

ECC Circulars and Board Resolutions on Employees' Compensation



Employees' Compensation Commission

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ECC

Circulars

ECC CIRCULARS

1. CIRCULAR NO. 01-709

Commission Advisory on Delinquent Contributions

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

Pursuant to Art. 196 of P.D. 626, as amended, and Board Resolution No. 1243, dated January 18, 1979, the following advisory, is hereby issued in response to numerous complaints concerning the denial of the claims by the Systems on the basis of failure or refusal of the employer to remit EC contributions:

- I. Failure or refusal on the part of the employer to remit contributions to the System shall not prejudice the right of the employee or the dependents to the benefits under the Employees' Compensation Program (ECP).
- II. Payment made by the System to the employee or the dependents of whatever benefits to which they are entitled under the ECP shall not prejudice the right of the System to proceed against the erring employers.

For immediate implementation

Done in the City of Makati, this 22nd of day, July 2009.

2. CIRCULAR NO. 02-709

Commission Advisory in the Evaluation Of Claims for Permanent Total Disability

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

Pursuant to Board Resolution No. 98-09-0563 dated September 25, 1998, the following provisions, as contained in the said Resolution, are hereby reiterated for purposes of uniformity on the evaluation of claims for Permanent Total Disability:

1. "If the disability results in the disablement of an employee or worker to earn wages or salary in the same kind of work; or work of similar nature in which he or she has had training;
2. "If the disability results in the disablement of an employee or worker from earning wages or salary in any kind of work that a person of his or her mental capacity or attainment can do;
3. "If the disability results in the inability of a worker or employee to substantially do all material acts necessary to prosecution of an occupation for remuneration or profit in substantially customary and usual manner;
4. "If the disability results in the incapacity of an employee or

worker to do continuously some substantial, gainful occupation, without the discharge of duties and responsibilities of such an occupation causing him or her serious discomfort or pain, and without injury or danger to the life of such an employee or worker;

5. "If an employee or worker is compelled to retire from the service or stop working before reaching the age of compulsory retirement by reason of work-related contingency;
6. "If after an employee or worker retires, he or she dies within a reasonable period of time, and the cause of his or her death arises from a disabling injury or ailment, in such a case his or her disability shall be construed permanent and total; and
7. "If an employee or worker's temporary and total disablement from work lasts continuously for more than one hundred twenty (120) days; except as otherwise provided for in Rule X of the existing implementing rules and regulations, as amended, of the ECC charter."

For immediate implementation.

Done in the City of Makati this 22nd day of July, 2009.

3. CIRCULAR NO. 03-709

Guidelines in the Evaluation of Legal Claims

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

Pursuant to the various existing resolutions and previous decisions of this Commission, the following guidelines are hereby issued for purposes of uniformity in the evaluation of legal claims.

I. Work Connected Injuries. – The injury and the resulting disability or death sustained by reason of employment are compensable regardless of the place where the incident occurred, if it can be proven that at the time of the contingency, the employee was acting within the purview of the employment and performing an act reasonably necessary or incidental thereto. Injuries or death resulting from any of the following shall also be compensable:

- a. *While on special errand.* An Injury sustained by an employee outside the company premises, if it is covered by an office order or a locator slip or a pass for official business, is compensable. The injury is likewise compensable where the employee was performing official functions outside regular working hours and beyond the place of work. (*Alleda vs. GSIS, LG-11512-500, June 24, 2004; Plandres vs. SSS, SL-16236-0524-04, July 29, 2004; Lupas vs. GSIS, GL-17100-1208-05, January 26, 2006; Magallanes vs. GSIS, GL-17285-0420-06, Oct. 23, 2006; Basa vs. GSIS, GL-17724-0426-07, July 19, 2007; Valeroso vs. GSIS, GL-14551-*

1002, April 23, 2008; *Gravador vs. GSIS*, LG-14526-1002, April 23, 2008; *Directo vs. GSIS*, LG-12258-401, April 23, 2008);

- b. *While going to or coming from the place of work.* An injury or death of a covered employee in an accident while going to, or coming from the workplace must have been a continuing act and had not been diverted by any other unusual activity, and/or the employee had not departed from the usual route to, or from, the work-place (*ECC Board Resolution No. 3914-A, July 5, 1988*)
- c. *While ministering to personal comfort.* Acts performed by an employee within the time and space limits of the employment to minister to personal comfort, such as satisfaction of thirst, hunger or other physical demands or to protect oneself from excessive cold or heat, shall be deemed incidental to the employment and injuries suffered in the performance of such acts shall be considered compensable and arising out of and in the course of employment; (*ECC Board Resolution No. 93-08-0068, August 5, 1993; Melchor T. Pilapil, vs. SSS, ECC Case No. SL-16571-0920-04, Dec. 10, 2004; Abelardo Dellomos vs. SSS, ECC Case No. SL-17938-0927-07, Dec. 17, 2007*)
- d. *Bunkhouse Rule.* Where the employee is required to stay in the premises or in quarters furnished by the employer, injuries sustained therein are in the course of employment regardless of the time the same occurred. (*Noida B. Abuel, ECC Case No. SL-16974-0815-05, April 4, 2008, citing Uy vs. WCC [97 SCRA 255]*)

II. Death of an Employee due to Assault -

- a. The death of an employee as a result of a murderous assault is compensable when the same occurred in the course of performance of official functions.
- b. Motive of assault need not be established if the covered employee sustained injury while:
 - 1. the employee was at the assigned/designated workplaces; or
 - 2. the employee was executing orders of employer, regardless of the time and place of the incident.
- c. Motive is important in cases where the covered employee was on vacation leave, off-duty, or was at home when the incident happened. Disclosure of the motive is an aid in determining in causal connection between the incident and the employment.

(*Carolin F. Montero vs. GSIS, ECC Case No. GL-17212-027-06, Aug. 31, 2006; Manuel H. Jentalan vs. SSS, ECC Case No. SL-17516-1030-06, Dec. 14, 2006 citing Enao vs. ECC, G.R. No. L-46046, April 15, 1985; De*

la Rea vs. ECC, G.R. No. L-66129, Jan. 17, 1986; Lentejas vs. ECC, G.R. No. 89168, May 14, 1991; Tancinco vs. GSIS, G.R. No. 132916, Nov. 16, 2001)

III. Limitation of liability. No. compensation shall be allowed to the employee or the dependents in cases when the sickness, injury, disability or death was occasioned by any of the following:

- a. Intoxication – this refers to an employee’s condition of being under the influence of liquor or prohibited drugs to the extent that the acts, words or conduct are visibly impaired, as to prevent the employee from physically and mentally engaging in the duties of employment;
- b. Willful intent to injure or kill oneself or another. This contemplates a deliberate intent on the part of the employee to inflict on himself or another;
- c. Notorious negligence. This refers to something more than mere or simple negligence. It signifies a deliberate act of the employee to disregard the safety measures or ignore established warning or precaution.

(ECC Board Resolution No. 93-08-0068, No. 7, paragraphs 7.1-7.3, August 5, 1993)

IV. Reckoning Date of the Three-Year Prescriptive Period.

- a. In the case of sickness, from the time the covered employee lost the earning capacity and not when the illness first became manifest (*Gojo vs. SSS, SL-16814-0210-05, June 10, 2005, citing ECC vs. Sanico, G.R. No. 134028, Dec. 17, 1999*);
- b. In the case of injury, from the time it was sustained; (*ECC Board Resolution No. 93-08-0068, August 5, 1993*)
- c. In the case of death, from the time of death of the covered employee; (*ECC Board Resolution No. 93-08-0068, August 5, 1993*)

In cases of covered workers or employees and uniformed personnel who had been reported missing while they were in the performance of their duties during calamities or fatal events such as, but not limited to police or military operation, earthquake, typhoon, and volcanic eruption, the beneficiaries may file their claims for EC death with funeral benefits within the three year prescriptive period from the time the missing person has been presumed dead after the lapse of four years from the occurrence of the incident. (as provided under BR No. 14-07-20, July 28, 2014)

V. Effectivity. The guidelines shall take effect immediately after its publication in a newspaper of general circulation.

Done in the City of Makati on this 22nd day of July 2009.

4. CIRCULAR NO. 04-709

Commission Advisory on Evidence of Employment

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

Pursuant to Rule 4, Section 1 of Annex "F" of P.D. 626, as amended, Board Resolution No. 00-03-0181 dated March 31, 2000, and the prevailing jurisprudence, the following advisory, is hereby issued in response to numerous complaints concerning the non-acceptance of EC claims due to failure of the member to submit the Certificate of Employment on the ground that the employer refuses, for whatever reasons, to issue as well as to sign the same:

Paragraph (b), sub-paragraph 4 of Board Resolution No. 00-03-0181 provides that *"other secondary evidence xxx which signifies the existence of employer-employee relationship between the company and the claimant or the covered employee"* may be accepted when the employer unjustly refuses to issue certificate of employment.

In case of *Domasig vs. NLRC* (G.R. No. 118101, Sept. 16, 1996), the Supreme Court Ruled that: *"It has long been established that in administrative and quasi-judicial proceedings, substantial evidence is sufficient as a basis for judgment on the existence of employer-employee relationship. No particular form of evidence is required to prove the existence of such employer-employee relationship. Any competent and relevant evidence to prove the relationship may be admitted."* The Supreme Court added that *"in a business establishment, an identification card is usually provided not only as a security measure but mainly to identify the holder thereof as a bonafide employee of the firm that issues it."*

In view of the foregoing, identification card of the member which is current or within the employment period of claim may be accepted as proof of employment.

For immediate implementation.

Done in the City of Makati on this 22nd day of July 2009.

5. CIRCULAR NO. 05-709

Commission Advisory on Board Resolution No. 00-04-0212

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

The following advisory is hereby issued in response to numerous queries from the branches of the Systems on whether EC claim may be evaluated in the absence of Certification of EC premium payment:

The first Resolution clause of Board Resolution No. 00-04-0212, dated April 13, 2000, partly reads:

“xxx the employer, both in the private and public sector shall be required to issue Certificate of Premium Payments to SIF as an additional requirement in the filing of EC claims....”

In the absence of such requirement, the System could undertake the following measures:

1. Verify whether, indeed, the employer has failed to remit EC contributions;
2. If in the affirmative, apply Article 196 of P.D. 626, as amended, which provides:

“Art. 196. Delinquent Contributions. (a) An employer who is delinquent in his contributions shall be liable to the System for the benefits which may have been paid by the System to his employees or their dependents, and any benefit and expenses to which such employer is liable shall constitute a lien on all his property, real or personal which is hereby declared to be preferred to any credit, except taxes. The payment by the employer of the lump sum equivalent of such liability shall absolve him from the payment of the delinquent contributions and penalty thereon with respect to the employee concerned”. (b) “Failure or refusal of the employer to pay or remit the contributions herein prescribed shall not prejudice the right of the employee or his dependents to the benefits under this Title. If the sickness, injury, disability, or death occurs before the System receives any report of the name of his employee, the employer shall be liable to the System for the lump sum equivalent to the benefits to which such employee or his dependents may be entitled.

In all cases, no EC claim should be rejected on the basis alone of failure of the claimant to submit Certificate of Premium payment.

For immediate implementation.

Done in the City of Makati on this 22nd day of July 2009.

6. CIRCULAR NO. 06-709

Commission Advisory on the Coverage of Employees' Compensation Law to the Members of the Armed Forces of the Philippines (AFP) and to the Philippine National Police (PNP)

TO: ALL SSS BRANCH MANAGERS AND GSIS REGIONAL OFFICE AREA MANAGERS

The following advisory is hereby issued in response to numerous complaints from the members of the Armed Forces of the Philippines

(AFP) and the Philippine National Police (PNP) due to non-acceptance of their EC claims solely on the ground of absence of GSIS Policy Numbers.

Despite the exclusion of the members of the AFP and the PNP from the coverage of Republic Act No. 8291 otherwise known as "The Government Service Insurance Act of 1997," they are still covered by P.D. 626, as amended. Article 168 of P.D. 626, as amended, partly reads:

"Art. 168. Compulsory Coverage. Coverage in the State Insurance Fund shall be compulsory upon all employers and their employees not over sixty (60) years of age xxx"

Under Article 167 (g) of P.D. 626, as amended, the term "employee" includes "members of the Armed Forces of the Philippines." The PNP is deemed covered on the ground that at the time of the effectivity of P.D. 626 on January 1, 1975, the defunct Philippine Constabulary- Integrated National Police (PC-INP), the predecessor of PNP, was one of the major service of the AFP. Moreover, under Rule 4 of Rules of Procedures for the Filing and Disposition of the Employees' Compensation Claims (Annex "F" of P.D. 626, as amended), the GSIS Policy Number is not included as one of the requirements in the filing of EC claims. Thus, in all cases, no EC claim from the AFP and the PNP should be rejected on the basis alone of absence of GSIS Policy Numbers.

For immediate implementation.

Done in the City of Makati on this 24th day of July 2009.

7. CIRCULAR NO. 13-807

Commission Advisory on the Lifting of the 5-year Limit in the Payment of EC Survivorship Pension

ANNOUNCEMENT

Payment of Employees' Compensation (EC) Death Benefits Pension for the Public Sector

To: All Concerned EC Survivorship Pensioners in the Public Sector

Re: Lifting of the 5-year limit in the payment of EC survivorship pension

Please be advised that the 5-year limit in the payment of the EC survivorship pension for public sector workers has been lifted effective August 22, 2012 through ECC Board Resolution No. 12-07-16. The lifting has a prospective application and covers the following pensioners:

- Those EC survivorship pensioners who are actually receiving pensions as of August 2012 shall no longer be subject to the 5-year cap;
- Those who will be entitled to receive EC survivorship pension

after August 2012 shall no longer be subject to the 5-year cap;

- Those EC survivorship pensioners whose pensions were stopped due to the 5-year cap will have their pension accrual from August 2012 processed.

To facilitate the evaluation and processing of the accrued pension benefits, all EC pensioners whose pensions were previously suspended are hereby advised to visit the nearest GSIS Branch/Extension Office and to bring two (2) valid IDs for identification; or may send an e-mail inquiry at ecc_emails@yahoo.com or ec_pensions@gsis.gov.ph.

Done in the City of Makati on this 7th day of August 2013.

8. CIRCULAR NO. 13-807-A

Commission Advisory on Membership of AFP and PNP under the Employees Compensation Program (ECP)

ADVISORY

Membership of AFP and PNP under the Employees Compensation Program (ECP)

The Employee Compensation Commission (ECC) informs the public that the uniformed personnel of the Armed Forces of the Philippines (AFP) and the Philippine National Police (PNP), including the Bureau of Fire Protection (BFP) and Bureau of Jail Management and Penology (BJMP) are covered under the ECP despite their exclusion from the coverage of Republic Act No. 8291, otherwise known as "The Government Service Insurance Act 1997"

Thus, in the event of work-connected sickness, injury or death, they or their beneficiaries may avail of their EC benefits at any GSIS office nearest to this place of work or residence.

The EC benefits are loss of income benefit (or sickness benefit), medical benefit, carer's allowance, rehabilitation services and death benefits.

The ECC Kagabay Program also provides physical restoration, skills training for re-employment and entrepreneurship training.

For further inquiries, kindly call ECC at 899-42-51 or 52 local 227/228 or visit us at www.ecc.gov.ph.

Done in the City of Makati on this 7th day of August 2013.

9. CIRCULAR NO. 04-007

Commission Advisory on Prescriptive Period in the Evaluation of EC Claims due to Sickness of Uniformed Personnel

PRESCRIPTIVE PERIOD IN THE EVALUATION OF EC CLAIMS DUE TO SICKNESS OF UNIFORMED PERSONNEL

In accordance with Art. 201 of P.D. No. 626, as amended, Board Resolution (BR) No. 11-04-10 ("Setting the Reckoning Period Date of three-Year Prescriptive Period in the Evaluation of EC Claims for PTD," dated April 28, 2011) and BR No. 14-03-09 ("Setting the Reckoning Date for the Three-Year Prescriptive Period in the Evaluation of Claims for TTD Due to Sickness", dated March 25, 2014), the following guidelines on prescriptive period in the evaluation of EC claims due to sickness of uniformed personnel is hereby issued, as supplement to Circular No. 13-807-A ("Membership of AFP and PNP under the ECP, dated Aug. 7, 2013):

1. On Active Duty

In case of multiple confinements for the same illness, the three-year prescriptive period shall be counted from the time the uniformed personnel was last confirmed in a hospital or from the time he/she was temporarily unable to report for active duty due to the said illness, whichever is applicable.

