



Republic of the Philippines
DEPARTMENT OF LABOR AND EMPLOYMENT
EMPLOYEES' COMPENSATION COMMISSION
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FINANCIAL STATUS
STATE INSURANCE FUND
As of December 31, 2013

A. ASSETS

	2013	% of Total	2012	% of Total	Peso Inc(dec)	% Inc (dec)
SSS	30,308,922,955.00	69%	29,221,165,505.00	72%	1,087,757,450.00	4%
GSIS	13,674,064,201.44	31%	11,603,714,391.25	28%	2,070,349,810.19	18%
Total	43,982,987,156.44	100%	40,824,879,896.25	100%	3,158,107,260.19	8%

As of December 31, 2013, total assets of the State Insurance Fund (SIF) amounts to Ph43.98B; sixty-nine percent (69%) or Ph 30.31B is under the Social Security System (SSS) while thirty-one percent (31%) or Ph 13.67B is under the Government Service Insurance System (GSIS). Assets increased by 8% or Ph 3.16B in 2013 from 2012 figures.

B. RESERVES/NETWORTH

	2013	% of Total	2012	% of Total	Peso Inc(dec)	% Inc (dec)
SSS*	30,308,922,955.00	69%	29,221,165,505.00	72%	1,087,757,450.00	4%
GSIS**	13,631,390,857.53	31%	11,577,044,666.13	28%	2,054,346,191.40	18%
Total	43,940,313,812.53	100%	40,798,210,171.13	100%	3,142,103,641.40	8%

*Reserves

** Net worth

Total Reserves for future payment of EC claims in both private and public sectors amount to Ph 43.94B in 2013 which is an eight percent (8%) increase from 2012.

As of December 31, 2013, total reserves of the SSS-managed SIF for future payment of EC claims in the private sector amounted to Ph 30.31B. Total reserve increased by 4% or Ph 1.09B in 2013 from Ph 29.2 B in 2012.

On the other hand, the total net worth of the GSIS-managed SIF amounts to Ph 13.63B or an increase of 18% or Ph 2.05B from Ph 11.58B in 2012. This is broken down as follows:

Appropriated Surplus – ECIF	6,125,000,000.00
Unappropriated Surplus	7,241,032,035.40
Other comprehensive Income	266,358,822.13
Total Network	13,632,390,857.53

From the GSIS-managed SIF net worth of Ph 13.63B as of December 31, 2013, a total amount of Ph 6.125M is appropriated for payment of future claims, claims pending settlement, rehabilitation services, ECC and OSHC operating fund and for contingencies. Appropriations have increased over the years as follows:

Years	Amount (in millions)
2010	613.96
2011	633.40
2012	1,095.95
2013	6,125.00

C. REVENUE

Table C-1 Revenue Collected from January to December, 2013

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	1,605,130,625.00	70%	2,243,644,080.83	86%	3,848,774,705.83	79%
Investment and Other Income	676,965,562.00	30%	365,635,867.25	14%	1,042,601,429.25	21%
Total	2,282,096,187.00	100%	2,609,279,948.08	100%	4,891,376,135.08	100%

From January to December, 2013, the SIF generated a total revenue of Ph 4.89B: Seventy-nine percent (79%) or Ph 3.85B came from the collection of members' contributions while twenty-one percent (21%) or Ph 1.04B is from investment and other income.

Forty-seven percent (47%) or Ph 2.28B of the total revenue came from the SSS while fifty-three percent (53%) or Ph 2.61B from the GSIS.

The table below shows the details of the members contribution and investment and other income in 2012.

Table C-2 Revenue Collected from January to December, 2012

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	1,482,501,169.00	55%	1,957,643,881.05	88%	3,440,145,050.05	70%
Investment and Other Income	1,204,245,703.00	45%	270,763,423.41	12%	1,475,009,126.41	30%
Total	2,686,746,872.00	100%	2,228,407,304.46	100%	4,915,154,176.46	100%

Table C-3 Comparative Net increase (decrease) in Revenues (December, 2012 and 2013)

Particulars	Ph Increase (Decrease) Members' Contributions	% Inc (dec)	Ph Increase (Decrease) Investment & Other Income	% Inc (dec)	TOTAL	% Inc (dec)
SSS	122,629,456.00	10%	(527,280,141.00)	-20%	(404,650,685.00)	-15%
GSIS	286,000,199.78	106%	94,872,443.84	4%	380,872,643.62	17%
TOTAL	408,629,655.78	8%	(432,407,697.16)	-9%	(23,778,041.38)	

Total Revenue has a net decrease of Ph 23.78M in 2013. Total increase in collection of members' contribution amounts to Ph 408.63M while Investment and Other Income is decreased by Ph432.41M.

Total SSS revenue has gone down by 15% or Ph 404.65M while the total GSIS revenue has gone up by 17% or Ph 380.87M compared to the same period in 2012.

