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## WELL FAMILY MIDWIFE CLINICS (WFMCS): IMPROVING THE LIVELIHOOD OF MIDWIVES IN THE PHILIPPINES

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*"Midwifery is part of the back to basics trend in women's healthcare. A trend away from healthcare systems which focus more on institutional guidelines, liability costs, and technical procedures than on the mother's or the family's wishes. To choose midwifery health care is to choose sensitive, holistic assistance from a professional who works with you, not on you."*

**Gentle Birth Clinic Des Moines**  
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For the past thirty minutes, Timmy Garces, the marketing head of a Makati-based firm, has been going over his notes about the Well-Family Midwife Clinic Partnerships Foundation, Inc (WPF) and its network of clinics called the Well Family Midwife Clinics (WFMCS). Timmy just got back from a luncheon meeting with the Chief Executive Officer of the WPF Governance Council, Mr. Angelo Joshua Llorin, his bosom friend, who sought his assistance to revivify the marketing thrust of WPF. According to Angelo or Anjo, the WPF Governance Council (**Exhibit A: Composition of the WPF Governance Council**) was scheduled to meet in a week's time to discuss new strategies for WPF, including his brainchild -- the proposed aggressive expansion of WFMCS to the regions. Anjo had to make a presentation to the Council to enable the members to make a sound judgment concerning the future of WFMCS. This was where Timmy's expertise comes in and Anjo has requested him to help prepare his presentation to the Council.

With nary an iota of information about midwifery in the Philippines and the operation of WFMCS in the country, Timmy had to work fast. First he had to organize his notes from his meeting with Anjo; then he had to interview the WPF staff and the association's partner NGOs; and visit one or two clinics later.

Mulling over the printed documents Anjo gave him, Timmy noted that:

- *over 60 percent of all pregnancies in the country are considered high-risk. According to the 1998 National Demographic and Health Survey (NDHS), ten women die every 24 hours due to causes related to pregnancy and childbirth. The Philippines has a high maternal mortality rate of 172 deaths (14% affecting women from 15 to 49 years old) per 100,000 live births, an infant mortality*

*rate of 35 deaths per 1,000 live births, and an under-five mortality rate of 48 deaths per 1,000 live births.*

- *The risk of maternal death is significantly higher for some regions. Those with the highest prevalence rate are CAR (63.7 %), ARMM (62.6 %) and Region 12 (57.5 %).*

## **I. HOW IT ALL STARTED**

### **The Well Family Midwife Clinics**

The Well Family Midwife Clinics (WFMCs) were established in the Philippines as an offshoot of a program called "Technical Assistance for the Conduct of Integrated Family Planning and Maternal Health Activities by Philippine Non-Governmental Organizations" or TANGO II.<sup>1</sup>

Also known as the Philippine NGO Strengthening Project, TANGO II has been a pioneer in developing, implementing, and evaluating private sector oriented models of service delivery for Family Planning and basic Maternal and Child Health (FP/MCH) services.

Finally in 1997, the Philippine Office of the John Snow Institute (JSI) Research and Training Institute (JSI/RTI) launched the WFMC project, through the USAID's funding assistance, specifically to address the expansion and improvement of a sustainable private midwife practice. This project was strengthened by studies conducted on health care practices and preferences, family planning and other reproductive health concerns in the Philippines which showed that majority of Filipinas, whether married or single, especially those residing in the provinces, prefer midwives for their reproductive health needs. Aside from reproductive health and maternal and child health care (RH/MCH), these studies also indicated that midwives play important roles in providing primary and emergent services to women, besides that of health caregivers and entrepreneurs.

TANGO collaborated with ten Non-Governmental Organizations (NGOs) (**Exhibit B:** List of NGO Partners of WPMFI) based in various regions in the Philippines in order to set up the WFMCs, owned and managed by private and especially trained midwives, for the purpose of providing quality FP/MCH services to lower and middle-income families. Five years later, TANGO assisted the WFMC midwives and their partner NGOs to form the Well-Family Midwife Clinic Partnerships Foundation, Inc. (WPMFI) to allow them to sustain their business and social development operations. The WPMFI which was registered with the Securities and Exchange Commission on June 18, 2002, came up with a fully functioning franchise system for the WFMC network to include overseeing the development and operations of the WFMCs in various parts of the country.

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<sup>1</sup> The USAID funded the TANGO II project in 1994, in recognition of the need to develop new models for service delivery focused on the private sector. TANGO II is managed by the Philippine Office of JSI Research and Training Institute, Inc. (JSI/RTI), a non-profit affiliate of John Snow, Inc. (JSI). JSI is a well-known international public health consulting firm headquartered in Boston, and a recognized leader in implementing innovative programs in public health, environmental health and sanitation, health financing, health policy development, family planning, and organizational development.

## Vision/Mission and Objectives of WFMCs

The WFMCs are envisioned to provide “affordable and accessible quality health-care for every Filipino”. Each clinic aims to make available family planning and basic maternal and child health services, including pregnancy tests, pre-natal care, delivery and post-natal care, as well as basic well-baby care, including immunization. At the same time, the WFMCs offer family planning counseling, services and supplies including several brands of contraceptives and other health care products to its clients, as well as emergency health services.