In case of single confinement or out-patient, the three-year prescriptive period shall be counted from the time the uniformed personnel was not able to report for active duty due to sickness.

2. Honorable Discharge from Active Duty

The three-year prescriptive period shall commence from the time the uniformed personnel was honorably discharged from active duty due to an illness.

For immediate implementation.

Done in the City of Makati on this 28th of April, 2014

10. CIRCULAR NO. 04-008

Advisory on the Effectivity of Coverage of Employees Under the Employees' Compensation Program and Liability for Non-Registration

In accordance with Art. 170, Art. 196 (b) of P.D. No. 626, as amended, and Sec. 6 (a), Rule 1, Sec. 3 (2), Sec. 4 (2) Rule II of the Amended Rules on Employees Compensation, the following advisory is hereby issued in response to numerous queries on the coverage of employees under the Employees' Compensation Program (ECP):

1. All compulsory members of the SSS with employer-employee relationship, GSIS members and uniformed personnel are covered under the Employees' Compensation Program (ECP) from the first day of their employment;
2. Every employee shall be registered to the GSIS (for the public sector) or to the SSS (for the private sector) through his/her employer within one month or thirty (30) days from the date of

employment;

3. If the sickness, disability or death occurs after the prescribed 30 day period of registration and before the GSIS or the SSS receives any report of the name of the concerned employee, the employer shall be liable to the GSIS or to the SSS for the lump sum equivalent to the benefits to which such employee or his/her dependents may be entitled.
4. No EC claim of any employee should be rejected on the basis alone of absence of GSIS or SSS registration and EC contribution.

For guidance.

Done in the City of Makati on this 28th day of April, 2014

11. CIRCULAR NO. 04-009

Simultaneous Granting of Special Leave Benefits and EC Disability Benefits

In accordance with R.A. No. 9710 otherwise known as “*The Magna Carta for Women*” and Art. 173 of P.D. No. 626, as amended, and as supplemental to EC Board Resolution No. 13-03-06 (“*Policy on the Simultaneous Granting of Sick-Leave Benefits and EC Disability Benefits in the Private Sector*”), dated March 11, 2013, the following advisory is hereby issued.

The Commission guarantees that in the event that their gynecological disorders were found to be work-connected, all qualified women employees in the private and in the public sector can still avail of EC disability benefits in addition to Special Leave Benefits under R.A. No. 9710.

For purposes of granting of EC disability benefits due to gynecological disorders, the concerned woman employee must prove that her working conditions caused or contributed to the manifestation of the said disorder.

For immediate implementation.

Done in the City of Makati on this 24th day of April, 2014

12. CIRCULAR No. 07-018

Advisory on the Processing of EC Medical Reimbursement with Previous PhilHealth and/or HMO Benefits

The following advisory is hereby issued in relation to the implementation of Board Resolution No. 12-05-15 (“*Admissibility of Certified True Copies of Official Receipts in the Filing of Claims for Medical Reimbursement*”) and due to numerous queries on whether the amount covered by PhilHealth and/or HMO benefits may be reimbursed from the Systems:

1. After the allowable HMO and/or PhilHealth benefits, if any,

have been completely exhausted for a particular confinement or consultation, only the out-of-pocket expenses of the employee with work-related sickness or injury shall be the subject of claim for EC medical reimbursement;

2. The amount of reimbursement should not be higher than the actual amount paid by the said employee and the prevailing rates prescribed by the Commission;
3. Claim for EC medical reimbursement from the employer may only be allowed in case the employer has paid the hospitalization expenses of the employee with work-related sickness or injury.

For guidance of all concerned.

Done in the City of Makati this 30th day of July, 2014.

13. CIRCULAR No. 15-01-20

Advisory on the Definition of Missing Persons under EC Board Resolution No. 14-07-20

The following advisory is hereby issued in relation to the implementation of Board Resolution No. 14-07-20 ("Guidelines on the Grant of EC Benefits due to Calamity or Fatal Event Amending for this Purpose Paragraph 5 of Board Resolution No. 93-08-0068):

The following are the series of events which should be considered in the grant of EC benefits:

1. The word "missing" refers to unknown fate or there is no trace of whereabouts of a worker, employee and uniformed personnel while he/she is in the performance of his/her duties during calamities or fatal events.
2. The worker, employee or uniformed personnel was not seen or heard from after the lapse of four years from the occurrence of the incident.
3. The disappearance of the worker, employee or uniformed personnel gives rise to presumption of death.
4. The death of the worker, employee or uniformed personnel arises out of and in the course of employment.

For guidance of all concerned.

Done in the City of Makati this 20th day of January, 2015.

ECC Board Resolutions

ECC BOARD RESOLUTIONS

- 1. BOARD RESOLUTION 3908**

"Presumptive Compensability" for AFP members and Policemen

WHEREAS, because of certain serious peace and order problems of the country, more particularly the insurgency problems, it has become generally perceptible that on account of the nature of their work, members of the Armed Forces of the Philippines (AFP) have become "marked men" insofar as insurgents and other lawless elements are concerned and are, therefore, killed by such insurgents at every opportunity;

On motion of Hon. Hector B. Inductivo, member-designate of the Employees' Compensation Commission (ECC) Board of Commissioners, that the member-designate representing the Government Service Insurance System (GSIS), namely, Hon. Amante R. Rimando, duly seconded.

This Board, resolves, as it hereby resolves, to approve the adoption of a policy that the moment an AFP member suffers a contingency, the presumption is that it is because of the nature of his work; provided that the evidentiary details of his injury, or death, are clearly established through duly issued medical certificates on his injury or injuries, or death, by the attending physician or duly authorized representatives of the hospital where he is brought for medical treatment; and

This Board resolves, as it hereby resolves finally, that a copy of this resolution be duly provided the Systems, the AFP, and all other concerned institutions, agencies or parties, for their information and proper guidance.

Approved and confirmed: July 5, 1988.

2. BOARD RESOLUTION 03-020014

Policy on Military "on Pass"

"The governing Board of the Employees Compensation Commission (ECC), having subjected to penultimate scrutiny and critique a duly approved, revised set of definitive guidelines on compensability of disability or death resulting from illnesses or injuries members of the military suffered, while they were 'on pass' or 'on leave';

"On motion duly seconded,

"Resolved, that effective immediately, the following guidelines shall be observed in adjudging the compensability of disability or death of members of the military resulting from illnesses or injuries they suffered, while they were 'on pass' or 'on leave':

"1. In the following circumstances, the disability or death of a member of the military is held compensable:

- 1.1. While the soldier was **on pass** for a period not exceeding seventy-two (72) hours. If the soldier was unable to report himself or herself back for duty from a duly authorized

pass within the 72-hour period, it must have been for some legitimate, and valid reasons, such as, fortuitous events or force majeure; provided that no unjustified or reasonable deviation from the condition for which the pass had been issued had been committed;

- 1.2. While the soldier was on rest and recreation, which is considered part of the soldier's military activities, after the soldier had gone on actual combat duty, as duly certified to by the proper commanding officer concerned; and
 - 1.3. While the soldier was on **academic leave**, provided that the particular field of study had been approved and paid for by the military, or other agencies the military had sanctioned officially;
- "2. The disability or death of a soldier in the following circumstances is deemed *not compensable*:
- 2.1. While the soldier was **on furlough or on leave**, he or she is considered absent from military duties;
 - 2.2. While the soldier was on sick, **convalescent, or compassionate** leave, except when the leave had been due to work-connected illnesses or injuries;
 - 2.3. While the soldier was on maternity, paternity or **graduation leave**; and
 - 2.4. When the soldier is considered on "AWOL" status;
- "3. The judgment of compensability apropos to the foregoing cases is subject to the general limitations provided for in Article 172 of the Labor Code of the Philippines, as amended; specifically, that the disability or death had not been occasioned by intoxication, notorious negligence and willful intention of the soldier to kill himself, or another. Moreover, the sickness or injury should not have arisen from participation or involvement in a criminal offense, whether consummated or not; and
- "4. The aforesaid guidelines notwithstanding, the disability or death of the soldier is also subject to the policy on "presumptive compensability" governing contingencies of members of the Armed Forces of the Republic of the Philippines (AFP), as contained in Board Resolution 3906, ECC, dated July 1988; and
- "Resolved, *Finally*,, that a copy of this issuance be furnished all concerned institutions, agencies or parties, for their information and proper guidance.

Unanimously approved: Makati, Metro Manila, 11 February 1993."

3. BOARD RESOLUTION 3914-A

"Going to" and "Coming from the Place of Work" Rule

WHEREAS, in several regular meetings that the Employees' Compensation Commission (ECC) Board of Commissioners has held since 1987, the Board has taken cognizance of the need to come up with a new, operative principle to underpin an updated, definitive, fair and just policy aimed at causing the provision of benefits to employees or covered members, who suffer injury or die in accidents, while they are in route to, or coming from, the workplace; and

WHEREAS, during the 11th regular meeting of the ECC Board of Commissioners, series of 1988, held on July 5, 1988, The Board developed the general agreement that whether an accident wherein an employee suffers an injury or dies, occurs proximate to, or not, to his workplace, the assumption or operating principle is that such an employee will not meet an accident and get injured or die, if he is not going to or coming from work, or he does not carry out an official directive of his office or superiors in connection with his work;

On motion of Hon. Hector R. Inductivo, member-designate representing the Social Security System (SSS), that Hon. Amante R. Rimando, member-designate representing the Government Service Insurance System (GSIS), duly seconded,

This Commission resolves, as it hereby resolves, to approve as a policy that an injury or death of a covered member in an accident while he is going to, or coming from, the workplace, shall henceforth be duly considered compensable in the purview of PD 626, as amended, and its approved, amended implementing rules, provided that the following conditions shall be established definitively:

1. The act of the employee going to, or coming from, the workplace, must have been a continuing act, that is, he had not been diverted therefrom by any other activity, and he had not departed from his usual route to, or from, his workplace; and
2. Re: an employee on special errand, the special errand must have been official and in connection with his work; and

This Commission resolves, as it hereby resolves, that the foregoing approved, updated criteria be duly incorporated into pertinent provisions of PD 626, as amended, and its approved, amended implementing rules; and

This Commission resolves, as it hereby resolves finally, that a copy of this resolution be duly furnished the SSS and the GSIS, and all other concerned institutions, agencies or parties, for their information and proper guidance.

Approved and confirmed: July 5, 1988.

4. BOARD RESOLUTION 93-08-0068

Policy on Prescription, Permanent Total Disability, Increased Risk, Progression (Deterioration) of Illness or Injury, Presumptive Death, Personal Comfort Doctrine and Definition of Excepting Circumstances

RESOLVED, THAT the following policy instructions 01-93 of the Employees' Compensation Commission (ECC) be approved effective immediately:

To insure proper implementation of Title II, Book IV, on Employees' Compensation and State Insurance Fund of the Labor Code of the Philippines, as amended, and its approved implementing Rules and Regulations concerning the processing and adjudication of employees' compensation (EC) cases, the following rules and regulations are hereby issued for the guidance of all concerned:

1. PRESCRIPTION (See Sec. 6, Rule VII of the Amended Rules on Employees' Compensation)

2. PERMANENT TOTAL DISABILITY (PTD):

- 2.1. As a rule, a sickness or injury requiring prolonged treatment shall be deemed temporary total for a period of not more than one hundred twenty days (120) days; thereafter, if disability still persists, the grant of temporary total disability (TTD) benefits shall be continued up to a maximum of (240) days. Thereafter, if the claimant is still sick and unable to report for work as established by proper medical examination, his disability shall be considered permanent and total; and
- 2.2. If the employee retires or otherwise is separated from employment after the first 120 days of temporary total disability (TTD), but before 240 days, he may present himself to the System for another physical and medical examination, to determine if he is entitled to additional benefits;

3. INCREASED RISK:

- 3.1. There is increased risk if the illness is caused or precipitated by factors inherent in the employees' nature of work and working conditions. It does not include aggravation of a pre-existing illness; and
- 3.2. To establish compensability of the claim under the increased risk theory, the claimant must show proof of work-connection. The degree of proof required is merely substantial evidence as a reasonable mind may accept as adequate to support a conclusion;

4. PROGRESSION (DETERIORATION) OF ILLNESS OR INJURY:

- 4.1. Where the primary illness or injury is shown to have arisen in the course of employment, every natural consequence that flows from the illness or injury shall be deemed employment-related; and

- 4.2. Upon the death of a covered member during the period he was receiving permanent partial disability (PPD) benefits, the remainder of his PPD benefits shall be paid to his primary beneficiaries. However, the beneficiaries shall be entitled to the same benefits enjoyed by the beneficiaries of a PTD pensioner upon his death: *Provided, That*, the cause of death was the same illness or injury for which he was awarded PPD benefits;

5. PRESUMPTIVE DEATH:

Guidelines on the Grant of EC benefits for the Beneficiaries of Missing Persons while in the Performance of Duty during Calamity or Fatal Events

- 5.1. **Coverage.** These guidelines shall apply to all covered workers or employees' and uniformed personnel who had been reported missing while they were in the performance of their duties during calamities or fatal events such as, but not limited to, police or military operation, earthquake, typhoon, and volcanic eruption.
- 5.2. **Period of Filing.** The beneficiaries may file their claims for EC death with funeral benefits within the three year-prescriptive period from the time the missing person has been presumed dead after the lapse of four years from the occurrence of the incident.

In lieu of Death Certificate, the Systems may require the submission of certification from any concerned government institution showing that the concerned employee or uniformed personnel has been included in the list of missing persons due to a calamity or fatal event and/or has been missing for a period of four years.

- 5.3. **Grant of EC funeral benefits.** EC funeral benefits shall be provided to the qualified beneficiaries despite the absence of burial ceremony.
- 5.4. **Non-Refund of EC benefits.** If the missing employee appears or without appearing his/her existence is proved, the EC death with funeral benefits which have been previously provided shall no longer be returned by the concerned beneficiaries to the Systems. (as provided under BR No. 14-07-20, July 28, 2014)

6. PERSONAL COMFORT DOCTRINE:

- 6.1. Acts performed by an employee within the time and space limits of his employment, to minister to personal comfort, such as satisfaction of his thirst, hunger or other physical demands, or to protect himself from excessive cold, shall be deemed incidental to his employment and injuries the employee suffered in the performance of such acts shall be

considered compensable and arising out of and in the course of employment.

7. EXCEPTING CIRCUMSTANCES:

7.1. Intoxication

Intoxication refers to a person's condition in being under the influence of liquor or prohibited drugs to the extent that his acts, words or conduct is impaired visibly, as to prevent him from physically and mentally engaging in the duties of his employment;

7.2. Notorious Negligence

Notorious negligence is something more than mere or simple negligence. It signifies a deliberate act of the employee to disregard his own safety, or ignore established warning or precaution; and

7.3. Willful Intent to Injure or Kill Oneself or Another

This contemplates a deliberate intent on the part of the employee to inflict injuries on himself or another; and

Resolved, finally, that this Board Resolution be duly circularized immediately not only to the administering agencies of the Employees' Compensation Program (ECP) for the private sector and the public sector, namely, the Social Security System (SSS) and the Government Service Insurance System (GSIS), but to the general public as well, for guidance of all concerned.

Unanimously approved: Quezon City, Metro Manila, 05 August 1993.

5. BOARD RESOLUTION 96-09-0397

Policy on the Reimbursement of Hospital Expenses for Service-Connected Ailments of Hypertensive Cardiovascular Disease and Cardiovascular Accident

"As duly provided for in Rule VIII (B) of the ECC Charter (Presidential Decree 626, as amended), the Administering Agencies of the Employees' Compensation Program for the private sector and the public service, namely, the Social Security System and the Government Service Insurance

System, shall reimburse to a hospital, wherein an employee, who has suffered from work-related ailment or diseases is confined, all the medicines, drugs or supplies deemed justifiably necessary for the treatment of the employee's medical condition at a cost not exceeding retail prices; and

"In a meeting of 4th September 1996, the 1st Special Working Group of Commissioners, with the Technical Review Committee, ECC, unanimously recommended to this Commission the approval of the reimbursement by the System of claims filed by Employees' Compensation patients for expenses they have incurred in the pur-

chase of medicines considered necessary to lower their serum lipid levels, as a result of their service-connected ailments of hypertensive cardiovascular disease and cardiovascular accident;

“On motion duly made and seconded,

“Resolved, that, a recommendation of the 1st Special Working Group of Commissioners, with the Technical Review Committee, on the approval of the reimbursement by the System of claims of EC patients, who suffer from a work-related HCVD and CVA, for expenses they have incurred in the purchase of medicines considered justifiably necessary to lower their serum lipid levels, be approved, effective 1st April 1996;

“Unanimously approved in Makati City, Metro Manila, 12th September 1996.”

