

PHILIPPINE PHARMA PROCUREMENT, INC. (PPPI)
Validation Result of the 2023 Performance Scorecard

Component					PPPI Submission		GCG Evaluation		Supporting Documents	GCG Remarks	
Objective/Measure	Formula	Weight	Rating System	Target	Actual	Rating	Actual	Rating			
SOCIAL IMPACT	SO 1 Provide Access to Affordable Essential Medicines through Service Delivery Networks (SDNs)										
	SM 1	Increase the Number of PhilHealth Z-Benefit Contracted Government Hospitals ¹ Served thru the Pooled Procurement Facility	Actual Number of Hospitals Served / Total Number of PhilHealth Z-Benefit Contracted Government Hospitals	15%	(Actual / Target) x Weight If Less Than 65% = 0%	95%	13% (3 out of 23)	0%	8.33%	0%	List of all Z-Benefit Contracted Government Hospitals Delivery Receipt Packing List PPPI served two (2) ² out of twenty-four (24) Z-Benefit contracted government hospitals.
	SM 2	Expand the Number of Provinces and NCR Districts Served through the Pooled Procurement	Total Number of Provinces and Districts Served / Total Number of Provinces and Districts ³	15%	(Actual / Target) x Weight	90%	10%	1.74%	7%	1.17%	List of Provinces Served Delivery Receipts Packing Lists PPPI served six (6) provinces. ⁴
		Sub-total		30%				1.74%		1.17%	

¹ Only includes government hospitals offering the Z-Benefit Package with medicine requirements for acute lymphocytic leukemia, breast cancer, cervical cancer, prostate cancer, and colon and rectum cancer.

² UP-Philippine General Hospital and Vicente Sotto Memorial Medical Center.

³ The total number of provinces is 81 and the total number of NCR districts is four (4). Thus, the denominator for this formula is 85.

⁴ Antique, Benguet, Dinagat Islands, Mountain Province, Northern Samar, and Samar.

CUSTOMER	Component					PPPI Submission		GCG Evaluation		Supporting Documents	GCG Remarks															
	Objective/Measure	Formula	Weight	Rating System	Target	Actual	Rating	Actual	Rating																	
	SO 3 Sustain the Organization's Viability																									
	SM 4	Maintain a Positive EBITDA	Net Income + Interest Expense + Tax + Depreciation + Amortization	15%	All or Nothing	₱5.50 Million	(₱13.642 Million)	0%	(₱13.45 Million)	0%	2023 COA Annual Audit Report	The computation is provided in the table below: <table><tr><th>PARTICULARS</th><th>AMOUNT</th></tr><tr><td>P/(L) after Tax</td><td>(60,419,507)</td></tr><tr><td>Add:</td><td></td></tr><tr><td>Depreciation</td><td>1,160,707</td></tr><tr><td>Interest Expense</td><td>45,821,410</td></tr><tr><td>Tax</td><td>(15,190)</td></tr><tr><td>EBITDA</td><td>(13,452,580)</td></tr></table>	PARTICULARS	AMOUNT	P/(L) after Tax	(60,419,507)	Add:		Depreciation	1,160,707	Interest Expense	45,821,410	Tax	(15,190)	EBITDA	(13,452,580)
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SM 5	Disbursements Budget Utilization Rate	Total Disbursements / Total Board-Approved Corporate Operating Budget (Both Net of PS Cost)	5%	(Actual / Target) x Weight	90%	35.99%	2%	22.07%	1.23%	2023 COA Annual Audit Report	The BUR was computed based on total disbursements amounting ₱3.80 Million and budget equal to ₱17.21 Million, both net of PS Cost.															
	Sub-total		30%				3.07%		2.29%																	
SO 4 Achieve Customer Satisfaction																										
SM 6	Percentage of Satisfied Customers	Number of Respondents who gave a Rating of at least Satisfactory / Total Number of Respondents	5%	(Actual / Target) x Weight If Less Than 80% = 0%	90%	No Customer Satisfaction Survey Conducted	0%	No CSM Report Submitted	0%	Harmonized Client Satisfaction Measurement Results of GOCCs Covered by R.A. No. 10149 as endorsed by the Anti-Red Tape Authority (ARTA)	Target not met.															