To help set up these clinics, the US AID, through the TANGO program, extended entrepreneurial opportunities (to include loans) to midwives who have established linkages with their respective communities. TANGO partnered with NGOs that have existing links with lower and middle-income families, in order to ensure the sustainability of linkages between the practicing midwives and their communities, and therefore, allow the continuous operation of WFMCs. Aside from the linkages, the licensed midwives were given special training in the management of the clinics which are equipped with birthing facilities and private examination rooms.

From the initially targeted 200 clinics, 217 have been established by the end of 2003, 30 percent of which were located in Mindanao. At present, however, there are only 120 WFMCs located in Metro Manila and in 28 provinces all over the country (**Table 1**: Distribution of WFMCs). Based on Table 1, obviously not covered are Regions 1, 2, 5 and the autonomous regions of the Cordillera Administrative Region (CAR) and the Autonomous Region of Muslim Mindanao (ARMM).

**Table 1: WFMCs in the Philippines**

REGION	PROVINCE
NCR	
REGION 3	Nueva Ecija, Pampanga, Bulacan
REGION 4	Cavite, Batangas, Laguna, Rizal, Quezon
REGION 6	Iloilo, Negros Occidental, , Capiz
REGION 7	Cebu
REGION 8	Leyte, Southern Leyte
REGION 9	Zamboanga del Sur, Lanao del Norte
REGION 10	Misamis Oriental, Misamis Occidental, Bukidnon
REGION 11	Davao del Norte, Compostela Valley, Davao Oriental
REGION 12	Maguindanao, North Cotabato, Sultan Kudarat, South Cotabato, Sarangani

## ***THE MIDWIVES AS ENTREPRENEURS.....***

Timmy tried to picture himself in the shoes of an ordinary midwife with no business experience and no money as start up capital. Fear of the unknown (due to lack of business acumen and the guts that go with it) would not be the only obstacle to hurdle but the more fearsome would be the lack of capital to be used as equity in complying with the requirements to set up a WFMC. Timmy could only surmise that such hurdles, despite the information drive undertaken under Project TANGO and later by WFMI, were strong enough to drive away some midwives from realizing their dreams.

## **Requirements in setting up a WFMC**

Of the 40,000 registered midwives in the Philippines, only a few hundred turned their dream and enthusiasm to become full fledged businesswomen to reality. Those who took up the challenge followed the guidelines of the Well Family Partnerships Foundation, Inc. (WPF) in setting up their own Well-Family Midwife Clinics, viz:

- Accessible to public transport and walk-in clients
- At least 3 kilometers away from the nearest family planning and maternal & child health service provider or facility (whether private or government)
- Located in a densely-populated area predominated by C and D clients
- Located in an area with reasonable economic activity and in a generally clean and safe environment.

The total investment package to establish an ideal WFMC is estimated to be around P500,000, although some clinics were actually put up at much lesser costs, depending on the location, facilities and clinic size . The equity put in by a WFMC franchisee is equivalent to the cost of construction or renovation of the clinic to be opened, pre-operating and on-the-job training activities, clinic equipment and instruments, the WFMC signage and the initial marketing and promotional materials. JSI-RTI and WPF (through its accredited local service providers) provide the technical assistance for clinical, business and marketing needs of the WFMCs. On top of this, there is a Franchise Fee to give the franchisee the right to use the WFMC brand name, the WFMC Operating Manuals, Quality Assurance visits, and access to specialized training and business coaching services.

There were cases, however, where some WFMC franchisees shelled out lesser amounts, for example, one midwife (Purita Dantes, who opened her Bagong Silang, Caloocan City clinic in November 2000) said she came up with only P80,000 capital (partly borrowed from her sister) for the renovation and purchase of tables and chairs, beds and other essential clinic facilities. Other monthly costs include the clinic space rental, electricity, water, wages of clinic assistant (s), office supplies, clinic supplies, family planning commodities, etc. Additionally, a WFMC will pay the WPF a monthly Royalty Fee equivalent to P200 per normal maternal delivery. However, if in a given month the clinic has less than two (2) normal maternal deliveries, the WFMC will pay a minimum Royalty Fee of P500 for that month.

Given these operational costs, Timmy is inclined to think that during the incubation period of some WFMCs, the stress of having to maintain a minimum number of patients to sustain the clinic's operations and ensure a regular source of income for such operational costs, was so great that these WFMCs were forced to fold up. These WFMC operators claim that the one time loan from TANGO for setting up their clinics were not enough to see them through the hard times, when patients only come in trickles.

### **Qualifications for WFMC franchise**

According to the WPF CEO, Angelo Joshua Llorin, the Foundation thoroughly screens its midwife-applicant to ensure that certain specific qualifications are met prior to the establishment of a well-family midwife clinic (**Exhibit C: Complete Qualifications of a WFMC Franchisee**). The franchisee must be a registered and practicing midwife, with at least three to five years midwifery experience and performing a minimum of three to five deliveries per month; residing in a community where she enjoys good relations with other community members particularly the local health units; and is willing to put up a certain amount as start up capital for clinic refurbishing, to pay for the franchise and royalty fees, the purchase of basic clinic equipment and instruments and to pay for trainings. It was noted that a midwife-applicant has to undergo hours of rigorous training in three areas: quality assurance, business development and marketing and promotions. Most of the midwives who eagerly grabbed the opportunity to set up a WFMC

said that the business part--preparing feasibility studies, reading profit-and-loss statements, maintaining account books, marketing their services--was the more difficult phase of the training.