6. BOARD RESOLUTION 96-10-0429

Policy on the Increase in the Maximum Ceiling for Daily Income Benefits for Temporary Total Disability from Ninety Pesos to Two Hundred Pesos, effective 1st November 1996

Whereas, The reserves of the State Insurance fund under the Administering Agency of the Employees' Compensation Program for the private sector, namely, the Social Security System, have been registered to have grown to **FOURTEEN BILLION FIVE HUNDRED SIXTY-FOUR MILLION SEVEN HUNDRED ONE THOUSAND TWO HUNDRED EIGHTY-SEVEN PESOS (PhP14, 564,701,287.00)** as of 31st March 1996, owing to the prudent and judicious management thereof by the System since the inception and operationalization of the Program in January 1975;

Whereas, The plowing back of the reserves of the SIF in liberalized benefits to workers who get sick or injured, or die arising out of and in the course of employment constitutes an operative principle in this Commission's discharge of its quasi-judicial and policy-making functions on employees' compensation;

Whereas, This Commission is duly concerned that for certain reasons, it has been eight years ago since the ECC pegged the daily income benefit at not less than Ten Pesos (PhP 10.00), nor more than Ninety Pesos (PhP 90.00), nor paid longer than 120 days (Board Resolution 3682 of 7th July 1987). This cognizance takes into account a pervasive clamor of covered members under both the SSS and the Administering Agency of the said Program for the public service, namely, the Government Service Insurance System, for the institution of realistic, unitary increases in the daily income benefit and certain other EC benefits;

Whereas, In a memorandum of 11th April 1996, **Hon. RENATO C. VALENCIA**, Administrator, SSS, and concurrently Member of the Board, ECC, duly recommended to this Commission, inter alia, the

upward revision of the EC maximum daily income benefit for temporary total disability from **NINETY PESOS (PhP 90.00)** to **TWO HUNDRED PESOS (PhP 200.00)**. This is to keep it at par with the ceiling of social security benefits for non-work-related contingencies;

Whereas, As contained in a Position Paper of 15th May 1996 on the aforesaid proposal, the Employers' Confederation of the Philippines, through its President, **Hon. MIGUEL B. VARELA**, concurrently Member of the Board, ECC, declared that the ECOP "x x x fully supports the proposal indorsed by the Social Security System increasing the EC benefits due to workers on condition that this will not entail additional contributions from the Employers x x x x x";

Whereas, This Commission takes into account also that the proposed increase in the maximum ceiling for daily income benefits for TTD will not require an increase in premium contributions of employers to the SIF for and in behalf of their employees. And neither will it have an adverse impact on the stability, liquidity and viability of the SIF reserves under the SSS; and

Whereas, In general, organized labor has always batted for the enhancement of benefits for workers; and in particular, the Labor Advisory Consultative Council, as duly relayed to this Commission by **Hon. VLADIMIR R. TUPAZ**, Secretary General of the Trade Union of the Philippines and Allied Services, and Concurrent Member, ECC, representing Employees, formally made known in a recent meeting it held that LACC "fully supports" the aforesaid proposal as endorsed by the SSS; and

Whereas, Article 177 (e) of the ECC Charter (Presidential Decree 626, as Amended, a.k.a. Title II, Book IV, on Employees' Compensation and State Insurance Fund, of the Labor Code of the Philippines, as Amended), provides thus:

" x x x The Commission may upgrade benefits and add new ones subject to the approval of the President; and Provided, Further, that the actuarial stability of the State Insurance Fund shall be guaranteed; Provided, Finally, that such increases in benefits shall not require any increases in contribution, except as provided for in Paragraph (b) hereof. (As amended by Sec. 3, P.D. 1641) x x x ";

On motion duly made and seconded,

Resolved, **As it hereby Resolved**, That, The increase in the maximum ceiling for daily income benefits for Temporary Total Disability from **NINETY PESOS (PhP 90.00)** to **TWO HUNDRED PESOS (PhP 200.00)** under Administering Agency of the Employees' Compensation Program for the private sector, the Social Security System, be approved, effective 1st November 1996; and That, such an increase will not entail an upward revision of premium contributions of employers to the State Insurance fund for and in behalf of their employees; and

Resolved, Further, That, This Board Resolution and supporting documents thereof be transmitted to the Office of the President soonest, for approval; and that copies thereof be furnished the SSS and the GSIS, the ECOP and all other concerned Institutions, Agencies or Parties, for their information and appropriate action.

Unanimously approved in Makati City, Metro Manila, 10th October 1996.

7. BOARD RESOLUTION NO. 97-09-0500

Policy on Surviving Spouse

“Pursuant to the provision of the Labor Code on protection and welfare of workers and their legal beneficiaries, the Secretariat of the Employees’ Compensation Commission, had formally sought the liberalization of the implementation of Section I (B) (1), Rule XV, of the ECC Charter (Presidential Decree 626, as amended, a.k.a. Title II, Book IV, on Employees’ Compensation and State Insurance Fund) i.e., considering that thereunder, the surviving spouse of a covered employee is held entitled to Employees’ Compensation benefits only cases the spouse is found living with the employee at the time of the latter’s death; and

“Further thereto, during the 16th regular meeting of the Governing Board, ECC, convoked on 4th September 1997, the Board duly discussed the validation of a recommendation of the Secretariat contained in a memorandum of 2nd September 1997, that payment of EC benefits to a surviving spouse, who is legally separated or separated de facto from the deceased covered employee, be given due course based on a set of guidelines;

“On motion duly made and seconded,

“Resolved, as it is hereby resolved, that, the adoption of a policy that the surviving spouse found to be not living with the covered employee at the time the employee died be held entitled to Employees’ Compensation benefits under Section I (B) (1), Rule IV, Of the ECC Charter, be approved, provided, that the separation occurred owing to any of the following circumstances:

1. Refusal of the covered employee to continue living with the surviving spouse; or the employee’s abandonment of the said spouse, without justifiable or valid cause;
2. Attempt of the covered employee against the life of the surviving spouse, common child/children of the spouse:
3. Commission of an act of sexual abuse against the surviving spouse, common child/children or child/children of the spouse by the covered employee;
4. The covered employee’s recurrent commission of physical violence, or grossly, abusive conduct, against the surviving spouse,

- common child/children or child/children of the spouse;
5. The covered employee's infliction of physical violence, or imposition of moral duress, to compel the surviving spouse, common child/children or child/children of the spouse to change their religious or political affiliation;
 6. Attempt of the covered employee to corrupt, or induce the surviving spouse, common child/children or child/children of the spouse to engage in prostitution, or to make them connive with the employee in such an act of corruption or inducement;
 7. Drug addiction or habitual alcoholism of the covered employee;
 8. Lesbianism or homosexuality of the covered employee;
 9. Contraction of bigamous marriages by the covered employee, whether in the Philippines or abroad;
 10. Sexual infidelity or perversion of the covered employee;
 11. The covered employee's act of allowing the surviving spouse, common child/children or child/children of the spouse to be subjected to acts of lasciviousness; and
 12. The covered employee's contraction of serious, sexually transmitted disease extra-maritally; and

Resolved, Further, that a copy of this Board Resolution be furnished all concerned institutions, agencies or parties, for their information and proper guidance.

Approved in Makati City, Metro Manila, 4th September 1997.

8. BOARD RESOLUTION NO. 09-08-107

Admissibility of Electronic Filing of Sickness, Injuries, and Death of Covered Members as Compliance under Art. 205 of P.D. 626, as amended

WHEREAS, Article 205, paragraph (a) of P.D. 626, as amended, provides:

"ART. 205. Record of death or disability. – (a) All employers shall keep a logbook to record chronologically the sickness, injury or death of their employees, setting forth therein their names, dates, and places of contingency, nature of the contingency and absences. Entries in the logbook shall be made within five days from notice or knowledge of the contingency. Within five days after entry in the logbook, the employer shall report to the System only those contingencies he deems to be work-connected."

WHEREAS, on December 17, 1999, this Commission promulgated Board Resolution No. 99-12-0786, providing for the strict implementation of Art. 205 of P.D. 626, as amended;

WHEREAS, on December 13, 2007, the Twenty First Division of the Court of Appeals, Mindanao Station, Cagayan de Oro City,

in the case of Pfizer, Inc. vs. SSS, (C.A.-G.R. SP No. 82006) ruled that *“the purpose of an employer’s logbook is to record chronologically the sickness, injury, or death of employees. As long as the information or data is entered into and recorded by the employer in its files, be it in a manual logbook or by electronic filing, the purpose of the law is duly served;”*

WHEREAS, on February 1, 2008, the decision in the said case has become final and executory and on July 3, 2008, the same has been recorded in the Book of Entries of Judgments;

WHEREAS, during the 2008 Seminars/Workshops in the National Capital Region, Baguio City, Cebu City, and Davao City with the representatives from the SSS and the GSIS, one of the issues raised was the implementation of Art. 205 of P.D. 626, as amended;

WHEREAS, after consultation with the representatives from the SSS and the GSIS during those seminars/workshops, this Commission, in compliance with the decision of the Court of Appeals in the case of Pfizer vs. SSS, finds the need to clarify the manner of recording of sickness, injuries, and deaths of covered members in a logbook;

ON MOTION DULY MADE AND SECONDED

RESOLVED, AS IT HEREBY RESOLVED, to approve as a policy the decision of the Court of Appeals in the case of Pfizer vs. SSS that *“as long as the information or data is entered into and recorded by the employer in its files, be it in a manual logbook or by electronic filing, the purpose of the law is duly served. Provided, that if the Systems (GSIS/SSS) want to investigate how an employer’s automated system works and if the same complies with P.D. 626, as amended, the System could exercise its visitorial power as contemplated in Section 4 of Rule XVI of the Amended Rules on Employees’ Compensation.”* The said Section provides:

“Sec. 4. Visitorial Power.- The employer’s logbook prescribed in these Rules shall be made available for inspection to any duly authorized representative of the System during working hours.”

RESOLVE FURTHER, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 14th day of August 2009.

9. BOARD RESOLUTION NO. 09-09-134

Prescribing the Amount of Reimbursement of Medicines in Accordance with Republic Act Number 9502 otherwise known as “Universally Accessible Cheaper Quality Medicines Act No. 2008” and its Imple-

menting Rules and Regulations

WHEREAS, Article 185 of P.D. 626, as amended, provides:

“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.”

WHEREAS, paragraph A (3) of Annex “C” of the Amended Rules on Employees’ Compensation provides that “an employee who sustains an injury or contracts sickness shall be entitled to medicines;”

WHEREAS, under the Amended Rules on Employees’ Compensation, reimbursement of medicines may be charged against the State Insurance Fund (SIF) and shall be paid by the Systems (GSIS/SSS) at “a cost not exceeding the retail prices prevailing in local drug stores;”

WHEREAS, Republic Act No. 9502 otherwise known as “The Universally Accessible Cheaper and Quality Medicines Act of 2008” and its Implementing Rules and Regulations provide that the President of the Republic of the Philippines, upon recommendation of the Secretary of the Department of Health, shall have the power to impose Maximum Drug Retail Prices (MDRP) over any or all drugs and medicines as enumerated and provided for in the law;

WHEREAS, Chapter 8, Section 48 of Republic Act No. 9502 provides that:

“Sec. 48. All laws, decree, executive orders, proclamations and administrative rules or parts thereof inconsistent herewith are hereby repealed or modified accordingly.”

WHEREAS, in compliance with Republic Act No. 9502 and its Implementing Rules and Regulations, this Commission finds the need to clarify the amount of medicines that would be reimbursed by the Systems in the event of work-connected sickness or injury;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES, AS IT HEREBY RESOLVES**, to approve as a policy that all reimbursements of medicines under P.D. 626, as amended, shall be in accordance with the amount that may be prescribed under Republic Act No. 9502 and its Implementing Rules and Regulations;

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 25th day of September , 2009

10. BOARD RESOLUTION NO. 10-02-03

Policy on Returning the Suspended EC Permanent Total Disability (PTD) Benefits

WHEREAS, Article 192 (b) of P.D. 626, as amended, partly provides:

“ART. 192. Permanent Total Disability. (b) The monthly income benefit shall be guaranteed for five years, and shall be suspended if the employee xxx fails to present himself for examination at least once a year upon notice by the System xxx”

WHEREAS, the existing rules do not provide guidelines on whether the suspended EC PTD benefits would be automatically forfeited or returned to the employee upon compliance with the requirement;

WHEREAS, this Commission finds the need to promulgate a policy to prevent any confusion and conflict in the interpretation of the law;

WHEREAS, upon consultation with the Medical Evaluation and Underwriting Department of the GSIS and the Medical Program Division of the SSS, the Secretariat has discovered that the practice of both Systems is to lift the suspension upon compliance and to return the suspended EC PTD benefits to the employee;

WHEREAS, this Commission upholds the practice of both Systems which is in accordance with the policy of the State to construe social legislations liberally in favor of the beneficiaries of the Employees' Compensation Law;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES, AS IT HEREBY RESOLVES**, to adopt as a policy that:

1. *Non-compliance of the employee to present himself for examination at least once a year upon notice by the System shall result in the postponement of granting of EC PTD benefits;*
2. *Compliance with the said requirement shall lift the suspension and the obligation of the System to return the suspended EC PTD benefits automatically arises.*

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 26th day of February 2010.

11. BOARD RESOLUTION NO. 10-03-45

Clarifying the Rules on Prescription under P.D. 626, as amended

WHEREAS, Article 201 of P.D. 626, as amended, provides:

“ART. 201. Prescriptive period. No claim for compensation shall be given due course unless said claim is filed with the System within three years from the time the cause of action accrued.”

WHEREAS, in accordance with EC Board Resolution No. 93-08-0068, dated August 5, 1993, the practice of both Systems is that any claim filed within three years for any contingency that may be held compensable under the Employees' Compensation Program (ECP) shall be considered as the EC claim itself;

WHEREAS, pursuant to EC Board Resolution No. 99-09-0538, dated October 7, 1999, the understanding of the Systems is that the period of filing EC claims for members and/or their beneficiaries who have been previously granted with disability or death benefits for the same contingency, either under the SSS law or the GSIS law, shall not be allowed to go beyond ten (10) years;

WHEREAS, in the cases of Buena Obra vs. SSS (G.R. No. 147745, April 9, 2003) and Mesa vs. SSS (G.R. No. 160467, April 7, 2009), the Supreme Court held that the *“claim for funeral benefits under P.D. No. 626, as amended, which was filed after the lapse of 10 years by the petitioner who had earlier filed a claim for death benefits, had not prescribed.”* The Supreme Court further ruled that *“when the petitioner filed her claim for death benefits under the SSS law, she had already notified the SSS of her employees' compensation claim because the SSS is the very same agency where claims for payment of sickness/disability/death benefits under P.D. No. 626 are filed.”*

WHEREAS, this Commission, in compliance with the rulings of the Supreme Court, finds the need to clarify the rules on prescription;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES, AS IT HEREBY RESOLVES**, to adopt as a policy the decision of the of the Supreme Court in the case of Buena Obra vs. SSS (G.R. No. 147745, April 9, 2003), which was reiterated in the case of Mesa vs. SSS (G.R. No. 160467, April 7, 2009), that *when a claimant filed a claim for disability or death benefits before the Systems either under the SSS law or the GSIS law, the claim for the same benefits under the Employees' Compensation Law should be considered as filed.*

This Commission **RESOLVES FURTHER** that the filing of disability or death benefits either under the SSS law or the GSIS law within three years from the time the cause of action accrued would stop the running of the prescriptive period under P.D. 626, as amended.

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINAL-**

LY, that all previous Rules or Resolutions inconsistent with this Resolution are hereby repealed or modified accordingly and copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 17th day of March, 2010.