D. INVESTMENT

1. Investment of Public Sector SIF

As of December 31, 2013, the Government Service Insurance System (GSIS) has a total investment amounting to Ph 10.0B with an investment income of Ph 357.38M. Investment registered a forty-six percent (46%) or Ph 3.13B increase compared to Ph 6.87B investment total at the end of 2012. The table below shows the details of investment from January to December, 2013:

Particular	January to December, 2013	Investment Income
CURRENT INVESTMENT		
Held to Maturity Investment		
High Yield Short term Placement	791,615,280.60	17,824,894.56
Special Savings Deposits	-	
Total Current Investment	791,615,280.60	17,824,894.56

NON-CURRENT INVESTMENT		
Non-current Financial Assets		
Available for Sale Financial Assets		
ROP Notes & Bonds-AFS –Peso	8,541,779,173.67	338,331,828.37
Corporate Bonds	497,745,500.00	1,218,750.00
Stocks Traded	171,165,000.00	0
Total Non-current Investment	9,210,689,673.67	339,550,578.37
TOTAL INVESTMENTS	10,002,304,954.27	357,375,472.93

Ninety-two percent (92%) or Ph 9.21B is placed under non-current investment particularly in ROP Notes, Stocks and Bonds while eight percent (8%) or Ph 791.61M is placed under the Held to Maturity Investment particularly on High Yield Short-term Placement. Return of investment is at 3.57%.

Total investment and other revenues as of December 31, 2013 amounts to Ph365.63M broken down as follows:

PARTICULARS	AMOUNT
Income from Investment	339,550,578.37
Other Investment Revenues	17,824,894.56
Other Revenues	8,260,394.32
Total Investment and Other Income	365,635,867.25

2. Investment of Private Sector SIF

As of December 31, 2013, total investment of the SSS-managed SIF amounts to Ph 12.36B. Investment is decreased by 5.25% or Ph 685.04M from Ph 13.04B in December 31, 2012. Total Investment Income amounts to Ph 212 M. Return of Investment is at two Percent (2%).

Thirty-four percent (34%) or Ph 4.16B of the total Investment is placed under short-term money placement with Ph 51.14M Interest income while sixty-six percent (66%) or Ph 8.20B is placed under the non-current investments. The table below shows the details of these non-current investments.

Under the Non-current Investments, total Investment in Member Loans in the amount of Ph 6.29B comprised the highest rate (51%) of its investment in Loans and Receivables and generates total investment income in the amount of Ph 205.36M.

Cash Equivalent and Interest Income

From January to December, 2013, the SIF at SSS has a total Cash and Cash Equivalent of Ph 17.81B which includes Savings Deposit-current at Ph 3.89B, Time Deposits at Ph 10.51B and the Special Savings Deposit in the amount of Ph 3.41B. Such cash and cash equivalent generates a Total Interest income of Ph 363.62M.

Investment and other Income

Investment and other Income from January to December 2013 amounts to Ph676.97M broken down as follows:

Particulars	AMOUNT
Investment Income	280,784,880.72
Other Income	
Interest Income –Cash in Bank/term deposits	363,619,588.80
Miscellaneous Income	668,270.63
Reversal of impairment loss	31,892,822.11
Total Investment and Other Income	676,965,562.26

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Particulars	2013	% of total	Income from Investment	2012	% Inc. /-Dec	Income from Investment
CURRENT INVESTMENT						
Held to Maturity Investments						
-Short term money placement	4,043,363,916.61		51,136,598.96	175,956,914.40	2198%	146,439,572.35
Loans and Receivable						
-NHMF Corporation	113,599,135.78		-	109,468,655.43		-
Commercial and Industrial loans						
Dormitory/apartment loan	297,889.47		-	378,210.51		-
Total loans and receivables	113,897,025.25		-	109,846,865.94		-
Total current investments	4,157,260,941.86	34%	51,136,598.96	285,803,780.34		146,439,572.35
NON-CURRENT INVESTMENTS						
Non-current Financial assets						
<i>Available-for-Sale financial assets</i>						
- Marketable securities at FV	-		-	-	0%	32,323,439.42
<i>Held on Maturity Investments</i>						
-Government Bonds	-	0%	19,140,055.18	5,017,449,897.08	-100%	221,387,886.04
<i>Loans and Receivables</i>						
Members Loan						
- Salary/education/calamity	5,832,595,457.69		153,275,238.01	5,279,330,423.13	10%	292,084,094.56
- Separated member loan	100,146,913.40		26,376,447.23	94,286,016.34	6%	23,006,353.95
- Emergency loan	359,390,258.12		27,917,305.51	342,930,419.83	5%	(3,353,471.01)
- Student Assistance loan	2,380,793.27		(2,209,074.50)	4,599,107.32	-48.23%	(294,605.97)
- Loan to Voc/tech students	16,702.76		(0.01)	16,702.77	0%	(1,002.14)