Even after accreditation, the Well-Family midwives and their clinics are constantly monitored (by the partner NGOs) and evaluated, such that some clinics have, through the years, been closed down and de-registered. Every clinic must also adhere to DOH guidelines and standards. According to most WFMC owners, the high standards and assurance of quality are what set apart the Well-Family Midwife Clinics from their competitor health service providers.

### **Benefits and hazards to midwives with WFMCs**

Based on the experiences of established WFMCs, there are advantages and disadvantages to setting up and running a well-family midwife clinic. Timmy consulted his notes from his recent interviews of midwives already operating their WFMCs and determined the following as the advantages, from the point of view of the owner-operators:

- The chance to own the business and develop entrepreneurial skills
- The opportunity to receive technical and business training and continuing professional education
- The chance to become part of a wide network of quality health care providers
- The privilege to enjoy the following technical support from WFPI:
  - ✓ Marketing and public relations support
  - ✓ Access to affordable clinic commodities and supplies
  - ✓ Advice on effective pricing of products and services
  - ✓ Guidance for long -term profitability through quality assurance visits
- The chance to be recognized for a job well done.

In addition to the HR scheme, a reward and recognition program was put in place to motivate exemplary performance among WFMCs. The WFMC Diamond Awards, launched in November 2002 by WFPI, aim to recognize excellence in midwifery, entrepreneurship and partnerships of the WFMC managers -- in different categories such as service and performance, ability to inspire innovation and replication of outstanding practices in the promotion and delivery of family planning services, and their collaborations with local partners”, included -- the Mountain of Light Diamond Award for Excellence in Family Planning Initiatives, the Centenary Diamond Award for Excellence in Business Management, the Regent Diamond Award for Excellence in Leadership (which measured a midwife/owner's impact on the larger community by way of her advocacy, networking, training and related activities), and the Earth Star Diamond Award for Excellence in Patient Care.

The first WFMC Diamond Awardees in 2003 were as follows: Gertrudes Luderico (of Sta. Lucia, Pasig), the Earth Star Diamond Award for Excellence in Patient Care; Anita Alojado (of Davao City), the Regent Diamond Award for Leadership; Carol Millan (of Brgy. Rizal, Makati City), the Centenary Diamond Award for Business Management; and Jocelyn Plaza (of Surigao City), the Mountain of Light Diamond Award for Family Planning Initiatives. However, to date, this awards system was temporarily put on hold.

On the other hand, there were factors which some owner-operators of WFMCs considered as downside to their business operations such as:

- The risk of investing hard earned money
- Strong pressure to meet number of clients to sustain business

- Full time hands-on management of clinic, sacrificing time spent with children
- 24-hour on-call operation of clinic
- risk of being involved in either a criminal case (filed with the NBI or the Prosecutor’s Office); a civil case (filed with the Metropolitan or Municipal / Regional Trial Courts), or an administrative case (filed with the PRC, Philhealth or DOH), in cases of death of either mother or child or both while being treated at the clinic.
- risk of being left with an unclaimed child who becomes the responsibility of the midwife. (More than one midwife admitted to having served as a go-between for a young client in trouble and her parents, which put them in the middle of a sensitive situation which sometimes ends in the midwife adopting the baby of such a troubled arrangement).
- being exposed to a natural "hostility" with the traditional “Hilots” in the area since the WFMC operators are often seen as "competition" for the hilot's services.

## **II. THE WELL-FAMILY MIDWIFE CLINIC PARTNERSHIPS FOUNDATION, INC (WPFI)**

As intimated by his bosom friend Anjo, Timmy understood the rationale for the establishment of a foundation, the Well-Family Midwife Clinic Partnerships Foundation, Inc (WPFI), to oversee the transition in managing the WFMCs.

### **A. Purpose/Vision/Mission**

WPFI was established in June 2002 to manage the midwife clinic franchise, in anticipation of the pull-out of the John Snow Inc. Research and Training Institute(JSI/RTI), which conceptualized the project of midwives as private business entrepreneurs and turned it into a nationwide network of more than 200 clinics. When the JSI/RTI finally pulled out in February 2005, WPFI has completely taken over the reigns of managing the project, and turned the network into a franchise, with the WPFI as the franchisor, and the midwife clinic managers as the franchisees. The franchise ensures that all members observe high standards of business performance and quality services at all times (**Exhibit D**: Objectives of WPFI).

The vision of the WPFI is to be a leading and sustainable national organization, nurturing a network of excellent community-based clinics and health service providers that ensure family wellness through family planning and maternal and child care services.