12. BOARD RESOLUTION NO. 10-05-65

Policy on Evaluation of Incidental Findings

WHEREAS, it has been the practice of the Systems to evaluate only those specific diseases or injuries which have been indicated by the claimants at the Systems;

WHEREAS, upon review of the denied EC claims, there are instances that on the basis of the medical records, the Secretariat recommends the granting of EC benefits to claimants who have "*incidental findings*" or other work-connected diseases or injuries aside from specific diseases or injuries which were found by the Systems to be not work-connected;

WHEREAS, considering that the Systems have primary and initial jurisdiction on the settlement of EC claims, and so as not to further delay meritorious claims, the evaluation of "*incidental findings*" at the level of the Systems is deemed necessary;

WHEREAS, upon consultation with the Medical Evaluation and Underwriting Department (MEUD) of the GSIS and the Medical Operation Department (MOD) of the SSS, it was agreed upon that there must be instruction from the Commission to evaluate "*incidental findings*;"

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AS IT HEREBY RESOLVES** to adopt as a policy that *when the disease or injury being claimed has been declared to be not work-connected but findings are also made that the employee has suffered or is suffering from other work-connected diseases or injuries, such incidental findings shall be evaluated by the System;*

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 28th day of April, 2010.

13. BOARD RESOLUTION NO. 10-09-114, Series of 2010

Granting of Successive Temporary Total Disability (TTD) Benefits and Permanent Partial Disability (PPD) Benefits for Work-Related Injuries that Resulted to Functional Loss and/or Physical Loss of Any Part of the Body

WHEREAS, Article 166 of P.D. 626, as amended, states that the policy of the Employees' Compensation Program (ECP) is to grant disability benefits to qualified workers in the event of work-related injuries;

WHEREAS, under existing jurisprudence, an injured worker may recover compensation for both temporary total and permanent partial disability. The object of the law in allowing compensation during temporary total disability is to compensate the laborer for what he might have earned during the period of treatment of his work-related injury. On the other hand, the object of the law in granting compensation for a permanent partial disability is to compensate the injured laborer for the functional loss and/or physical loss of any part of his body;

WHEREAS, the existing rules do not provide guidelines on the granting of successive EC TTD benefits and EC PPD benefits to workers who sustained work-related injuries;

WHEREAS, based on the consultation with the Medical Evaluation and Underwriting Department of the GSIS and the Medical Operation Department of the SSS, it was gathered that the Systems differ in their implementation on the grant of TTD and PPD, with the GSIS deducting the amount of TTD benefits earlier granted from the PPD benefit that may subsequently be granted to the worker;

WHEREAS, this Commission finds the need to issue a policy that would harmonize the grant of said benefits in the GSIS and in the SSS;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** to adopt as a policy the granting of successive Temporary Total Disability (TTD) benefits and Permanent Partial Disability (PPD) benefits for a worker who sustained work-related injuries that resulted to functional loss and/or physical loss of any part of his body;

This Commission **RESOLVES FURTHER** that any earlier compensation for TTD that may have been paid to an injured worker shall not be deducted from the PPD benefit that may be later granted to him;

This Commission **RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 2nd day of September 2010.

14. BOARD RESOLUTION NO. 10-09-115, Series of 2010

Amending Rule IV, Section 2 of the Rules of Procedure for the Filing and Disposition of the Employees' Compensation Claims

WHEREAS, The Employees' Compensation Law (P.D. 626, as amended) guarantees the early settlement of claims and the prompt payment of income benefits;

WHEREAS, Section 8, paragraph (b) of Republic Act (R.A.) No. 9485 otherwise known as the "Anti-Red Tape Act of 2007" partly reads:

"(b) Action of Offices - (1) All applications and/or requests submitted shall be acted upon by the assigned officer or employee during the period stated in the Citizen's Charter which shall not be longer than five working days in the case of simple transactions and ten (10) working days in the case of complex transactions from the date the request or application was received...."

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

FOREGOING PREMISES DULY CONSIDERED,

In compliance with R.A. No. 9485, this Commission **RESOLVES** to amend Rule IV, Section 2 of the Rules of Procedure for the Filing and Disposition of the Employees' Compensation Claims which provides:

"Section 2. Adjudication. – The GSIS and SSS shall adjudicate the claim within twenty (20) calendar days from the submission of all required documents and shall render a decision either denying or awarding compensation benefits."

The said Section shall now read as follows:

"Section 2. Period of Evaluation— The GSIS and the SSS shall evaluate an EC claim within the following period:

- a. Claim for death benefits - within 10 working days*
- b. Claim for disability benefits due to:*
 - b.1. Sickness - within five working days*
 - b.2. Injuries - within five working days*

In all cases, the counting of the prescribed period shall commence from the submission of all required documents.

This Commission **HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 2nd day of September 2010.

15. BOARD RESOLUTION NO. 10-09-116, Series of 2010

Amending Paragraph 2, Part II of EC Board Resolution No. 90-03-0022

WHEREAS, Paragraph II, Part 2 of EC Board Resolution No. 90-03-0022, dated March 23, 1990; provides that:

“2. Upon the death of a pensioner, as mentioned in paragraph (b) of Article 194, eighty percent (80%) of the monthly income benefit and the dependent’s pension shall be paid to the primary beneficiaries regardless of the cause of death;”

WHEREAS, in the case of Belarmino vs. Employees’ Compensation Commission, (G.R. No. 90104, May 11, 1990), the Supreme Court held that:

“...the right to compensation extends to disability due to disease supervening upon and proximately and naturally resulting from a compensable injury. Where the primary injury is shown to have arisen in the course of employment, every natural consequence that flows from the injury likewise arises out of the employment, unless it is the result of an independent intervening cause attributable to claimant’s own negligence or misconduct. Simply stated, all the medical consequences and sequels that flow from the primary injury are compensable.”

WHEREAS, it has now become imperative for the Commission to amend the above-quoted Board Resolution to make it consistent with the cited Court ruling and policy behind compensability of ailments and cause of death;

WHEREAS, consultations on the matter were made with the Medical Evaluation and Underwriting Department of the GSIS and the Medical Operation Department of the SSS;

WHEREAS, Article 177 (d) of P.D. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVES** that Paragraph 2, Part II of EC Board Resolution No. 90-03-0022 is hereby amended to read as follows:

“2. Upon the death of a pensioner, as mentioned in paragraph (b) of Article 194, eighty percent (80%) of the monthly income benefit and the dependent’s pension shall be paid to the primary beneficiaries in cases where the cause of death is a complication or natural consequence of his compensated Permanent Total Disability.”

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 2nd of September 2010.

16. BOARD RESOLUTION NO. 10-09-117, Series of 2010

Amending Rule V, Section 11, Paragraph 1 of the Rules of Procedure for the Filing and Disposition of the Employees' Compensation Claims

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

WHEREAS, the Commission finds it necessary to make some amendments on the present procedure governing the Form and Notice of Decision of the Commission;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES** to amend Rule V, Section 11, paragraph 1 of the Rules of Procedure for the Filing and Disposition of the Employees' Compensation Claims which provides:

“Section 11. Form and Notice of Decision - All decisions, resolutions, or orders duly approved by the Commission shall be signed and issued by the Executive Director or his duly authorized representative.”

The said paragraph shall now read as follows:

“Section 11, Form and Notice of Decision - All decisions, orders and resolutions shall be signed by the members of the Commission who participated in the deliberation. The Notice of Decision shall be signed and issued by the Executive Director or the duly authorized representative and shall bear the seal of this Commission.”

This Commission **HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 2nd day of September, 2010.

13. BOARD RESOLUTION NO. 10-10-157, Series of 2010

Amending Rule III, Section 3 of the Rules of Procedure for the Filing and Disposition of the Employees' Compensation Claims

WHEREAS, The Employees' Compensation Law (P.D. 626, as amended) guarantees the early settlement of claims and prompt payment of income benefits;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the procession of Employees' Compensation (EC) claims;

WHEREAS, this Commission finds the need to make the Regional Offices/Branches of the Systems more accessible to the claimants as well as to clarify the place of filing of EC claims;

NOW THEREFORE, FOREGOING PREMISES DULY CONSID-

ERED,

RESOLVED AS IT HEREBY RESOLVED, to amend Rule III, Section 3 of the Rules of Procedure for the Filing and Disposition of Employees' Compensation Claims which provides:

“Section 3. *Where to file.* - Claims of employees in the public sector shall be filed with the GSIS and of those of the private sector with the SSS.”

The said Section shall now read as follows:

“Section 3. *Where to file.* - All EC claims may be filed by the claimant at his option in the Regional Office/Branch of the System nearest to the place of work or residence.”

RESOLVED FINALLY, to duly furnish a copy of this Resolution to the SSS and the GSIS for their information and proper guidance.

APPROVED, in *Makati City, Metro Manila, this 20th day of October 2010.*

18. BOARD RESOLUTION NO. 11-04-10

Setting the Reckoning Date of the Three-Year Prescriptive Period in the Evaluation of the Employees' Compensation Claims for Permanent Total Disability (PTD)

WHEREAS, Article 201 of P.D. 626, as amended provides:

“ART. 201. Prescriptive period. - No claim for compensation shall be given due course unless said claim is filed with the System within three years from the time the cause of action accrued. (As amended by Sec. 5. P.D. 1921)”

WHEREAS, Paragraph i.1.2 of EC Board Resolution No. 93-08-0068, dated August 5, 1993, partly reads:

“I. PRESCRIPTION

xxx

1.2. xxx The three year prescriptive period shall be reckoned from the onset of disability xxx”

WHEREAS, in the case of *ECC vs. Sanico* (G.R. No. 134028, December 17, 1999), the Supreme Court held that:

1. “Permanent total disability means disablement of an employee to earn wages in the same kind of work, or work of similar nature that he was trained for or accustomed to perform, or any kind of work which a person of (his) mentality and attainment could do. It does not mean absolute helplessness;
2. “In disability compensation, it is not the injury which is compensated, but rather it is the incapacity to work resulting in the impairment of one’s earning capacity;

3. "the prescriptive period for filing compensation claims should be reckoned from the time the employee lost his earning capacity, i.e., terminated from employment, due to his illness and not when the same first became manifest."

WHEREAS, this Commission finds the need to promulgate a policy to prevent any confusion and conflict in the interpretation of the law;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES** that the prescriptive period for filing compensation claims should be reckoned from the time the employee lost his earning capacity;

This Commission **RESOLVES FURTHER** that all previous resolutions which are inconsistent with this policy are hereby repealed, modified, or amended accordingly;

This Commission **RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their compliance and proper guidance.

APPROVED in the City of Makati, this 28th day of April, 2011.

19. BOARD RESOLUTION NO. 11-04-11

Amending Rule IX, Section 3, Paragraph 2 of the Amended Rules on Employees' Compensation (Extending the Rehabilitation Services to EC TTD Beneficiaries)

WHEREAS, Article II, Section 18 of the 1987 Constitution provides that:

"The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare."

WHEREAS, Article 177, paragraph (d) of P.D. 626, as amended, empowers this Commission "to initiate policies and programs toward adequate occupational health and safety and accident prevention in the working environment, rehabilitation other than those provided for under Art. 190 xxx:"

WHEREAS, the primordial purpose of P.D. 626, as amended, as a social legislation, is to provide meaningful protection to the working class against the hazards of disability, illness, and other contingencies resulting in loss of income (GSIS vs. Raoet, G.R. No. 157038, December 23, 2009);

WHEREAS, rehabilitation is a continuing comprehensive program for workers who have sustained disability from work-

connected contingency and is a major program thrust of the Employees Compensation Commission under the Employees Compensation Program (ECP);

WHEREAS, under Rule IX, Section 3, paragraph 2 of the Amended Rules on Employees' Compensation, only an employee who "sustains a permanent disability" shall be entitled to rehabilitation services;

WHEREAS, the early rehabilitation of handicapped employees as a result of work-connected contingency reduces their dependence on assistance to achieve activities of daily living (ADLs) and increases the possibilities to manage their own life independently;

WHEREAS, considering that the policy is to extend the applicability of the law on employees' compensation to as many employees who can avail of the benefits under the said law (Lazo vs. ECC, G.R. No. 78617, June 18, 1990; GSIS vs. Cuanang, G.R. No. 158846, June 3, 2004), this Commission finds the need to extend rehabilitation services to all workers who sustained disability as a result of work-connected contingencies;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** to amend Rule IX, Section 3, paragraph 2 of the Amended Rules on Employees' Compensation which provides:

"Section 3. Condition to entitlement, -Any employee shall be entitled to rehabilitation services, if all of the following conditions are satisfied:

xxx

- (2) *"He sustains a permanent disability as a result of a compensable injury or sickness as defined in these Rules;"*

The said section shall now read as follows:

"Section 3. Condition to entitlement, -Any employee shall be entitled to rehabilitation services, if all of the following conditions are satisfied:

xxx

- (2) *"He sustains a permanent disability as a result of a compensable injury or sickness as defined in these Rules. Provided, that all employees who sustained temporary disability as a result of a work-connected contingency shall also be entitled to rehabilitation services;"*

This Commission **RESOLVES FINALLY** that copies of this Resolution be duly furnished to the SSS and to the GSIS for their information and guidance.

APPROVED in the City of Makati, this 28th day of April 2011.

20. BOARD RESOLUTION NO. 11-05-13

Amending the Conditions for Compensability of Cardiovascular Diseases, Essential Hypertension, and Cerebrovascular Accidents under ANNEX "A" of the Amended Rules on Employees' Compensation

WHEREAS, Article 167 (l) of P.D. 626, as amended, partly provides:

“...the Commission is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on peculiar hazards of employment.”

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

WHEREAS, pursuant to the policy of the Commission for the continuous upgrading of the benefit structure for workers through the updating on the conditions for compensability of occupational diseases and work-related illnesses under Annex “A” of the Amended Rules on Employees’ Compensation and due to recent trends and developments in the field of Occupational Medicine, this Commission finds it necessary to amend the prevailing conditions for the compensability of Cardiovascular Diseases, Essential Hypertension, and Cerebrovascular Accidents;

WHEREAS, the representatives from the Trade Union of the Philippines (TUCP), Association of Marine Officers and Seamen’s Union of the Philippines (AMOSUP), Federation of Free Workers (FFW), Employers Confederation of the Philippines (ECOP), Bureau of Working Conditions (BWC), Occupational Safety and Health Center (OSHC), Social Security System (SSS), Government Service Insurance System (GSIS), Civil Service Commission, (CSC), Philippine Government Employees’ Association (PGEA), Pilipinas Shell, Philippine College of Occupational Medicine (PCOM) and other leaders of the medical profession and medical specialty societies have unanimously recommended the approval and adoption by the Commission of the amendments on the conditions for compensability of Cardiovascular Diseases, Essential Hypertension, and Cerebrovascular Accidents;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES** to amend the conditions for compensability of Cardiovascular Diseases, Essential Hypertension, and Cerebrovascular Accidents under Annex “A” of the Amended Rules on Employees’ Compensation and the same shall now read as follows:

OCCUPATIONAL AND WORK-RELATED DISEASES

General Conditions:

For an occupational disease and the resulting disability or death to be

compensable, all of the following conditions must be satisfied:

1. The employee's work and/or the working conditions must involve risk/s **that caused the development of the illness;**
2. The disease was contracted as a result of the employee's exposure to the described risks;
3. The disease was contracted within a period of exposure and under such other factors necessary to contract it;
4. There was no deliberate act on the part of the employee to disregard the safety measures or ignore established warning or precaution;

The employer shall require pre-employment examination of all prospective employees; provide periodic medical examination to employees who are exposed to occupational disease and take such other measures as may be necessary pursuant to Rule III, Section 2 (b) of the implementing Rules of P.D. 626, as amended.

The employer shall provide data such as work environment measurement reports on health hazards and other information that may be deemed necessary by the Systems or Commission in the determination of causal relationship between the employee's work and his disability or death.

The employer in consultation with the union whenever applicable shall implement OSH and wellness programs such as physical fitness program, healthy nutrition program, stress management program and other programs required by existing legislation, guidelines and issuances to prevent occupational and work-related diseases. The employer shall include information and advocacy of PD 626 in OHS programs and support the employee deserving of compensation and rehabilitation benefits.

The employer who has failed to provide adequate protection and safety devices shall be subject to the penalty imposed by Article 200 of the Code. Where he has provided adequate protective and safety devices, there shall be a determination as to whether or not the employee has been notoriously negligent.

The following diseases are considered as occupational or work-related when contracted under working conditions involving the risks described herein:

18. *CARDIO-VASCULAR DISEASES. Any of the following conditions:*

- a. If the heart disease was known to have been present during employment, there must be proof that an acute exacerbation was clearly precipitated by the unusual strain by reasons of the nature of his work.
- b. The strain of work that brings about an acute attack must be of sufficient severity and must be followed within 24 hours by the clinical

signs of a cardiac insult to constitute causal relationship.