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SO 5 Ensure a Transparent and Fair Business Process for Suppliers											
SM 7	Increase the Number of Suppliers Participating in Procurement	Total Number of Suppliers / Number of Procurement Conducted	5%	(Actual / Target) x Weight	Specialty Medicine – Average of 3 Suppliers	1.50	2.50%	Average of 1 Supplier	1.67%	Procurement Monitoring Report Notice to Execute Framework Agreement (NEFA) Performance Bond Framework Agreement Performance Securing Declaration Copies of Abstract of Bids	The Governance Commission notes that there were (4) procurement activities for essential medicines while there was one (1) for specialty medicines.
			5%		Essential Medicine – Average of 7 Suppliers	5.50	2.75%	Average of 4 Suppliers	2.86%		
		Sub-total		15%				5.25%			

INTERNAL PROCESS	Component				PPPI Submission		GCG Evaluation		Supporting Documents	GCG Remarks	
	Objective/Measure	Formula	Weight	Rating System	Target	Actual	Rating	Actual			Rating
	SO 6 Expand Business Partnerships										
	SM 8	Forge New Business Partnerships	Absolute Number	5%	(Actual / Target) x Weight	6	6	5%	5	4.17%	Memoranda of Agreement (MOAs) Framework Agreements Notice to Execute Framework Agreements (NEFA) Performance Bonds Performance Securing Declaration PPPI was able to forge a partnership with four (4) suppliers and the Municipal Government of Matnog, Sorsogon.
	SO 7 Deliver Responsive and Timely Services to Customers										
	SM 9	Percentage of Services ⁵ Completed Within Applicable Turnaround Time	Transactions Completed Within Applicable Turnaround Time ⁶ / Total Transactions	5%	(Actual / Target) x Weight	100%	95%	4.75%	Cannot be validated	0%	Monitoring of Deliveries Report Report on Delivery Timeliness Sales Invoices The GCG cannot objectively verify the measure on account of inadequate or incomplete transaction documents.

⁵ Includes the services order delivery, warehousing, and forwarding.

⁶ Processing time shall be based on the Citizen's Charter of PPPI in accordance with its compliance with the Republic Act No. 11032, otherwise known as the Ease of Doing Business and Efficient Government Service Delivery Act of 2018.

LEARNING & GROWTH	Component				PPPI Submission		GCG Evaluation		Supporting Documents	GCG Remarks	
	Objective/Measure	Formula	Weight	Rating System	Target	Actual	Rating	Actual			Rating
	SO 8 Institutionalize a Quality Management System										
	SM 10	ISO 9001:2015 Certification	Actual Accomplishment	5%	All or Nothing	Attain ISO 9001:2015 Certification	Not attained	0%	ISO 9001:2015 Certificate Not Attained	0%	No supporting document submitted Target not met.
		Sub-total		15%				9.75%		4.17%	
	SO 9 Develop Organizational Competencies										
	SM 11a	Develop the Competency Framework of the Organization	Actual Accomplishment	2.5%	All or Nothing	Board-Approved Competency Framework ⁷	Not attained	0%	No Board-Approved Competency Framework	0%	No supporting document submitted Target not met.
	SM 11b			2.5%	All or Nothing	Establishment of Baseline ⁸	Not attained	0%	No Competency Baseline Established	0%	No supporting document submitted Target not met.

⁷ Includes Competency Catalogue, Competency Framework, Competency Tables, Competency Matrix, Position Profiles, and Competency-Based Job Description.

⁸ The competency baseline of the organization shall pertain to the average percentage of required competencies met which can be computed using the following formula:

$$\frac{\sum_{b=1}^B \left[\frac{\sum_{a=1}^A \left(\frac{\text{Actual Competency Level}}{\text{Required Competency Level}} \right)}{A} \right]}{B}$$

where: a = Competency required, A = Total number of competencies required of position, b = Personnel profiled, B = Total number of personnel profiled.

Component				PPPI Submission		GCG Evaluation		Supporting Documents	GCG Remarks		
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SO 10 Improve Operational Efficiency using Technology											
SM 12a	Percentage of Completion of the ISSP	Actual Accomplishment	2.5%	All or Nothing	Submission of the Board-Approved ISSP to the DICT	Not attained	0%	Non-submission of Board-Approved ISSP to the DICT	0%	No supporting document submitted	Targets not met.
SM 12b		Total Number of Deliverables Due for 2023 Attained / Total Number of Deliverables Due for 2023	2.5%	(Actual / Target) x Weight	100% Attainment of 2023 Deliverables ⁹ (based on DICT-endorsed ISSP)	Not attained	0%	100% of 2023 Deliverables Not Attained	0%	No supporting document submitted	
	Sub-total		10%				0%		0%		
	TOTAL		100%				19.82%		12.16%		

⁹ Deliverables refer to systems/applications.