The four-fold mission of the WPFI includes the following:

- Ensure the effectiveness and sustainability of Well-Family Midwife Clinics (WFMCs)
- Manage the Franchise System of WFMC brand
- Deliver the essential services including research and development, training and organizational development needs of the WFMCs
- Address the family planning and maternal and child health (FP/MCH) concerns at the community level

### **B. Thrusts of WFPI**

The WPFI assists the WFMC members through the following activities/ programs:

- Management of the WFMC network nationwide. The WPFI supports the clinics on three aspects, viz:

- a) Business development and consultancy, by providing training and consultancy services for both the clinical and business aspects of WFMC operations;
  - b) Marketing – through the promotion of WFMCs as “one-stop” shops for FP/MCH service. The WPMFI develops and implements different marketing strategies to give support to the WFMCs such as sales force development, advocacy meetings, house visits, family planning and “Buntis” (pregnant women) parties, institutional marketing, and FP/MCH care giving programs. One good example was the case of Carolina Millan, who set up her clinic along Cattleya Street in Makati City and offered a number of "promos" to attract clients. In addition to her regular "buntis parties" for all the pregnant women in the community, she has discounts on special occasions like her birthday, and offers comprehensive packages, including pre-natal/delivery/post-partum/pediatric check-ups. As a result, she handles some 30 deliveries a month but during peak periods, she counts as many as 60 deliveries a month.
  - c) Human resource development – the WPMFI has developed a comprehensive Human Resource and Organizational Development Program for both the member NGOs and the WFMCs.
- Management of the WFMC Franchise System. This activity is designed to ensure that the clinics are able to deliver, on a sustained basis, “affordable, convenient, quality health care” to the middle and lower income Filipinos. Franchising is available only to licensed midwives, invited NGOs, and cooperatives. The franchise system likewise serves as a guarantee that the service delivery mechanisms and standards of WFMCs are strictly followed. Non-members who wish to avail of the franchise system may apply upon approval of their membership into the WFMC network.

Applying for membership into the WFM network is not easy because a midwife-applicant must first undergo rigorous background checks and a battery of exams, including one for psychological fitness. With a partner NGO, the midwife-applicant is also asked to prepare a business plan, to ensure that she has a large enough market to sustain her clinic's operations. In this connection, Timmy had to research some more on social franchising and how this is applied to managing the WFMCs. He read a study which showed that social franchising applies accepted business techniques to provide “public goods” through the private sector. Whereas social marketing is largely used for product sales, social franchising, on the other hand, is focused on the provision of services. Although social franchising may be used for any number of services that have broad social value, much of the global experience with the model has been for the provision of family planning and other reproductive health services.<sup>2</sup> Major social franchises for health are currently operating in a number of countries: Green Star in Pakistan, Janani in India, PROSALUD in Bolivia, and Well-Family Midwife Clinics in the Philippines, to name a few.

Below is a table which compares the social franchising models in Pakistan, India and Bolivia with that of the WFMC.

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<sup>2</sup> Unlike commercial franchises, most social franchises are also characterized by financial subsidies from public resources provided by government or donors to establish and/or operate the franchise; an emphasis on services for the public good (e.g., maternal-child health, family planning, voluntary counseling and testing for HIV, immunization, nutrition, etc.); and low-income groups as the intended consumers of franchise services. All social franchising begins with a social agenda. The major difference among various social franchising schemes is the degree to which they incorporate a commercial agenda (i.e., profitability and financial sustainability) in addition to social goals.

**Table 2: Social Franchising Models in Other Countries**

	<b>Green Star</b>	<b>PRO-SALUD</b>	<b>Janani</b>	<b>WFMC</b>
Contract between parent organization (franchiser) & clinics (franchisees)	Yes	Yes	Yes	Yes
Standardized business format	Yes	Yes	Yes	Yes
Brand	Yes	Yes	Yes	Yes
Marketing	Yes	Yes	Yes	Yes
Franchise fee	Yes	Yes	Yes	Yes
Quality assurance	Yes	Yes	Yes	Yes
Franchise operators own their business	Yes	Yes	Yes	Yes
Fee for Service	Yes	Yes	Yes	Yes
Financial sustainability as a primary objective	No	Yes	No	Yes

- As part of their continuing education program for midwives, WFMC managers conducted Health Education Sessions (HES) in their respective communities; other trainings conducted include the following -- Franchise Agreement cascading session, Finance Governance, the Philhealth Maternity Care Package orientation which focused on Claims processing, to help midwives facilitate collection from Philhealth, the Buntis Congress, a joint project of the Department of Health and the Midwives Foundation, aimed at promoting health awareness among pregnant women.
- For sustainability, each WFMC owner must meet a minimum net income of Php15,000.00 a month. Pricing of services varies from clinic to clinic, depending on the prevailing rates in the area, though WFMC rates usually cost a lot cheaper compared to those charged by a hospital (only one third of hospital costs). To reach this target income, every clinic must have a minimum of 20 paying clients a day, with at least five family planning "acceptors" among them.
- According to Inquirer columnist Ms. Rina Jimenez-David in her September 30, 2003 article, midwives are literally the "mothers" of their communities, looking after the health of women, children and entire families, while ensuring that mothers and babies not just survive pregnancy and delivery, but enjoy good health throughout their lives. At the same time, midwives find themselves playing auxiliary roles like that of counselor, teacher, family therapist and community negotiator and leader.
- One WFMC owner based in Davao, Anita Alajado, whose clinic has become a "showcase" of the WFMC, during visits of foreign and local tourists and interested parties, is especially recognized for her pioneering work with traditional birth attendants or "hilot". Anita was quite successful in convincing the "hilots" to become her partners, with the assistance of the Davao city health officials. She was able to reach out to the hilot community and provide basic training on sanitation and safe motherhood practices. The working relationship has progressed to a level where the hilots are now using a referral system, sending their new "mothers" to her for family planning and child care services.
- Depending on the location of the clinic, the midwife entrepreneur can earn a monthly income of between P25,000 and P250,000.
- During the 3rd national assembly held on November 18-19, 2004 at the Apo View Hotel in Davao City, WPMI launched another breakthrough in the franchising endeavor of the WFMC network, aimed at going into commercial franchising with the introduction of the WFMC brand of quality health care service to the private sector.