- c. If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of cardiac impairment during the performance of his work and such symptoms and signs persisted, it is reasonable to claim a causal relationship subject to the following conditions:
 - 1. **If a person is a known hypertensive, it must be proven that this hypertension was controlled and that he was compliant with treatment.**
 - 2. **If a person is not known to be hypertensive during his employment, his previous health examination must show normal results in all of the following, but not limited to: blood pressure, chest X-ray, electrocardiogram (ECG)/treadmill exam, CBC and urinalysis.**
- d. **A history of substance abuse must be totally ruled out.**

19. **CEREBRO - VASCULAR ACCIDENTS.** *Any of the following conditions:*

- a. **There must be proof that the stroke must have developed as a result of the stressful nature of work and pressures inherent in an occupation.**
- b. **The strain of work that brings about an acute stroke must be of sufficient in severity and must be followed within 24 hours by the clinical signs of an acute onset of neurological deficit to constitute causal relationship.**
- c. **If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of an acute onset of neurologic deficit during the performance of his work, and such symptoms and signs persisted, it is reasonable to claim a causal relationship.**
- d. **There was a history, which should be proven, of unusual and extraordinary mental strain or event, or trauma to or hyperextension of the neck. There must be a direct connection between the insult in the course of the employment and the worker's collapse.**
- e. **If the neck trauma or exertion then and there caused either a brain infarction or brain hemorrhage as documented by neuro-imaging studies, the injury may be considered as arising from work.**
- f. **If a person is a known hypertensive, it must be proven that his hypertension is controlled and that he was compliant with treatment.**
- g. **A history of substance abuse must be totally ruled-out**

29. **ESSENTIAL HYPERTENSION.**

Hypertension classified as primary or essential is considered compensable if it causes impairment of function of body organs like kidneys, heart, eyes and brain, resulting in any kind of disability, **subject to the**

submission of any of the following:

- a. chest X-ray report
- b. Electrocardiograph (ECG) report
- c. Blood chemistry report
- d. Funduscopy report
- e. Ophthalmological evaluation,
- f. Computed tomography scan (C-T scan)
- g. Magnetic resonance imaging (MRI)**
- h. Magnetic resonance angiography (MRA)**
- i. Two Dimensional echocardiography (2-D Echo)**
- j. Kidney ultrasound**
- k. BP monitoring report**

This Commission **RESOLVES, AS IT HEREBY RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 26th day of May 2011.

21. BOARD RESOLUTION NO. 11-11-29

Revising the Conditions for the Compensability of Pulmonary Tuberculosis under Annex “A” of the Amended Rules on Employees’ Compensation

WHEREAS, Article 167 (l) of P.D. 626, as amended, partly provides:

“...the Commission is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on peculiar hazards of employment.”

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

WHEREAS, pursuant to the policy of the Commission for the continuous upgrading of the benefit structure for workers through the upgrading on the conditions for compensability of occupational diseases and work-related illnesses under Annex “A” of the Amended Rules on Employees’ Compensation and due to recent developments in the field of Occupational Medicine, this Commission finds it necessary to amend the prevailing conditions for the compensability of Pulmonary Tuberculosis;

WHEREAS, on February 25, 2011, this Commission issued Board Resolution 11-12-09, creating the Technical Review Panel to review the conditions for compensability of Pulmonary Tuberculosis;

WHEREAS, the Technical Review Panel, composed of medical experts and leaders of medical professional groups and medical specialty societies, presented its proposed amendments to the conditions for compensability of Pulmonary Tuberculosis to a tripartite group composed of representatives from the Regional Industrial Tripartite Council (Region IV-A), Employers' Confederation of the Philippines (ECOP), Social Security System (SSS), Government Service Insurance System (GSIS), Civil Service Commission (CSC), Pilipinas Shell, Philippine College of Occupational Medicine (PCOM), Occupational Health Nurses Association of the Philippines (OHNAP), Bureau of Working Conditions (BWC), Occupational Health and Safety Center (OSHC);

WHEREAS, the representatives from the tripartite group have come to an agreement to recommend the approval and adoption by the Commission of the amendments on the conditions for compensability of Pulmonary Tuberculosis;

ON MOTION DULY MADE AND SECONDED,

This Commission RESOLVES AS IT HEREBY RESOLVED, to revise the following conditions for compensability of Pulmonary Tuberculosis under Annex "A" of the Amended Rules on Employees' Compensation:

"7. *Infections*

xxx

"(e) *Tuberculosis*

Any occupation involving close and frequent contact with a source or sources of tuberculosis infection by reason of employment: (a) in the medical treatment or nursing of a person or persons suffering from tuberculosis, (b) as a laboratory worker, pathologists or post-mortem worker, where occupation involves working with material which is a source of tuberculosis infection."

"27. *Pulmonary Tuberculosis*

Any occupation involving close and frequent contact with a source or sources of tuberculosis infection by reason of employment: (a) in the medical treatment or nursing of a person or persons suffering from tuberculosis, (b) as a laboratory worker, pathologists or post-mortem worker, where occupation involves working with material which is a source of tuberculosis infection."

The revised conditions for compensability of Pulmonary Tuberculosis shall now read as follows:

“27. Tuberculosis (Pulmonary and Extrapulmonary)

“Any occupation involving close and frequent contact with a source/s of tuberculosis infection by reason of employment.

“Occupations involving, but not limited to, high risk occupational groups and working conditions that are more susceptible to tuberculosis infection:

“a. In the medical treatment or nursing of person/s suffering from tuberculosis;

“b. As pathologist, post-mortem worker and medical laboratory workers e.g. medical technologies, smearers/laboratory technicians where the occupation involves working with materials which are sources of tuberculosis infection;

“c. Other health facility staff in direct and frequent contact/handling of active PTB cases or infected materials e.g. dentists, dental/radiology technicians, respirator therapists, physiotherapist, housekeeping staff, social workers, clinic staff/secretaries;

“d. Staff of correctional facilities/jails in direct contact with inmates especially in overcrowded and poorly ventilated prisons;

“e. Workers involved in collection/handling/transportation/disposal of biological wastes;

“f. Workers who have been clinically diagnosed with Silicosis or those chronically exposed to silica in the course of their work;

“g. Workers in workplaces characterized as overcrowded, poorly ventilated and enclosed where there are documented cases of active TB.”

This Commission **RESOLVES FURTHER**, that copies of this Resolution be duly furnished the SSS and the GSIS for their compliance and proper guidance.

APPROVED in Makati City, 28 November 2011.

22. BOARD RESOLUTION NO. 12 - 01- 02

Declaring the Compensability of Injuries and its Resulting Disability or Death Sustained by Stay-in Local Employees within the Quarters Furnished by the Employers

WHEREAS, the 1987 Constitution mandates that full protection shall be afforded to labor;

WHEREAS, the Supreme Court in the case of **Uy vs. Workmen’s Compensation Commission** (G.R. No. L-43389, April 28, 1980) adopted the so-called “Bunkhouse rule” and held that:

“x x x where the employee is required to stay in the premises or in quarters furnished by the employer, injuries sustained therein are in the course of employment regardless of the time the same occurred.”

WHEREAS, P.D. No. 626, as amended, being a social legislation, should be given liberal construction to fully carry into effect its aim to promptly provide income benefits to workers and/or their beneficiaries in the event of work-connected disability or death;

WHEREAS, in accordance with the Constitution and with the ruling of the Highest Court, this Commission finds the need to provide additional protection to local employees who are required to stay in the quarters furnished by the employers;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of the Employees' Compensation (EC) claims;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to declare the compensability of injuries, and its resulting disability or death, sustained stay-in local employees in their quarters regardless of the time of its occurrence except when the disability or death was occasioned by the employee's intoxication, willful intention to injure or kill himself or another, or notorious negligence as provided under Article 172 of P.D. No. 626, as amended;

RESOLVES FURTHER, that copies of this Resolution be duly furnished the SSS and the GSIS for its compliance and proper guidance.

APPROVED in the City of Makati, this 17th day of January 2012.

23. BOARD RESOLUTION NO. 12-03-08

Declaring The Compensability of Death of an Employee due to Assault When the Same Occurred in the Course of the Performance of Official Functions Notwithstanding the Fact that the Motive is Personal in Nature

WHEREAS, in the cases of *Enao vs. ECC* (G.R. No. L-46046, April 15, 1985), *Lentejas vs. ECC* (G.R. No. 89168, May 14, 1991), and in the case of *GSIS vs. Mecayer* (G.R. No. 156182, April 13, 2007), the Supreme Court held, in substance, that the death of an employee as a result of a murderous assault upon him/her by an enemy is still compensable when the same occurred in the course of the performance of official functions;

WHEREAS, in those cases, the Supreme Court ruled that criminal intent should not be regarded as a supervening cause that will nullify the compensability of the death of an employee, who was attacked and killed at the place where his work required him to be, and while in the course of performing his official duties;

WHEREAS, on 22 July 2009, this Commission issued Circular No. 03-709, *Guidelines in the Evaluation of Legal Claims*, included Death of an Employee due to Assault under Item II thereof, which provides:

- A. *The death of an employee as a result of a murderous assault is compensable when the same occurred in the course of performance of official functions.*
- B. *Motive of assault need not be established if the covered employee sustained injury while:*
 1. *the employee was at the assigned/designated work-places; or*
 2. *the employee was executing orders of employer, regardless of the time and place of the incident.*
- C. *Motive is important in cases where the covered employee was on vacation leave, off-duty, or was at home when the incident happened. Disclosure of the motive is an aid in determining in causal connection between the incident and the employment.*

WHEREAS, in order to elaborate clearer guidelines and prevent further delay in resolving meritorious claims at the level of the Systems, the Secretariat proposes the promulgation of a policy on the compensability of death of an employee due to assault in accordance with the rulings of the Highest Court;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to declare the compensability of death of an employee due to an assault notwithstanding the fact the motive is personal in nature if the same occurred in any of the following situations, in addition to those provided under Item II of Circular No. 03-079 dated 22 July 2009:

1. The employee was at his assigned/designated work-place, or at a place where his work requires him to be;
2. The employee was executing an order from the employer regardless of the time and place of the incident, or in the performance of his official functions; or
3. The employee was “going to or coming from” his work-place, subject to the existing guidelines of the same.

RESOLVES FURTHER, that copies of this Resolution be duly furnished to the concerned agencies for information and appropriate action.

APPROVED in the City of Makati, this 09th day of March 2012.

24. BOARD RESOLUTION NO. 12-05-15

Admissibility of Certified True Copies of Official Receipts in the Filing of Claims for EC Medical Reimbursement

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

"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."

WHEREAS, Rule VIII, Section 2 of the Amended Rules on Employees' Compensation provides:

"Section 2. Period of Entitlement.- The medical services, appliances, and supplies shall be provided to the afflicted employee beginning on the first day of the injury or sickness, during the subsequent period of his disability, and as the progress of his recovery may require ... "

WHEREAS, it is well-settled that EC disability benefits have corresponding medical reimbursement for the same injury or sickness which was previously considered as work-connected;

WHEREAS, the Rules of Procedure for the Filing and Disposition of EC Claims require the submission of official receipts in the processing of claims for reimbursement of medical expenses due to work-connected injuries or diseases;

WHEREAS, upon consultation with the SSS and the GSIS, the Secretariat has discovered that there are numerous instances that claimants for EC medical reimbursement could not submit the original copies of the official receipts since they have previously submitted the same to the Philippine Health Insurance Corp. (PhilHealth) or to any Health Maintenance Organization (HMO) which also requires the submission of original copies of receipts;

WHEREAS, the non-submission of official receipts results in the delay in the processing of claims for EC medical reimbursement to the detriment of the claimants;

WHEREAS, the Employees' Compensation Law (P.D. No. 626, as amended) guarantees the early settlement of claims and the prompt payment of income benefits;

WHEREAS, this Commission finds the need to address these problems and to facilitate the speedy processing of all claims for EC medical reimbursement;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVED** to approve as a policy that when claimants for EC medical reimbursement could not submit the original copies of official receipts since the same are in the custody of PhilHealth or any HMO, the medical expenses may be proved by photocopies of medical receipts stamped with "certified true copy" by the PhilHealth official or by an HMO authorized representative in custody of the official receipts;

This Commission **RESOLVED FURTHER** that all previous Rules or Resolutions inconsistent with this Resolution are hereby repealed or modified accordingly.

This Commission **RESOLVED FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their information and proper guidance.

APPROVED in the City of Makati, this 23rd day of May 2012.

25. BOARD RESOLUTION NO. 12-07-16

Policy on Lifting the Suspension of Payment of EC Death Benefits in the Public Sector Beyond the Five-Year Guaranteed Period

WHEREAS, on July 30, 2006, the GSIS, through then President and General Manager (PGM) Winston F. Garcia, wrote a letter to this Commission requesting for an amendment to Section 2 (b), Rule XIII of the Amended Rules on Employees' Compensation (AREC) which provides:

"Sec. 2. Period of Entitlement.

A. For primary beneficiaries:

(a) xxx

(b) The monthly income benefit shall be guaranteed for five years which in no case shall be less than fifteen thousand pesos (Php 15,000.00). Thereafter, the beneficiaries shall be paid the monthly income benefit for as long as they are entitled thereto."

WHEREAS, in his letter, then PGM Garcia states that:

"...the amended rules and regulations in the payment of EC survivorship benefit is not within the contemplation of PD 626 which provides that the monthly income benefit under the said law is guaranteed for five years only xxx about 28, 000 or 90 % of the total GSIS EC Survivorship pensioners numbering around 32, 000 as of January 2006 have been receiving survivorship pension since 1979 or beyond the 5 years guaranteed period. This accounted for a total monthly expense of P34M or an

annual disbursement of P408M for the said pensioners. Thus, the considerable amount spent for these pensioners constitute an adverse effect on the actuarial viability of the Employees' Compensation Insurance Fund (ECIF). It is for this reason that the Fund is depleted, hence, we can no longer sustain the payment of the said benefits beyond the 5 years guaranteed period since it is not provided for under the law."

WHEREAS, Article 194 Ca) of P.D. No. 626, as amended, partially reads:

"Art. 194. Death. (a) Under such regulations as the Commission may approve, the System shall pay to the primary beneficiaries upon the death of the covered employee under this Title an amount equivalent to his monthly income benefit, plus ten percent thereof for each dependent child, but not exceeding five beginning with the youngest and without substitution except as provided for in paragraph (i) of Article 167 hereof: Provided, however, That the monthly income benefit shall be guaranteed for five years xxx"

WHEREAS, Article 167 of P.D. No. 626, as amended, paragraphs (i) and (j) enumerate and define the dependents and the beneficiaries in this manner:

"Art. 167(i) *"Dependent" means the legitimate, legitimated or legally adopted or acknowledged natural child who is unmarried, not gainfully employed, and not over twenty-one (21), or over 21 years of age provided he is incapacitated and incapable of self-support due to a physical or mental defect which is congenital or acquired during minority; the legitimate spouse living with the employee and the parents of said employee wholly dependent upon him for regular support."*

Art. 167 (j). *"Beneficiaries" means the dependent spouse until he remarries and dependent children, who are the primary beneficiaries. In their absence, the dependent parents and subject to the restrictions imposed on dependent children, the illegitimate children and legitimate descendants who are the secondary beneficiaries; Provided, that the dependent acknowledged natural child shall be considered as a primary beneficiary when there are no other dependent children who are qualified and eligible for monthly income benefit." (As amended by Sec. 1, P.D. No. 1921)*

WHEREAS, the precise issue is whether the payment of EC death benefits for the primary beneficiaries is for five years only or to continue beyond five years for as long as they are entitled thereto;

WHEREAS, on December 14, 2006, the Commission instructed the Secretariat to arrange a consultation meeting with some legal luminaries in the field of Labor Law and Social Legislation to discuss the duration of the grant of EC death benefits to the beneficiaries of the covered members under Art. 194 (a) of P.D. 626, as amended;

WHEREAS, on January 30, 2007, a legal dialogue was held with well-known legal luminaries in the field of Labor Law and Social Legislation namely: Dean Antonio H. Abad, Jr., Dean, Adamson University College of Law, Prof. Domingo P. Disini, U.P. Law Center, Prof. Cesario A. Azucena, [r., Ateneo de Manila College of Law, Prof. Samson S. Alcantara, Bar Reviewer on Labor Law, and Dean Froilan M. Bacungan, Former Dean, UP College of Law;

WHEREAS, during the consultation meeting, all legal luminaries opined that the GSIS erred in suspending the payment of EC death pension beyond the five year guaranteed period without the enabling law;

WHEREAS, after due deliberation, the consensual interpretation of the members of the Commission at that time is that the EC death pension may be granted even beyond the five year guaranteed period subject to the qualifications prescribed by law;

WHEREAS, on July 17, 2007, the Secretariat wrote a letter to the GSIS, through then President and General Manager (PGM) Winston F. Garcia, informing the GSIS of the consensual interpretation of the law by the Commission. The said letter also requested the good PGM to provide this Commission with a statement or an assurance as to the immediate possibility as well as the time-frame of the resumption of the payment of pension. However, the Secretariat did not receive any reply from the GSIS;

WHEREAS, in compliance with the instruction of the Commission, on March 30, 2012, the Secretariat wrote a letter to PGM Robert G. Vergara requesting for a conduct of actuarial study on the possibility of increasing the amount of EC disability benefits for the public sector as well as the possibility of resumption of payment of suspended EC benefits;

WHEREAS, during the Commission Meeting on May 23, 2012, the GSIS presented the results of its Actuarial Study on the possible resumption of suspended EC benefits and increase of amount of the same in the public sector;

WHEREAS, the results of the said study shows the possibility of lifting the suspension of payment of EC death benefits beyond the five year guaranteed period without adversely affecting the life of the GSIS-managed State Insurance Fund (SIF);

NOW THEREFORE, this Commission hereby **RESOLVES** to direct the GSIS to immediately lift the suspension of payment of EC death

benefits in the public sector beyond the five year guaranteed period subject to the qualifications prescribed by law. With respect to the surviving legitimate spouse, the qualification is that he/she has not remarried. For the dependent children, the qualifications are:

- a. Unmarried;
- b. Not gainfully employed; and
- c. Not over 21 years of age; or
- d. Over 21 years of age provided he/she is incapable of self-support due to a physical or mental defect which is congenital or acquired during minority;

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

RESOLVES FINALLY, that this Resolution shall take effect fifteen (15) days after publication in a newspaper of general circulation.