Total from Members loans	6,294,530,125.24	51%	205,359,916.24	5,721,162,669.39	10%	311,441,369.39
National Home Mortgage Finance Corporation	1,501,875,180.57	12%	(19,946,984.75)	1,604,378,902.27	-6%	(30,343,653.72)
Home Development Mutual Fund Housing loans	-		-	-	0%	-
- Real Estate loan	397,622,088.83	3%	24,956,068.01	406,468,877.83	-2%	38,070,852.78
Commercial and Industrial loans						
- Hospital financing program	-		15,077.18	1,154,161.85	-100%	74,029.47
- Dormitory/apartment loan prog.	4,395,478.66		124,149.45	4,305,235.10	2%	465,853.37
Total	4,395,478.66	0%	139,226.63	5,459,396.95	-19%	539,882.84
Total Loans and Receivables	8,198,422,873.30	66%	210,508,226.13	7,737,469,846.44	-18%	319,708,451.29
Total Non-Current Investments	8,198,422,873.30	66%	229,648,281.31	12,754,919,743.52	-119%	573,419,776.75
GRAND TOTAL	12,355,683,815.16	100%	280,784,880.27	13,040,723,523.86	-5%	719,859,349.10
Return of Investment			2.27%			6%

E. EXPENDITURES

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Benefits Payments	983,983,525.00	92%	57,199,109.69	20%	1,041,182,634.69	77%
Operating Expenses	82,494,044.00	8%	33,280,045.04	11%	115,774,089.04	9%
Management fees	-		200,605,585.22	69%	200,605,585.22	
Total	1,066,477,569.00	100%	291,084,739.95	100%	1,357,562,308.95	85%
		79%		21%		

*GSIS OPEX - Impairment Loss Ph 32.78M; Investment Exp. Ph 500,000.00

Total expenditures as of December 31, 2013 amounting to Ph 1.36B was spent by the Systems for benefit payments and operating expenses/management fee; Seventy-nine percent (79%) or P 1.07M was spent by the SSS while twenty-one percent (21%) or Ph 290.58M by the GSIS.

SSS spent Ph 983.98M for the payment of 251,739 EC benefits claims in the private sector and Ph 82.49M for its operating expenses. The Operating Expenses is computed using the benefit payment ratio re the percentage of the total ECC benefit payments over the combined SSS and ECC benefit payments from the total PS and MOOE of the entire SSS.

The GSIS spent Ph 57.20M for payment of 7,165 EC benefits claims in the public sector, Impairment Loss at Ph 32.78M; Investment Expenses Ph 500,000.00 and charged a Ph 200.60M Management fee.

F. EC BENEFITS CLAIMS AND PAYMENTS

The table below shows the breakdown of the number of claims and benefits payments made by the Systems from January to December, 2013:

PARTICULARS	SSS		GSIS	
	NO. OF CLAIMS	AMOUNT	NO. OF CLAIMS	AMOUNT
DEATH AND PENSION	206,062	769,727,290.00	943	9,349,375.49
DISABILITY	17,953	101,784,305.00	3,911	32,374,440.15
SICKNESS	25,572	88,127,429.00	340	1,749,042.00
MEDICAL SERVICES	1,646	20,452,020.00	1839	11,539,312.84
FUNERAL BENEFITS	362	3,616,000.00	115	2,135,742.68
REHABILITATION SERVICES	144	276,480.00	17	51,196.53
TOTAL	251,739	983,983,524.00	7,165	57,199,109.69

Death and pension benefits comprised the highest share in the EC benefit payments made by the SSS in the private sector while disability benefit comprised the highest share in the EC benefit payments made by the GSIS in the public sector.

G. LOADING FUND

Particulars	SSS	GSIS	TOTAL
Members Contribution	1,605,130,625.00	2,243,644,080.63	3,848,774,705.63
Investment and Other Income	676,965,562.00	365,635,867.25	1,042,601,429.25
Total	2,282,096,187.00	2,609,279,947.88	4,891,376,134.88
12% Loading Fund Ceiling	273,851,542.44	313,113,593.75	586,965,136.19

*based on the unaudited Financial Report of the GSIS and SSS

As provided for under Art. 178, Chapter III of PD 626, as amended, the Commission, SSS and GSIS shall disburse each year not more than twelve percent (12%) of the contributions and investment earnings collected for operational expenses, including occupational health and safety programs, incidental to the carrying out of the program.

As of December 31, 2013, the total amount available for disbursement by the SSS, GSIS, ECC and OSHC amounted to Ph 586.97M.

The table below shows the operating expenses of the SSS, ECC and OSHC and the management fees collected by the GSIS for CY 2013. A total of 87% of the 12% loading fund ceiling has been allocated as operating expenses.

AGENCIES	SSS	GSIS	TOTAL
ECC	63,271,600.00	27,116,400.00**	90,388,000.00
OSHC	73,679,476.50***	31,576,918.50***	105,256,395.00
GSIS*		233,385,630.26	233,385,630.26
SSS	82,494,044.00		82,494,044.00
TOTAL	219,445,120.50	292,078,948.76	511,524,069.26

* includes Investment fees Ph 500,000.00; Management Fee Ph 200.60M; Impairment loss Ph 32.78M

** ECC actual loading fund received from the GSIS amounts to Ph 18,214,650.00 in 2013 ; bal. Ph 8.90M

*** OSHC actual loading fund received as of December 31, 2013 - GSIS Ph 14.29M and SSS Ph 50.02:

balance from SSS Ph 23.65M and GSIS Ph 17.28M