- Extension of a Financing Program for WFMC members. This program was launched on March 30, 2005 at the OMB Auditorium in Antipolo, Rizal during an event dubbed "Midwives in the Business of Health: A Financing Program for the WFMC Network", signaling a new phase in the entrepreneurship of WFMC members as it allows them to improve and expand their clinic and business operations.

#### C. The Financing/Loan Program of WPFI:

The entrepreneurial thrust of WPFI would not have been possible without the extension of loans to prospective WFMC owner-operators. Done with his initial research on the WPFI initiatives, Timmy was convinced that the loan extension program was a critical success component of the franchise system.

- At the time the WFMC program was launched, there were at least 17 loans released to private practice midwives to establish their own clinics. However, from the original 217 clinics set up nationwide through the loans program, the number has dwindled down to 120 clinics. Based on his interviews with some owners of WFMCs, some of the reasons for the closure of almost 100 WFMCs included the inability to maintain the required number of clients per month. (It was noted that to continue a profitable operation, each clinic must have at least 6-7 clients a day.); inaccessibility of some clinics due to miscalculations concerning location, as was the case in far flung barangays; failure of some local government officials to render support to the WFMCs who looked at these clinics as competitors rather than as partners in the total health care system for the community; and primarily, the discontinuance of financial assistance from international funding sources as well as lack of access to local funding institutions.
- The loan project was made possible through the joint effort of the WPFI, the Opportunity Microfinance Bank (OMB) which signed the agreement with WPFI on September 29, 2003, and the USAID, with support from the Development Credit Authority (DCA), and the Credit Guarantee Facility for Small loans of USA. The first two recipients of the loan were Gloria Amoin of Tanay, Rizal, Gertrudes Luderico of Sta. Lucia, Pasig who got an aggregate loan of Php 700,000, which they used for the construction of a new clinic and the purchase of a service vehicle.
- In addition to individual loans, OMB offers a special group loan package designed for the members and would-be members of the Well-Family Midwife Clinic network. This new loan facility is available for the construction of clinics, including improvement, repair, refurbishing and expansion. The loans can also be used for the purchase of clinic equipment, machines, service vehicle and other clinic operations requirements of WFMCs. Most of the franchisees interviewed and who were part of the initial batch of midwife-entrepreneurs revealed that they had to shell out their own funds to augment the start-up capital provided under the program.
- The loan process starts with an orientation meeting with the bank and submission of required documents. The applications go through a series of evaluation, recommendation and ultimately, approval by the credit review committee of OMB. WPFI is working with other lending institutions in Metro Manila, Visayas and Mindanao areas to ensure access to financing by WFMCs in these areas. Already, some banks have opened a group lending facility for the WFMC midwives in their areas of coverage.
- Raising capital is still considered the most difficult hurdle in joining the WFMC network, to be used for construction or renovation of their clinics and for the purchase of necessary clinic equipment. Because of this, the midwives aim to tap venture capitalists (such as those midwives who are working abroad in other capacities) or gain access to sources of "soft loans" to help qualified but undercapitalized midwives put up their own clinics, especially in underserved areas.

### III. THE STATUS OF MIDWIVES IN THE PHILIPPINES

Meanwhile, the number of certified midwives all over the Philippines has grown to approximately 40,000. Significantly, forty percent (40%) of these certified midwives are involved in their own private practice. The remaining 60 percent either work in government and privately-owned clinics and hospitals or doing other related jobs.

Because of the increasing number of Filipino midwives and their more aggressive involvement in health care, the Department of Health (DOH) issued a circular in 2005 on the viability of establishing and accrediting “Birthing Homes” where midwives can practice their profession in a private capacity, outside of a hospital setting. Along this line, the DOH initiated the design of a project to expand and improve private midwife practices in a sustainable manner. To pursue the objective of its project on improving the lot of midwives in the Philippines, the DOH during the same year, surveyed over 500 private practice midwives from 15 of 17 regions in the country, and found out that:

- 41% of Filipino midwives nationwide work exclusively in private practice. Others work in both public & private sectors.
- these midwives deliver between 2 and 10 babies/month
- 84% of the clinics run by midwives offer family planning products
- 50% own their clinics, with an average business income amounting to P184,800 – P264,000 (US\$3,360 - \$4,800) per annum (as compared to the average household income in other countries of P264,000-P343,200 (US\$4,800 - \$6,240) per annum and the Philippine national average family income in 2003 of P163,625 (US\$2,975); thus, 89% of these practicing midwives still want to grow their businesses.
- The average profit of the midwife’s clinic per annum is P85,085 (US\$1,547); indicating that midwives working exclusively in private practice earn more than twice as much as those who have either public or private practice or those working in government-run clinics alone.
- The surveyed midwives cite a number of obstacles to the growth of their businesses, such as -- lack of funding (65%), business skills (38%), clinical skills (22%), difficulty finding suppliers (11%), not enough demand (4%).