APPROVED in Makati City this 27 th day of July, 2012.

26. BOARD RESOLUTION NO. 12-09-17

Charging the Cost of Entrepreneurship Training of Occupationally Disabled Workers (ODWs) in the Technology Resource Center (TRC) and Other Training Institutions to the State Insurance Fund (SIF) of the Systems

WHEREAS, the first Resolution clause of Board Resolution No. 01-09-390 (dated Sept. 28, 2001) provides:

"... the cost of entrepreneurship training conducted by the TLRC as well as the allowances for the training in the amount of Six hundred Pesos (Php 600.00) per trainee be charged directly to the SIF of the System where the trainee is a member, instead of the ECC's Corporate Operating Budget .."

WHEREAS, under the said Resolution, only the cost of the entrepreneurship training from the Technology and Livelihood Research Center (TLRC) shall be charged to the SIF of the System where the trainee is a member;

WHEREAS, the Secretariat has tied up with several training institutions in the implementation of the KAGABAY (Katulong at Gabay ng Manggagawang May Kapansanan) program to make the training institutions more accessible to the ODWs;

WHEREAS, the Secretariat has requested that the cost of entrepreneurship training of the ODWs in other training institutions be accommodated by the systems in accordance with Article 190 (b) which partly provides:

"ART. 190, Rehabilitation Services.

xxx

"(b) ... the System shall establish centers equipped and staffed to provide a balanced program of remedial treatment, vocational assessment and preparation designed to meet the individual needs of each handicapped employee to restore him to suitable employment, including assistance as may be within its resources to help each rehabilitee to develop his mental, vocational or social potential." (emphasis supplied)

WHEREAS, this Commission finds the proposal to be in order;
NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED** that the cost of entrepreneurship training for ODWs conducted by the TLRC now TRC and other training institutions with which the Secretariat has tied up be charged directly to the SIF of the System where the trainee is a member, instead of the ECC's Corporate Operating Budget.

RESOLVES FURTHER, that all previous Rules or Regulations inconsistent with this Resolution are hereby repealed or modified accordingly;

RESOLVES FINALLY, that copies of this Resolution be duly furnished the SSS and the GSIS for implementation.

APPROVED in the City of Makati, this 27th day of September 2012.

27. BOARD RESOLUTION NO. 12-09-18

Amending the Conditions for Compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis and other Pulmonary Conditions of Annex "A" of the Amended Rules on Employees Compensation

WHEREAS, Article 167 par. (1) partly states that "...the Commission is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on the peculiar hazards of employment (as amended by Sec. 1, P.D. 1368);"

WHEREAS, Art. 177 (c) states that the Commission shall have the powers and duties "to approve rules and regulation governing the processing of claims and the settlement of disputes arising therefrom as prescribed by the System;"

WHEREAS, pursuant to the policy of the Commission for the continuous upgrading of the benefit structure for workers through the updating on the conditions for compensability of occupational and work-related illnesses under Annex "A" of the Amended Rules on Employees Compensation and due to the recent developments in the field of Occupational Medicine, this Commission finds it necessary to amend the prevailing conditions for the compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis and other Pulmonary Conditions;

WHEREAS, on February 25, 2011, this Commission issued Board Resolution No. 11-12-09 creating the Technical Review Panel to review the conditions for ECC Board Resolution No. 12.°9.18, Series of 2012 compensability of occupational and work related illnesses under Annex "A" of the Amended Rules on Employees Compensation;

WHEREAS, the Technical Review Panel, composed of medical experts and leaders of medical professional groups and medical specialty societies deliberated after a series of meetings to present its proposed amendments on the conditions of compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis;

WHEREAS, the proposed amendments by Technical Review Panel members were presented to a tripartite group composed of representatives from the Bureau of Working Conditions, Civil Service Commission, Social Security System, Federation of Free Workers, Philippine Government Employees Association, Employers Confederation of the Philippines/ Regional Tripartite Industrial Peace Council RO IV-A, Philippine College of Occupational Medicine, Occupational Health Nurses Association, Association of Health Maintenance Organization of the Philippines Incorporated, Philippine Coalition Against Tuberculosis, TB LINC, Philippine Nurses Association and Pilipinas Shell;

WHEREAS, the representatives from the tripartite group after due deliberations recommended the approval and adoption by the Commission of the amendments on the conditions for compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis and other Occupational Lung Diseases;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT IS HEREBY RESOLVED**, to revise the following conditions for compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis under Annex "A" of the Amended Rules on Employees Compensation:

"10. Pneumoconiosis

xxx

- "(a) Coal miners Exposure to coal dust.*
- "(b) Byssinosis Exposure to cotton dust causing weaver's cough or mill fever.*
- "(c) Bagassosis Exposure to sugar cane dust.*
- "(d) Psittacosis Any occupation involving handling of parrots, parakeets and other species of birds. "*

"21. Pneumonia. All of the following conditions:

- a. "There must be an honest and definite history of wetting and chilling during the course of employment and also,*

injury to the chest wall with or without rib fracture, or substances in the place of work.

- b. *"There must be direct connection between the offending agent or event and the worker.*
 - c. *"The signs of consolidation should appear soon (within a few hours) and the symptoms of initial chilling and fever should at least be 24 hours after injury or exposure.*
 - d. *"The patient must manifest any of the following symptoms within a few days of the accident:*
 - (1) *"Severe chill and fever*
 - (2) *"Headache and pain, agonizing in character in the side of the body;*
 - (3) *"Short, dry, painful cough with blood-tinged expectorations; and*
 - (4) *"Physical signs of consolidation with fine rales."*
- "23. Bronchial Asthma. All of the following conditions:*
- a. *"There was no evidence of history of asthma before employment*
 - b. *"The allergen is present in the working environment*
 - c. *"Sensitivity test to allergen in the working environment should yield positive results*
 - d. *"A provocative test should show positive results."*
- "30. Asbestosis. All of the following conditions:*
- a. *"The employees must have been exposed to Asbestos dust in the workplace, as duly certified to by the employer, or by a medical institution or competent medical practitioner acceptable to, or accredited by the System;*
 - b. *"The chest x-ray report of the employee must show findings of asbestos related disease, e.g. pleural plaques, pleural thickening, effusion and interstitial fibrosis; and*
 - c. *"In case the ailment is discovered after the employees' retirement/ separation from the service, the claim thereof must be filed with the System within three (3) years from discovery."*

The revised conditions for compensability of Pneumonia, Bronchial Asthma, Pneumoconiosis and Asbestosis and other lung disorders shall now read as follows:

"10. Pneumoconiosis

Pneumoconioses caused by fibrogenic mineral dust such as but not limited to Silicosis, Coal worker's pneumoconiosis and Asbestosis.

- i. *"Silicosis - talc in talc processors, soapstone mining-milling, polishing, cosmetics industry; silica in mining,*

quarrying, foundries, sandblasting, construction work, work involving grinding, drilling or breaking of silica-containing rocks, ceramics and glass manufacture

- ii. **"Coal worker's pneumoconiosis** - exposure to coal dust such as in mining
- iii. **"Asbestos** (please refer to #30, Asbestos-related Diseases)"

"All of the following conditions:

- a. "The employee must have been exposed for a prolonged/ sufficient duration to dust in the workplace, as duly certified to by the employer or by a competent medical practitioner/institution acceptable to the System;
- b. "Clinical diagnosis consistent with signs and symptoms of pneumoconiosis and impairment of lung function supported by diagnostic proof such as chest X-ray or computer tomography (CT) scan and Lung function test, ultrasound, histological findings;
- c. "With a reasonable latency period following exposure to the mineral dust and the development of the disease."

"21. **Pneumonia**. Any of the following:

- a. "There must be a direct connection between the offending agent or event and the worker based on epidemiologic criteria and occupational risk (e.g. health care workers exposed to outbreaks such as SARS, bird handlers exposed to Cryptococcus);
- b. "Pneumonia as a complication of a primary work-connected illness or injury (e.g. as a complication of injury to the chest wall with or without rib fracture that was sustained at work);
- c. "Pneumonia as a complication of chemical inhalational exposure such as among welders exposed to iron fumes;
- d. "Clinical diagnosis consistent with the signs and symptoms of pneumonia supported by diagnostic proof such as chest x-my and / or microbiologic studies (e.g. blood cultures)."

"23. **Occupational Asthma** (OA). All of the following conditions:

- a. "There was no past medical/ clinical history of asthma before employment;
- b. "Clinical diagnosis consistent with signs and symptoms of Occupational Asthma and supported by diagnostic proof such as obstructive ventilator pattern with significant bronchodilator response on spirometry (FE V1), peak flow meter response and/or non-specific bronchial hyperresponsiveness (methacholine challenge test);

- c. "Workplace exposure to agent/s reported to give rise to Occupational Asthma as certified by the employer or by a competent medical practitioner/institution acceptable to the System."

"30. Asbestos-related Diseases (ARD).

- i. "Asbestosis
- ii. "Benign Asbestos-related Pleural Disease
- iii. "Asbestos-related Malignancy:
 - 1. "Lung Cancer
 - 2. "Mesothelioma"

"All of the following conditions:

- a. "The employee must have been exposed for a prolonged/ sufficient duration to dust in the workplace, as duly certified by the employer or by a competent medical practitioner/institution acceptable to the System;
- b. "Clinical diagnosis consistent with the signs and symptoms of ARD and supported by any appropriate diagnostic tests such as chest x-ray or computer tomography (CT) scan and lung function test or positron emission tomography (PET), magnetic resonance imaging (MRI), biomarkers, histological findings;
- c. "Latency period of 10 years or more unless proven otherwise
- d. "Except for lung cancer and mesothelioma, ARD must be accompanied with impaired lung function for compensation."

Including the following additional lung diseases:

"31. Hypersensitivity Pneumonitis.

- i. "Bagassosis
- ii. "Farmer's Lung Disease
- iii. "Bird Fancier's Disease (Psittacosis)
- iv. "Others as listed in the guidelines

"All of the following conditions:

- a. "The employee must have been exposed for a prolonged/ sufficient duration to an offending agent or antigen known to cause the disease in the work place, as duly certified to by the employer or by a competent medical practitioner/ institution acceptable to the System;
- b. Clinical diagnosis consistent with signs and symptoms of hypersensitivity pneumonitis and impairment of lung function supported by diagnostic tests such as chest X-ray or computer tomography (CT) scan, lung function test, bronchoalveolar lavage fluid (BALF) analysis, and/or

other appropriate immunologic and histological tests."

"32. **Byssinosis** (cotton dust). All of the following conditions:

- a. "The employee must have been exposed for a prolonged/sufficient duration to cotton dust in the work place, as certified by the employer or by a competent medical practitioner/institution acceptable to the System;
- b. "Clinical diagnosis consistent with signs and symptoms of Byssinosis and impairment of lung function supported by diagnostic proof such as lung function test, skin test or other appropriate immunologic tests."

This Commission **RESOLVES FURTHER**, that copies of this Resolution be duly furnished the SSS and the GSIS for their compliance and proper guidance.

APPROVED in Makati City, 27th day of September 2012.

28. BOARD RESOLUTION NO. 12-09-20

Extending the Grant of Carer's Allowance to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) Pensioners in the Public Sector

WHEREAS, on April 18, 1990, then SSS Administrator Renato C. Valencia issued a Memorandum to the Social Security Commission (SSC) recommending the grant of supplemental monthly pension to both SSS and EC total permanent disability pensioners in the amount of Three hundred pesos (Php 300.00) and to submit the same to the Office of the President for final approval;

WHEREAS, on April 26, 1990, former President Corazon C. Aquino issued Executive Order (E.O.) No. 400 ("Granting Supplemental Pensions to Social Security System [SSS] Total Permanent Disability Pensioners") in the amount of Three hundred pesos (Php 300.00) effective May 1, 1990;

WHEREAS, on September 18, 1990, the SSS, through a Memorandum, informed this Commission that pursuant to Executive Order No. 400. it has provided social security assistance for regular medication and necessary aids and appliances including a supplemental pension of Three hundred pesos (Php 300.00) as "carer's allowance" to pensioners in the categories of permanent partial disability and permanent total disability under the SSS law effective May 1, 1990;

WHEREAS, on December 20, 1990, this Commission issued Board Resolution No. 90-12-0090, approving the "provision of a supplemental pension of 'carer's allowance' to pensioners under the ECP, who suffer from work-connected permanent partial and permanent total disabilities, and cannot attend to their personal needs provided that the SSS shall submit an actuarial projection; "

WHEREAS, on January 10, 1991, the SSS submitted to this

Commission the results of its actuarial study showing that the proposed supplemental pension will not impair the viability and liquidity of the State Insurance Fund (SIF) in the private sector;

WHEREAS, on the basis of the said actuarial study, this Commission issued Board Resolution No. 91-01-0006 (dated January 10, 1991) approving the "grant of Three Hundred Fifty pesos (Php 350.00) carer's allowance or supplemental pension to private sector ECP pensioners under the PPD and PTD categories effective January 1, 1991;"

WHEREAS, on August 25, 1992, former Pres. Fidel V. Ramos issued Executive Order No. 14 ("Granting an Across the Board Pension Increase to all SSS & EC Pensioners and Supplemental Pensions to SSS Permanent Partial Disability Pensioners") increasing the amount of monthly pension of the surviving SSS and EC pensioners as of August 31, 1992 by ten per cent (10%) and granting monthly supplemental pension of Three hundred pesos (Php 300.00) to SSS permanent partial disability pensioners effective September 1, 1992;

WHEREAS, on March 9, 1993, the SSS, through a Memorandum, recommended a "ten percent (10%) increment in pension for members of the Employees' Compensation Program in the private sector and upward revisions in burial expense benefits to Ten thousand pesos (Php 10,000.00) and in supplemental allowance to disabled pensioners to Five hundred Seventy Five pesos (Php 575.00) in connection with the Labor Day Celebration on May 1, 1993;

WHEREAS, on March 10, 1993, former President Fidel V. Ramos approved the issuance of SSC Resolution No. 161-Series of 1993 (Granting an Across the Board Increase in the Monthly Pensions, an Increase in the Supplemental Disability Allowance and an Increase in the Funeral Expense Benefit"[date of effectivity: May 1, 1993]) providing an increase in the following benefits under the SSS law:

1. "The monthly pensions of SSS pensioners as of April 30, 1993 shall be increased by ten percent (10%);
2. "The monthly supplemental allowance of disability pensioners shall be increased from three hundred pesos (Php 300); and
3. "The funeral expense benefit shall be increased from eight thousand pesos (Php 8, 000.00) to ten thousand pesos (Php 10,000.00);

WHEREAS, on April 1, 1993, this Commission issued Board Resolution No. 93-04-0027 approving the proposals of the SSS "provided that this Commission shall come up with a new policy toward making the said increase applicable to ECP members in both the private sector and the public service, to be grounded on the results of a proposed research study on the benefit package for government employees;"

WHEREAS, this Commission is concerned that while "carer's allow-

ance" has been enjoyed by private sector pensioners for the last twenty-one (21) years, public sector pensioners have been deprived of the same;

WHEREAS, this Commission believes that Carer's Allowance should be extended to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) pensioners in the public sector;

WHEREAS, Article 177 (e) of P.D. No. 626, as amended partly reads:

"Art. 177 (e) ... the Commission may upgrade benefits and add new ones subject to approval of the President; and Provided, Further, That the actuarial stability of the State Insurance Fund shall be guaranteed; Provided, Finally, that such increases in benefits shall not require any increases in contribution ..."

