.
SO 9	Institutionalize a Quality Management System									
SM 11	ISO Certification	5%	ISO Re-Certification	All or Nothing	ISO Recertified	5.00%	ISO 9001:2008 Recertification	5.00%	- ISO 9001:2008 Certificate	On 22 December 2016, PPPI was recertified with ISO 9001:2008 for its Procurement, Sale, Supply and Delivery of Pharmaceutical Products. With registration No. TUV100 05 3406, the ISO Certification of PPPI is valid until 14 September 2018.
		Sub-total	33%					21.49%		16.67%
		TOTAL	100%					61.71%		56.7%

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