The same survey disclosed the financing needs/status of Filipino midwives, as follows:

- 65% of respondents said funding is their biggest obstacle to growth
- Only 17% had received a loan for business reasons while 73% wanted to get loans to improve their lot
- Loans are primarily intended for the purchase of equipment or for clinic renovation
- 80% wanted to expand their services to include the selling of contraceptives for resale using financing
- 53% have collateral available
- Most were not aware of where to go for a business loan
- Less than half produce financial statements

In conducting the study, the DOH likewise undertook an assessment of local financial institutions that extend loans to midwives by involving 46 respondents representing cooperatives, microfinance institutions (MFIs), rural banks, financial institutions, lending corporations and fund wholesalers. These respondents revealed that:

- Only 9% of these institutions have extended loans to midwives
- They experienced very few loan applications which they attribute to lack of market information
- 78% of these institutions are still interested in lending to midwives

As a result of the study, the Department of Health aggressively pursued these recommended action areas:

- To organizationally strengthen the national association of midwife practitioners, the Department conducted an organizational assessment and examined the possibility of developing midwife credit coops. The DOH also recommended capacity building activities to support midwives involved in private practice.
- To address the need for market information and links, the DOH sponsored/hosted so-called “Private Midwife Business Fairs” in different venues all over the country, for example, in Metro Manila which was attended by about 600 midwives; in Davao which was participated in by 250 midwives; in Cebu which was attended by 150 midwives and in Iloilo. Through such fairs, the Department was able to successfully impart to the practicing midwives market information and access to business information, including links to financial institutions, suppliers, pharmaceutical companies, business development services, as well as health financing through PhilHealth.
- To equip the midwives with the necessary entrepreneurial tools and training, the Department provided the midwives with the directory of financial institutions, an enterprise growth monitoring tool and disseminated the requirements for Private Practice Midwives and Clinic Accreditation. Likewise, the DOH conducted Basic and Advanced Business Trainings in tandem with the USAID PRISM Project during which 72 midwives received basic training in “Financing the Private Midwife Practice”.
- In order to involve the financial institutions, some 69 bankers from 8 financial institutions underwent training in lending to private midwives; they were provided networking opportunities during the business fairs participated in by midwives and also technical assistance was extended to the Opportunity Microfinance Bank (OMB).

DOH recognized the efforts of WPFI and the WFMCs in helping push the country’s overall health and wellness thrust. Aside from the PhilHealth accreditation, DOH is involved in helping the WFMCs obtain licenses for their operations.

- During the WPFI's 3rd National Assembly held in November 2004 in Davao City, President Gloria Macapagal Arroyo who graced the occasion together with then DOH Secretary Manuel Dayrit, lauded the WFMC network for its “role in purveying entrepreneurial leadership among the country's midwives”. She said that WPFI deserves recognition for carving out a niche for midwives in the field of family wellness.
- DOH Secretary Dayrit during the same occasion, challenged “WPFI to deliver better service in ensuring the health and well-being of our countrymen.”

#### **IV. CONCLUSION**

Timmy came to the conclusion that WFMCs are being promoted as “one-stop” shops for family planning, and mother-child health service. The presence of 120 clinics established all over the country which are able to deliver, on a sustained basis, “affordable, convenient, quality health care” to the middle and lower income Filipinos, is a concrete indicator of the viability of WFMCs. Meanwhile, to sustain the social operations of WFMCs, the WPFI needs to continue developing and implementing different marketing strategies to promote the WFMCs such as sales force development, advocacy meetings, house visits, family planning sessions and the so-called “Buntis” (pregnant women) parties, as well as institutional marketing.

The Filipino midwives who have put up WFMCs wear different hats in addition to being entrepreneurs. These midwives find themselves playing auxiliary roles like that of counselors, teachers, family therapists and community negotiators and leaders.

What was evident in the ten years that the Well-Family Midwife Clinics have existed is that the midwives, long considered mere "handmaids" to other health professionals like doctors and nurses, could well be the secret to the efficient delivery of quality health services at the barangay or municipality level. One good example would be Lourdes Mangahas who was a rural health midwife for 14 years before she made up her mind to set up her own WFMC in Sapang Palay, a very populated area in the outskirts of Quezon City. Lourdes recalled that she could not believe that she would later on become a recognized expert on family planning and other reproductive health matters. She said that her training with WFPI gave her enough confidence to become a resource person and to talk about health care delivery and reproductive health in schools and also before neighborhood groups, even appearing on TV where she talked about the importance of family planning.

Baby Mabatid, a client of Carol Millan, midwife-operator of the Cattleya Well-Family Midwife Clinic in Rizal, Makati City revealed that she and her neighbors in the area "preferred the well-family clinic of Carol to the nearby municipal hospital, not only because of the cheaper prices but more because of the caring attitude of the midwives and the WFMC staff". Carol was quoted in a newspaper article as having referred to this caring interaction with patients as the "*pag-aalaga*" or care that they normally provide such clients; ("*huling-huli namin ang kiliti nila*") "we know exactly how to satisfy and make them happy." Ms. Mabatid further revealed that the attraction of Carol's clinic to them was based on the "personal service" the WFMC staff usually provide, never leaving the mother's side while she's in labor, soothing and stroking and showering her with "cariño" (show of affection) which, she claimed, mothers miss sorely when they choose to give birth in a busy hospital with even busier doctors.