WHEREAS, on the basis of such authority, on August 26, 2011, this Commission issued Board Resolution No. 11-08-19 ("*Directing the Government Insurance System [GSIS] as the Administrator of the Public Sector State Insurance Fund (SIF), to conduct an Actuarial Study Prior to the Grant of Carer's Allowance to EC Pensioners in the Public Sector*");

WHEREAS, during the Commission Meeting on May 23, 2012, the GSIS presented the results of its Actuarial Study on the possibility of the extension of grant of Carer's Allowance in the amount of Five hundred Seventy Five (Php 575.00) pesos to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTD) pensioners in the public sector without affecting the stability of the GSIS managed State Insurance Fund (SIF);

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** to extend the grant of Carer's Allowance to EC Permanent Partial Disability (PPD) and EC Permanent Total Disability (PTO) pensioners in the public sector;

RESOLVES FURTHER, that this benefit enhancement be transmitted to the Office of the President for consideration and approval;

RESOLVES FINALLY that this Resolution shall take effect on December 1, 2012.

APPROVED in the City of Makati, this 27th day of September 2012.

29. BOARD RESOLUTION NO. 12-09-21

Policy on the Increase in the Amount of Employment Compensation Benefits for Employees in the Public Sector

WHEREAS, Article 177 (e) of P.D. No. 626, as amended partly reads:

"Art. 177 (e). .. the Commission may upgrade benefits and add new ones subject to approval of the President; and Provided, Further, That the actuarial stability of the State Insurance Fund shall be guaranteed; Provided, Finally, that such

increases in benefits shall not require any increases in contribution ...”

WHEREAS, this Commission is concerned with the present disparity in the amount of EC benefits provided under the prevailing regulations between the employees in the public sector and the covered workers in the private sector, with the SSS providing higher benefits as shown below:

WHEREAS, this Commission believes that the amount of the abovementioned benefits between the employees in the public sector and the covered workers in the private sector should be equal;

Type of EC Benefits	Amount of Benefits (SSS)	Amount of Benefits (GSIS)
Temporary Total Disability (TTD) benefits	Php 200.00 per day (as provided under Board Resolution No. 96-10-0429, October 10, 1996)	Php 90.00 per day (as provided under Board Resolution No. 3682, July 21, 1987)
Funeral benefits	Php 10,000.00 (as provided under Board Resolution No. 92-07-0032, dated July 8, 1992)	Php 3,000.00 (as provided under Rule XIV, Sec. 1 of the Amended Rules on Employees' Compensation)
Professional Fee	First visit: Php 100.00 (for general practitioner) Php 150.00 (for specialist) Succeeding visits: Php 80.00 (for general practitioner) Php 100.00 (for specialist) (as provided under Annex "C" of the Amended Rules on Employees' Compensation)	First visit: Php 60.00 (for both general practitioner and specialist) Succeeding visits: Php 50.00 (for both general practitioner and specialist) (as provided under Annex "C" of the Amended Rules on Employees' Compensation)

WHEREAS, the law requires that actuarial studies and calculations must be undertaken prior to upgrading of benefits to determine the stability of the State Insurance Fund (SIF);

WHEREAS, on December 21, 2009, this Commission issued Board Resolution No. 09-12-228 ("Requesting the Actuarial Departments of Both Systems [GSIS/SSS] to Conduct Actuarial Studies to Determine the Possibility of Upgrading the Amount of Temporary Total Disability [TTD] benefits under P.D. 626, as amended");

WHEREAS, in compliance with the instruction of the Commission, on March 30, 2012, the Secretariat wrote a letter to GSIS President and General Manager (PGM) Robert G. Vergara requesting for a conduct of actuarial study on the possibility of increasing the amount of EC benefits for the public sector;

WHEREAS, during the Commission Meeting on May 23, 2012, the GSIS presented the results of its Actuarial Study on the possibility of increasing the amount of EC benefits in the public sector;

WHEREAS, the results of the said Study shows the capability of the GSIS managed State Insurance Fund (SIF) to provide an increase in the amount of EC benefits for employees in the public

sector;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to provide an increase the amount of EC benefits in the public sector as follows:

RESOLVES FURTHER, that such increase in the amount of EC benefits for employees in the public sector shall not entail an increase of EC contribution;

RESOLVES FURTHER, that copies of this Resolution be transmit-

Type of EC Benefits	Amount of Benefits (SSS)
Temporary Total Disability (TTD) benefits	Php 200.00 per day
Funeral benefits	Php 10,000.00
Professional Fee	First visit: Php 100.00 (for general practitioner) Php 150.00 (for specialist) Succeeding visits: Php 80.00 (for general practitioner) Php 100.00 (for specialist)

ted to the Office of the President of the Republic of the Philippines for approval and to the SSS for information and GSIS for compliance upon approval of the Office of the President;

RESOLVES FINALLY that this Resolution shall be published in a newspaper of general circulation as soon as possible upon the approval of the Office of the President and shall take effect fifteen (15) days after its publication.

APPROVED, in Makati City 27th day of September 2012.

30. REFERENDUM RESOLUTION NO. 13-03-06

Policy on the Simultaneous Granting of Sick-Leave benefits and EC Disability benefits in the Private Sector

WHEREAS, P.D. No. 626, as amended, is a social legislation with the primordial purpose to provide meaningful protection to the working class against the hazards of disability, illness and other contingencies resulting in the loss of income (ECC vs. Sanico, G.R. No. 134028, Dec. 17, 1999);

WHEREAS, Article 173 of P.D. 626, as amended, partly provides:

“ART. 173. Extent of liability. - Unless otherwise provided, the liability of the State Insurance Fund under this

Title shall be exclusive and in place of all other liabilities of the employer to the employee.." (emphasis and underlining supplied)

WHEREAS, the existing rules do not provide clear guidance on the granting of simultaneous sick-leave benefits and EC disability benefits in the event that the concerned employee has sick-leave benefits which are provided by his employer;

WHEREAS, SSS presently implements the practice of granting EC disability benefits to qualified employees regardless of whether they can still avail of sick-leave benefits from their employers;

WHEREAS, this Commission believes that the SSS should continue the existing process which is in accordance with the policy of the State to construe social legislation liberally in favor of the beneficiaries of the Employees' Compensation Program (ECP);

NOW THEREFORE, ON MOTION DULY MADE AND SECOND-ED

This Commission **RESOLVES AS IT HEREBY RESOLVED** to declare that the grant of sick-leave benefits with pay and/or other similar benefits voluntarily granted by the employer shall not bar the grant of EC temporary or permanent disability benefits in the event that the claimed illness or injury of an employee in the private sector was found to be work-related.

RESOLVED FINALLY, that copies of this Resolution be duly furnished the GSIS for information and appropriate action and the SSS for guidance.

APPROVED in the City of Makati, this 11th day of March 2013.

31. BOARD RESOLUTION NO. 13-04-12

Requiring the Systems to Observe Present Procedures on Elevation of Denied EC Claims

WHEREAS, the existing Rules on Employees Compensation provides that EC claims which were denied at SSS or GSIS Branch shall be submitted for reconsideration to the main offices of the Systems;

WHEREAS, there are several instances that the Secretariat receives transmittal of denied EC claims from a Branch of SSS or GSIS;

WHEREAS, there are also several instances when the Secretariat receives appealed cases directly from workers after denial by the Branch of the SSS or GSIS;

WHEREAS, this practice results in the delay in the processing and evaluation of EC claims considering that the Secretariat would still forward the said EC cases to the concerned main office of the Systems for review or reconsideration;

WHEREAS; this Commission finds the need to issue a directive to prevent delay as well as confusion in the processing and evaluation of

EC claims;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **HEREBY RESOLVES**, to require the Systems to direct their branches to elevate denied EC claims to their main offices for review purposes;

This Commission **FURTHER RESOLVES**, that the Systems should indicate in the letter to the claimant on the denial of EC claims, the information that a Motion for Reconsideration (MR) may be submitted to the main office of the Systems while a case appeal after the denial of the MR may be submitted to the Secretariat;

RESOLVED, FINALLY that copies of this Resolution be duly furnished to the GSIS and to the SSS for their compliance and guidance.

APPROVED in the City of Makati, this 08th day of April 2013.

32. BOARD RESOLUTION NO. 13-04-13

Requiring the Systems to Submit Proof of Compliance with the Decision of the Commission to Grant EC Benefits

WHEREAS, Article 166 of P.D. No. 626, as amended provides:

“Policy.- The State shall promote and develop a tax-exempt employees’ compensation program whereby employees and their dependents, in the event of work-connected disability or death, may promptly secure adequate income benefit, and medical or related benefits.”

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

WHEREAS, Article 182 of P.D. No. 626, as amended, partly reads:

“Art. 182. xxx All awards granted by the Commission in cases appealed from decisions of the System shall be effected within fifteen days from receipt of notice...”

WHEREAS, the ECC, as the policy-making body of the Employees’ Compensation Program (ECP), has the authority to monitor the enforcement of its decisions granting EC benefits to concerned workers and/or their beneficiaries in the event of work-related disability or death;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **HEREBY RESOLVES**, to require the Systems to submit its proof of compliance with the decision of the Commission to grant EC benefits at the end of every month.

This Commission **HEREBY RESOLVES FINALLY**, that a copy of this Resolution be duly furnished the Systems for their compliance and guidance.

APPROVED in the City of Makati, this 08th day of April 2013.

33. BOARD RESOLUTION NO. 13-07-14

Approving an Increase in the EC Funeral Benefits from Php10,000 to Php20,000 for the Private Sector

WHEREAS, Article 194 (d) of P.D. No. 626, as amended provides:

“ART. 194. Death (a) xxx

xxx

“(e) Funeral Benefits – A funeral benefits of three thousand pesos (P 3,000.00) shall be paid upon the death of a covered employee or permanently totally disabled pensioner. (As amended by Sec. 3. E.O. No. 179)

WHEREAS, the present rate of EC funeral benefit for the private sector in the amount of Php10,000.00 was implemented in May 1993;

WHEREAS, during the Commission Meeting on May 2013, the SSS presented the results of its actuarial study in the possibility of increasing the amount of EC funeral benefits in the private sector;

WHEREAS, based on the study, the average funeral service cost is now about Php 43,000.00 thus the present EC funeral benefit amount of Php10,000.00 is not anymore enough to cover present funeral service cost;

WHEREAS, under the current funeral benefit amount of Php10,000.00, it is estimated that total benefit disbursement from 2013 to 2017 would amount to Php15.26M;

WHEREAS, based on the study, an increase in the amount of funeral benefit to Php20,000.00 would increase funeral benefit disbursements by 100% to Php30.52M which does not have a significant effect the fun life of the EC SIF;

WHEREAS, the result of the SSS actuarial study shows the capability of the SSS-managed EC State Insurance Fund (SIF) to provide an increase in the amount of EC funeral benefits for employees in the private sector from Php10,000.00 to Php20,000.00, without a corresponding increase in EC contribution;

WHEREAS, under Article 177 (e) of P.D. No. 626, as amended, the ECC shall have the powers and duties among others, to upgrade benefits and grant new ones for permanent disability or death, subject to the approval of the President, provided that actuarial stability of the State Insurance Fund shall be guaranteed and that such increase in the benefit shall not require any increases in contribution;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVE AS IT HEREBY RESOLVED**, to approve an increase in the amount of EC funeral benefits in the private sector from Php10,000.00 to Php20,000.00 effective 01 September 2013;

RESOLVES FURTHER, that such increase in the amount of EC benefits for employees in the private sector shall not entail an increase of EC contribution;

RESOLVES FURTHER, that copies of this Resolution be transmitted to the Office of the President of the Republic of the Philippines for approval and to the SSS for guidance and GSIS for information;

RESOLVES FINALLY, that upon the approval of the Office of President, this Resolution and the corresponding Executive Order shall be published in a newspaper of general circulation and a copy furnished to the U.P. Law Center.

APPROVED in the City of Makati, this 2nd day of July 2013

34. BOARD RESOLUTION NO. 13-07-15

Approving a 10% Cross-Board Increase in EC Pension for the Private Sector

WHEREAS, P.D. No. 626, as amended, aims to provide meaningful protection against the hazards of disability resulting in the loss of income;

WHEREAS, the Employees' Compensation Program provides benefits for permanent partial disability (PPD), permanent total disability (PTD) and death to occupationally disabled workers;

WHEREAS, effective September 2006 and August 2007, SS pensioners were granted ten percent (10%) across-the-board increase with no corresponding increases for EC pensioners;

WHEREAS, the last pension increase given to EC pensioners was in September 2000 at 10%.

WHEREAS, the Actuarial Study conducted by the SSS on the enhancement of the EC pension revealed that based on three methods namely; (1) Five-year-Benefit Projection;(2)Full Projection Method and (3) Terminal Funding Method, the EC SIF is capable to sustain a 5% to 20% across-the-board increase in EC pensions, without any corresponding increase in contribution;

WHEREAS, during the Commission Meeting on May 2013, the SSS presented the actuarial Study recommending a 10% across-the-board increase in the amount of EC Pension for the private sector;

WHEREAS, under Article 177 (e) of P.D. No. 626 as amended, the ECC shall have the powers and duties, among others, to upgrade benefits and grant new ones for permanent disability or death, subject to the approval of the President, provided that the benefit shall not require any increases in contributions;

NOW THEREFORE, ON MOTION DULY MADE AND SECOND-ED,

This Commission **RESOLVE AS IT HEREBY RESOLVED**, to approve a 10% across-the-board increase in the EC Pension in the private sector effective 01 September 2013 for all EC Pensioners as of 31 August 2013;

RESOLVES FURTHER, that such increase in the amount of EC Pension for employees in the private sector shall not entail an increase of EC contribution;

RESOLVES FURTHER, that copies of this Resolution be transmitted to the Office of the President of the Republic of the Philippines for approval and to the SSS for guidance and GSIS for information;

RESOLVES FINALLY, that upon the approval of the Office of the President, this Resolution and its corresponding Executive Order shall be published in a newspaper of general circulation and a copy furnished to U.P. Law Center.

APPROVED in the City of Makati, this 2nd day of July 2013

35. BOARD RESOLUTION NO. 13-07-20

Prescribing the Guidelines on the Grant of EC Funeral Benefit for the Public Sector

WHEREAS, Article 194(d) of P.D. No. 626, as amended provides:

“ART. 194. Death (a) xxx

xxx

“(e) Funeral Benefit.- A funeral benefit of three thousand pesos (P 3,000.00) shall be paid upon the death of a covered employee or permanently totally disabled pensioner.”

WHEREAS, the above provision has been amended by Executive Order No. 135, series of 2013, which increased the amount of funeral benefit for the public sector from Php3,000 to Php10,000;

WHEREAS, the above Executive Order provides that ECC shall issue such rules and regulations as may be necessary to implement the Executive Order;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to approve the following guidelines in the grant of the EC funeral benefits

1. The funeral benefit shall be provided after the System has declared the following in the evaluation of the claim:
 - a. Death due to sickness – causal relationship between the death and the working conditions of the covered member;
 - b. Death due to injury – causal relationship between the death and the work related accident, or
 - c. Death of EC Permanent Total Disability (PTD) pensioner- the cause of death is a complication or natural consequence of previously compensated PTD.

RESOLVED FURTHER that any previous resolutions which are inconsistent with these guidelines are hereby repealed, modified, or amended accordingly;

RESOLVED FINALLY, that copies of this Resolution be duly furnished the SSS and the GSIS for their proper guidance.

