

Republic of the Philippines

DEPARTMENT OF LABOR AND EMPLOYMENT

EMPLOYEES' COMPENSATION COMMISSION

ECC Building, 355 Sen. Gil J. Puyat Avenue, City of Makati

Tel. No. 899-4251 * Fax. No. 897-7597 * Email Add: ecc mails@yahoo.com * Website: http://www.ecc.gov.ph

REFERENDUM RESOLUTION NO. 13-10-30

Policy on Lifting the Suspension of Payment of EC Medical Reimbursement for Public Sector Retirees and Workers Separated from the Public Service

WHEREAS, Article 185 of P.D. No. 626, as amended, provides that:

"ART. 185. Medical Services. – Immediately after an employee contracts sickness or sustains an injury, he shall be provided by the System during the subsequent period of his disability with such medical services and appliances as the nature of his sickness or injury and progress of his recovery may require, subject to the expense limitation prescribed by the Commission." [Emphasis supplied]

WHEREAS, medical services include, among others, the reimbursement of hospitalization and medicines during the period of disability and progress of the ODW's recovery from the disability;

WHEREAS, the SSS pays EC medical reimbursement during the period of disability and progress of the ODW's recovery from the disability even if he has retired or stopped employment;

WHEREAS, the GSIS implemented a prioritization in the payment of EC benefits through GSIS Board Resolution No. 166 dated 28 July 2004 resulting to the suspension of the processing of claims for reimbursement of hospitalization and medical expenses of retired or separated government employees;

WHEREAS, the Secretariat wrote a letter to the GSIS requesting for a conduct of an actuarial study on the possibility of increasing the amount of EC disability benefits for the public sector, including the possibility of the resumption of payment of suspended EC benefits;

WHEREAS, during the Commission Meeting on August 7, 2013, the GSIS presented the results of its actuarial study which shows the viability of lifting the suspension of payment of medical reimbursement without significant effect on the projected fund life of the GSIS managed-State Insurance Fund (SIF) and without need for an increase in EC contribution;

WHEREAS, EC benefits for the private and the public sector should be pursued as a policy;

NOW, THEREFORE, this Commission **RESOLVES AS IT HEREBY RESOLVED** to lift the suspension of payment of medical reimbursement for retired or separated government employees;

RESOLVED FURTHER, that this policy shall apply prospectively to the following starting from the date of effectivity of this Resolution:

- 1. To those who have retired or are separated from public service;
- 2. To those whose medical reimbursements have been stopped as a result of the suspension.

RESOLVED FURTHER, to furnish a copy of this Resolution to the GSIS for compliance and to the SSS for information.

RESOLVED FINALLY that this Resolution shall take effect 15 days after publication in a newspaper of general circulation.

APPROVED in the City of Makati, this 29th day of October 2013.

CIRIACO A. LAGUNZAD II

Chairman-Alternade

Department of Labor and Employment

AGNES E. SAN JOSE Member-Designate

Social Security System

CARLITO P. ROBLE

Member Employees' Seets

Employees' Sector

DIONISIO C. EBDANE, JR.

Member-Designate

Government Service Insurance System

MIGUEL B. VARELA

Member

Employers' Sector

Philippine Health Insurance Corporation

ROBERT S. MARTINEZ

Member-Designate

Civil Service Commission

STELLA ZIPAGAN-BANAWIS

Member

Employees' Compensation Commission - Secretariat