As Timmy proceeds to prepare his bullet points for the presentation, his mind continues to wander to other areas of the case he should focus on to be able to formulate a more aggressive strategy that would allow collaboration with government agencies (in particular with the DOH). Specifically, Timmy is concerned about whether or not he should be eyeing for an increase in the number of existing WFMCs in other regions to address the high maternal mortality rate and improve the population and development situation in these areas.

#### **GUIDE QUESTIONS:**

1. *The existing number of WFM clinics already set up by WPMI is still short of its target. What factors could have brought about such a situation?*
2. *What can the WPMI do to address these factors?*
3. *How can the CEO of WPMI convince the Board to be more aggressive in its expansion program, especially in view of the fact that the US AID's financial and administrative support has ended?*
4. *Should WPMI embark on other income generating schemes to assure its members of financial assistance for expansion purposes?*
5. *What other government agencies, aside from the DOH, should be actively providing support to ensure the success of the WFMCs?*
6. *What role can private sector organizations play to help sustain the operations of WFMCs?*
7. *What other activities can WPMI conduct to promote its franchise system?*
8. *What other aspects of the WFMC franchise may be replicated and what may be further improved?*

**EXHIBIT A: Composition of WPMI Governance Council**

<b>Name</b>	<b>Position in Governance Council</b>	<b>NGO</b>	<b>Office Address</b>	<b>Phone</b>	<b>E-mail</b>
Dr. Warlito Vicente	President	Kinasang'an Foundation, Inc. (KsFI)	37 Orchid St., Luzviminda Subdivision, Ma-a Davao City	(082) 2210108 (082)22440888 09177006647	drwcvicente@yahoo.com
Dr. Corazon Raymundo	Executive Vice-President	Institute of Maternal and Child Health (IMCH)	13 Capitol Drive, Old Balara, Diliman Quezon City	(02)4330960	corie_raymundo2001@yahoo.com
Mr. Emmanuel Rabacal	Vice-President for Visayas	Cebu Family Planning Organization, Inc. (CFPOI)	16 RR London St., Cebu City	09157800868	msr1144@yahoo.com
Ms. Roquesa Aguilar	Vice-President for Luzon	Integrated Maternal and Child Care Services Development, Inc. (IMCCSDI)	Lot 1 Blk 2 Capitol Estates Commonwealth Avenue, Diliman, Quezon City	(02)4277402 (02)4550629 09173377228	quezalar@yahoo.com
Ms. Miriam Grafilo	Vice President for Mindanao	Community and Health Development, Inc. (COMDEV)	029 Blk 2 Kayumanggi St. Dadiangas Heights Subdivision, Bgy. City Heights, General Santos City	(083)5523776 09193250765	mcgrafilo@yahoo.com
Mr. Guiamel Alim	Vice-President for ARMM	Kadtuntaya Foundation, Inc. (KFI)	De Monteverde Bldg., Purok Maharlika, Dona Pilar St., Vilo Subdivision Poblacion 4, Cotabato City	(064)4212072 09202897526	onj_kfi@yahoo.com
Ms. Gertrudes Capito	Secretary	Norwegian-Filipino Foundation (NORFIL)	16 Mother Ignacia cor. Roces Ave., Quezon City	09166867988	gertzcapito@yahoo.com
Ms. Carolina Millan	Treasurer			(02)7570930 09178589344	cattleyawfmc@yahoo.com
Ms. Betty Garrido	Member	Leyte Family Development Organization (LEFADO)	206 P. Burgos St., Tacloban City	(053)3271052 09173061364	lefado_tac@yahoo.com.ph
Atty. Roxy Lacson	Member	Negros Occidental Rehabilitation Foundation, Inc.		(034)4353794 09175770609	Bullganin@yahoo.com
Ms. Regina Anequisa	Member	Hope for Change (HFC)			
Ms. Anita Alojado	Member	WFMC Franchisee		09194496105	
Ms. Eudegilda Tarre	Member	WFMC Franchisee		09203910508	
Ms. Antonieta Sabpa	Member	WFMC Franchisee		09268568825	
Mr. Angelo Joshua Llorin	Member	CEO		09279372005	
Ms. Sylvia Ordonez	Consultant			(02)8214950	sylvia.ordonez@gmail.com

## **EXHIBIT B: List of NGO Partners**

### **Luzon/NCR**

- 1. Norfil Foundation Inc. (NORFIL)**  
16 Mother Ignacia Ave. corner Roces Ave.  
Quezon City

Norfil was established in 1984 as a social development organization. It is licensed and accredited by the Department of Social Welfare and Development to operate as a family and child welfare and community development organization. As such, it implements the following programs: the Integrated Family and Community Development Program (IFCF), the Integrated Family and Child Welfare Program (IFCW), the NORFIL Training Center for Social welfare & Development and special projects such as NORFIL Farm and Norfoods.

- 2. Integrated Maternal Child Care Services and Development, Inc. (IMCCSDI)**  
Lot 1 Block 2, Capitol Estates II  
Commonwealth Ave., Diliman, QC

This NGO has been in existence since 1984 and has embarked on both health care service delivery and training activities that promote responsible parenthood. The organization has conducted training for both local and international participants.

- 3. Institute of Maternal and Child Health, Inc. (IMCH)**  
Capitol Drive Community Comprehensive Clinic  
13 Capitol Drive, Old Balara, Diliman, QC

The IMCH started as a training institute in 1966. Since then, it has trained over 15,000 local and international medial and outreach workers. It also maintains a network of clinic affiliates providing a wide range of reproductive health services.

### **Visayas**

- 4. Negros Occidental Rehabilitation Foundation, Inc. (NORFI)**  
Corner Cottage Road and Lacson Street, Bacolod City

NORFI was established in 1972. It utilizes a community-based strategy in implementing rehabilitation programs in 250 villages in Negros Occidental.

- 5. Cebu Family Planning Organization, Inc. (Cebu FPOI)**  
T. S. Paulin Bldg., 100 T. Padilla Street, Cebu City

This NGO has a vast network of trained Community-Based distributors (CBD) of contraceptives in various towns of Cebu province and in the city itself. Its integrated FP/MCH program is geared towards the overall improvement of family welfare that included a broad range of health care services.

- 6. Leyte Family Development Foundation (LEFADO)**  
206 P. Burgos Street, Tacloban City, Leyte

This NGO began as a proponent of the Natural Family Planning (NFP) program. To date, it has established a livelihood program, a network of NFP teachers and private clinics in strategic municipalities in Eastern Visayas.

### **Mindanao**

- 7. Hope for Change (HFC)**  
3/F, CM Bldg., San Miguel St., Iligan City

This NGO supports and implements two projects for women's and children's welfare with the view to enabling the Lumad, Moro and Visayan/Christian communities in the Ranaw area of Iligan City, Mindanao. The HFC operationalizes and supports a network of Well-Family Midwife Clinics in Northern Mindanao and also some parts of Southern Mindanao.

- 8. Community Health and Development, Inc. (COMDEV)**  
Lot 11 Block 2 Kayumanggi Street  
Dadiangas Heights Subdivision  
Bgy City Heights, Gen. Santos City

COMDEV started as a family planning clinic in 1989. Since then, it has gained community recognition in the promotion and provision of total and quality health care in General Santos City and nearby provinces.

- 9. Davao Medical School Foundation - Center for Education, Research and Development in Health (DMSF-CERDH)**  
Circumferential Road, Bajada, Davao City

This NGO was created in 1986. It offers formal medical programs/courses, conducts research studies, and does extension work in coordination with GOs and NGOs.

- 10. Kadtuntaya Foundation Inc. (KFI)**  
Demonte Verde Bldg., Purok Maharlika, Doña Pilar Street  
Vilo Subdivision, Poblacion 4, Cotabato City

KFI was established in 1989 in response to the growing needs of the Moro people in Mindanao for socio-economic, political and cultural upliftment. The word "Kadtuntaya" is a Maguindanaon term for mutual understanding. Its core program is the Moro Integrated Development Program in Maguindanao.

### **EXHIBIT C: Qualifications of a Well Family Midwife Clinic**

- The franchisee must be a registered and practicing midwife, with at least three to five years midwifery experience and performing a minimum of three to five deliveries per month;
- 30 to 45 years old, with an outgoing personality and a positive work attitude, and enjoying positive support from his/her family;
- A resident of a community who enjoys good relations with other community members particularly the local health units;
- Willing to provide family planning services and to invest a start up capital to defray the costs of renovating clinic facilities and to procure counterpart FP/MCH clinic equipment and instruments to meet WFMC Operations Standards, as well as to cover initial expenses such as advance rentals and securing necessary government permits;
- Willing to pay for trainings (It was noted that a midwife-applicant has to undergo hours of rigorous training in three areas: quality assurance, business development and marketing and promotions. Most of the midwives who eagerly grabbed the opportunity to set up a WFMC said that the business part--preparing feasibility studies, reading profit-and-loss statements, maintaining account books, marketing their services--was the more difficult phase of the training).
- Willing to shell out money for the Franchise and Royalty fees;
- Willing to undergo the required psychological tests and to adopt new ideas towards entrepreneurship;
- Should be an effective communicator, able to interact with people and share the knowledge with others; and,
- Committed to comply with program requirements, attend all training courses, record and report all important business and service performance information.

**EXHIBIT D: Objectives of Well Family Midwife Partnerships Foundation, Inc. (WPFI)**

- To deliver the essential services including research and development needed by the Well-Family Midwife Clinics so that they become effective and sustainable enterprises.
- To address the family planning and maternal and child health concerns in selected Philippine communities by establishing WFMCs and ensuring increased outreach for clients
- To develop and strengthen the relationships between and among WFMC managers and non-governmental organizations
- To be financially self-reliant and mobilize resources and funds needed in its operations and by its members
- To develop the members' core competencies in family planning and maternal and child health care
- To manage a commodity supply system that will ensure continuous supply of quality but low prices commodities needed by WFMCs