APPROVED in City of Makati, this 2nd day of July 2013.

36. BOARD RESOLUTION NO. 13-08-23

Prescribing the Guidelines for the Grant of Carer's Allowance to EC Permanent Partial Disability (PPD) and Permanent Total Disability (PTD) Pensioners in the Public Sector

WHEREAS, on December 20, 1990, this Commission issued Board Resolution No. 90-12-0090, approving the "provision of a carer's allowance' to pensioners under the ECP who suffer from work-connected permanent partial disability (PPD) and permanent total disability (PTD), and cannot attend to their needs provided that the SSS shall submit an actuarial projection; "

WHEREAS, under Article 177 (e) of P.D. No. 626, as amended, the ECC shall have the powers and duties among others, to upgrade benefits and grant new ones for permanent disability or death, subject to the approval of the President, provided that actuarial stability of the State Insurance Fund shall be guaranteed and that such increase in the benefit shall not require any increases in contribution;

WHEREAS, on September 27, 2012, this Commission adopted Board Resolution No. 12-09-20 on Extending the Grant of Carer's Allowance to EC PPD and EC PTD Pensioners in the Public Sector;

WHEREAS, on April 23, 2013, the Office of the President issued Executive Order (E.O.) No. 134 on Granting of Carer's Allowance to Employees' Compensation (EC) Permanent Partial Disability (PPD) and Permanent Total Disability (PTD) Pensioners in the Public Sector;

WHEREAS, Section 2 of E.O. No. 134 provides:

“SECTION 2. Implementing Rules and Regulations. The ECC shall issue such rules and regulations as may be necessary to implement this Executive Order.”

WHEREAS, the existing procedure on the provision of EC carer’s allowance by the SSS is to automatically grant all EC PPT and PTD pensioners with carer’s allowance;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission to approve rules and regulation governing the processing of EC claims;

WHEREAS, this Commission finds the need to issue a policy that will harmonize the grant of carer’s allowance in the GSIS and in the SSS;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED:

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to adopt as a procedure the automatic grant of carer’s allowance to EC PPD and EC PTD pensioners in the public sector, effective on May 31, 2013;

RESOLVED FURTHER, that present pensioners of EC PPD and EC PTD in the public sector as of the effectivity of the E.O. shall be granted carer’s allowance prospectively.

RESOLVED FINALLY, that copies of this Resolution be transmitted to the GSIS for compliance and guidance,

APPROVED in City of Makati, this 7th day August 2013.

37. BOARD RESOLUTION NO. 13-08-24

Requesting the Congress of the Philippines to Amend Section 55 of R.A. 8291 for Purposes of Granting Double Recovery of Benefits Under the Government Service Insurance System and Under the Employees’ Compensation Program

WHEREAS, Article II, Section 18 of the 1987 Constitution provides:

“The State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare.”(emphasis supplied)

WHEREAS, employees in the private sector enjoy simultaneous recovery of benefits under both the Labor Code and under the SSS law;

WHEREAS, Section 55 of R.A. No. 8291, otherwise known as “The Government Service Insurance System Act of 1997,” provides;

“SEC. 55. Exclusiveness of Benefits – Whenever other laws provide similar benefits for the same contingencies covered by this Act, the member who qualifies to the benefits shall have the option to choose which benefits will be paid to him. However, if the benefits provided by the law chosen are

less than the benefits provided under this Act, the GSIS shall pay only the difference.”(emphasis supplied)

WHEREAS, Art. 173 of P.D. No. 626, as amended, partly reads:

“ART.173. Extent of Liability,- xxx The payment of compensation under this Title shall not bar the recovery of benefits as provided for in Section 699 of Revised Administrative Code, Republic Act Numbered Eleven hundred sixty-one as amended, Republic Act Numbered Six hundred ten, as amended, Republic Act Numbered Forty- Eight hundred sixty-four as amended, and other laws whose benefits are administered by the System, or by other agencies of the government.”(emphasis supplied, as amended by Sec. 2 of PD 1921)

WHEREAS, on the basis of the said provisions, double recovery of benefits is not allowed from both R.A. No. 8291 and P.D. No.626, as amended;

WHEREAS, this Commission is concerned with the present disparity on the amount of EC benefits between the employees in the public sector and employees in the private sector;

WHEREAS, in the interest of social justice which is the foundation of the Employees’ Compensation Law, Article 55 of R.A. No. 8291 should be amended to attain the purpose of an express national policy as provided under Article 166of P.D. No. 626, as amended, which reads;

“ART. 166 Policy- The State shall promote and develop a tax-exempt employees’ compensation program whereby employees and their dependents in the event of work-connected disability or death, may promptly secure adequate income benefit, and medical related benefits.”(underlining and emphasis supplied)

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AS IT HEREBY RESOLVED** to request the Congress of the Philippines to amend R.A. No. 8291 for purposes of granting double recovery of benefits under the Government Service Insurance System and under the Employees’ Compensation Program (ECP);

RESOLVED FINALLY that copies of this Resolution and all pertinent documents related to this request be transmitted to the Senate of the Republic of the Philippines and to the House of Representatives for appropriate action.

APPROVED in the City of Makati, this 07 day of August 2013.

38. BOARD RESOLUTION NO. 13-08-25

Prescribing a Revised Policy on Accreditation of Hospitals and Physicians under the Employees' Compensation Program (ECP) Amending for this Purpose Rule XVII of the Amended Rules on Employees' Compensation

WHEREAS, paragraphs (u) and (v) of Article 167 of P.D. No. 626, as amended, read:

“Art. 167, Definition of Terms.- As used in this Title unless the context indicates otherwise:

xxx

(u) **“Hospital’ means any medical facility, government or private, authorized by law, an active member in good standing of the Philippine Hospital Association and accredited by the Commission;**

(v) **“Physician’ means any doctor of medicine duly licensed to practice in the Philippines, an active member in good standing of the Philippine Medical Association and accredited by Commission.”(emphasis supplied)**

WHEREAS, Rule XVII, Section 1 of the Amended Rules on Employees' compensation provide:

“RULE XVII- ACCREDITATION

“SECTION 1. Minimum requirements for accreditation

“A physician may be accredited for purposes of Employees' Compensation Program upon his application if he is a doctor of medicine duly licensed to practice in the Philippines and an active member in good standing of the Philippine Medical association.

(b) “A hospital may likewise be accredited upon application if :

- (1) “It is an institution primarily engaged in providing to inpatients, by or under the supervision of physicians, diagnostic and therapeutic services for their medical diagnosis, treatment and care;
- (2) “It is adequately equipped with facilities for physicians to treat injured or sick persons;
- (3) “it maintains clinical records on all patients;
- (4) “it has by-laws concerning its medical staff;
- (5) “it provides 24-hours nursing services by itself or supervised by a registered professional nurse; and has a licensed practical nurse or registered professional nurse on duty at all times;
- (6) “it requires that every patient must be under the

care of physician:

- (7) "it is licensed by the bureau of Medical Services of the ministry of health;
- (8) "it meets the health and safety requirements of the ministry of health and ministry of Labor;
- (9) "it maintains a utilization review committee as provided in Section 3 of this Rule; and
- (10) "it is a member in a good standing of the Philippine Medical Association."

WHEREAS, Rule XVII, Section 4, of the Amended Rules on Employees' Compensation provides;

"SECTION 4. Coverage of Services.

(a) "Payment for services shall ordinarily be made only to accredited rehabilitation facility or hospitals and accredited physicians.

(b) "Non-accredited rehabilitation facility or hospitals and non-accredited physicians shall be paid only for emergency services. No payment can be made to them after the emergency has ended."

WHEREAS, in 2001, the Secretariat has suspended the accreditation of physicians and hospitals for purposes of the employees' compensation program, pending the review of the Amended Rules on Employees' Compensation;

WHEREAS, based on recent consultation meetings with the SSS, it was gathered that SSS processes the payment of medical services only for those physicians and hospitals which are included in the list of accredited physicians and hospitals provided by the Secretariat prior to the suspension of accreditation;

WHEREAS, in the filing of claims for EC medical reimbursement, the SSS still requires the accreditation number of the attending physician/s of the covered ODW;

WHEREAS, the Secretariat recommends the revision of Rule XVII in providing accreditation to hospitals and physicians due to requests for clarifications on the matter as well as to provide a uniform rules for both Systems;

WHEREAS, under Article 177 (c) of P.D. No. 626, as amended, the Commission shall have the powers and duties to "approve rules and regulations governing the processing of claims...;"

NOW THEREFORE, ON MOTION DULY MADE AND SECOND-ED,

This Commission **RESOLVES AS IT HEREBY RESOLVED** that Section 1 and Section 4 of Rule XVII of the Amended Rules on Employees Compensation be revised as follows:

“SECTION 1. Accreditation. For purpose of processing of payment for medical services provided to ODWs, the following hospitals and physicians are automatically deemed accredited by the Commission:

- a. Government and Private hospitals duly licensed by the Department of health (DOH) and accredited by the Philippine Health Insurance Corporation (Philhealth) ; and
- b. Physicians duly licensed by the Professional Regulation Commission (PRC).

“SECTION 4. PAYMENT FOR MEDICAL SERVICES.

“Payment for medical services provided to ODWs shall be granted to hospitals and physicians enumerated under Section 1 of this Rule.”

RESOLVED FURTHER, that all previous Rules or Resolutions inconsistent with this Resolution are hereby repealed or modified accordingly and that copies of this Resolution be transmitted to GSIS to the SSS for compliance and guidance

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

APPROVED in the City of Makati, this 7th day of August 2013.

39. 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 ODWs recovery from the disability;

WHEREAS, the SSS pays EC medical reimbursement during the period of disability and progress of 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 reim-

bursement 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 on 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 public sector should be pursued as a policy;

NOW, THEREFORE, that commission **RESOLVES AS IT HEREBY RESOLVED** to lift the suspension of payment of medical reimbursement for retirees 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 reimbursement 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.

40. BOARD RESOLUTION NO. 13-11-36

Prescribing the Revised Conditions for the Compensability of Osteoarthritis Classified under Musculoskeletal Disorders, Amending for this Purpose Item No. 24 of Annex "A" of the Amended Rules on Employees' Compensation

WHEREAS, Article 167 par (1) partly states that "... the Commission is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on the peculiar hazards of employment (as amended by Sec. 1 PD 1368)";

WHEREAS, pursuant to the policy of the Commission for the continuous upgrading of the benefit structure for workers through the updating on the conditions for compensability of occupational and work-related illness under Annex A of the Amended Rules on the Employees Compensation and due to the recent developments in the field of Occupational Medicine, this Commission finds it necessary to amend the prevailing conditions for the compensability of Osteoarthritis;

WHEREAS, the proposed amendments by the Technical Review Panel members were presented to a tripartite group composed of representative from the Civil Service Commission, Occupational Safety and Health Center, Social Security System, Government Service Insurance System, Philippine Government Employees Association, Employer Confederation of the Philippines – South Luzon, Philippine College of Occupational Medicine and Occupational Health Nurses Association of the Philippines;

WHEREAS, the representatives from the tripartite group after due deliberations recommended the approval and adoption by the Commission of the amendments on the conditions for the compensability of Osteoarthritis which is classified under Musculoskeletal Disorder ;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT IS HEREBY RESOLVED**, to revise the following conditions for compensability of Osteoarthritis under Annex “A” of the Amended Rules on Employees Compensation;

24. Osteoarthritis

Any occupation involving:

- (a) *Joint strain from carrying heavy load, or unduly heavy physical labor, as among laborers and mechanics*
- (b) *Minor or major injuries to the joints*
- (c) *Excessive use or constant strenuous usage of a particular joint, as among sportsmen, particularly those who have engaged in more active sports activities*
- (d) *Extreme temperature changes (humidity, heat and cold exposures; and*
- (e) *Faulty work postures or use of vibratory tools*

The revised conditions for the compensability of Osteoarthritis shall now read as follows:

24. Musculoskeletal Disorders – *Refers to traumatic and non-traumatic inflammatory, degenerative, and acquired conditions affecting muscle, tendons, ligaments, joints, peripheral nerves and blood vessels arising in the performance of assigned tasks*

- (a) *Dorsopathies or disorder of the spine (involving the cervical, thoracic, lumbosacral, pelvis, hip) acquired and secondary to injuries/accidents causing Spine Pain in conditions such as Herniated Nucleus Pulposus; Osteoarthritis; Spondylosis; Spondylitis; Spondylolisthesis; Muscle Strain and Sprain; Fracture/ Dislocations and; Radiculopathy among but not limited to workers who are exposed to high levels of whole body vibration, repetitive motions, lifting, performing work in flexed or hyper-extended posture or performing other manual handling tasks (such as pushing, pulling).*

- (b) Disorders of the shoulder acquired or secondary to injuries/ accidents causing Crushing, Avulsions; Amputations; Rotator Cuff Tendinitis; Rotator Cuff Tear; Strain and Sprain; Shoulder Impingement Syndrome; Adhesive Capsulitis or Frozen Shoulder; Bicipital tendinitis; Ruptured Bicipital Tendon and Shoulder Joint Dislocation among but not limited to workers who perform repeated above shoulder activities, and or repeated shoulder flexion, external rotation and abduction.
- (c) Disorders of the elbow acquired or secondary to injuries/ accidents causing Crushing, Avulsions, Amputations: Lateral and Medical Epicondylitis; Bursitis; Nerve Impingement; Tenosynovitis and peritendonitis among but not limited to workers exposed to trauma, forceful and repetitive work/ stress involving wrist dorsiflexion, forearm supination and/ or pronation.
- (d) Disorders of wrist and hand acquired or secondary to injuries/ accidents causing Crushing, Avulsions, Amputations; Trigger Finger; Mallet Finger; Strain and Sprain; Fracture; Dislocation; de Quervain Tenosynovitis; Dupuytren' Contracture and; Carpal Tunnel Syndrome among but not limited to workers using hand/ vibratory tools for activities involving frequently flexed or extended wrist, combination of repetition, force and posture, overuse of the thumb as in repetitive grasping/pinching*, repetitive and forceful gripping and sustained awkward postures of the wrist.
- (e) Disorders of the knee acquired or secondary to injuries/ accidents causing Crushing, Avulsions, Amputations, Knee Osteoarthritis; Bursitis; Meniscal Tear; Patellar Tendinitis; Strain and Sprain; Fracture of the patella, tibia, femur and fibula; Synovitis and; Dislocation among but not limited to workers whose work entails exposure to prolonged external friction, pressure ore repetitive motion about the knee
- (f) Disorders of the ankle and foot acquired or secondary to injuries/ accidents causing Crushing, Avulsions, Amputations, Strain and Sprain; Fracture of the ankle and foot; Achilles tendon tear and tendinitis; Bursitis; Synovitis, and Dislocation, among but not limited to workers exposed to repetitive stress and trauma of the ankle and foot.

*lateral pinch between the thumb and index finger

RESOLVES FURTHER, that copies of this Resolution be duly furnished the SSS and GSIS for their compliance and proper guidance.

RESOLVES FINALLY, the this Resolution shall take effect fifteen (15) day after publication in a newspaper of general circulation.

APPROVED in Quezon City, this 29th day of November 2013.

41. BOARD RESOLUTION NO. 13-11-37

Approving an increase in the EC Funeral Benefit from Php10,000 to Php 20,000 for the Public Sector

WHEREAS, Article 194 (d) of P.D. No. 626, as amended provides:

ART. 194. Death (a) xxx

xxx

“(e) *Funeral Benefit.*- A funeral benefit of three thousand pesos (P 3,000.00) shall be paid upon the death of a covered employee or permanently totally disabled pensioner.”

WHEREAS, the above provision has been amended by Executive Order No, 135, series of 2013, which increased the amount of funeral benefit for the public sector from Php3,000 to Php10,000;

WHEREAS, in 02 July 2013, the Commission approved the increase in the funeral benefit of the private sector from Php10,000.00 to Php20,000.00;

WHEREAS, during the Commission Meeting on August 7, 2013, the GSIS presented the results of its actuarial study which shows the viability of increasing the funeral benefits 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, the amount of the EC benefits between the employees in the public sector and the covered workers in the private sector should be equal;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT HEREBY RESOLVED**, to approve the increase of the EC funeral benefits for the public sector Php10,000 to Php20,000 without an increase of EC contribution;

This Commission **RESOLVED FURTHER**, that copies of this Resolution be transmitted to the Office of the President for approval, to the SSS for information and to the GSIS for compliance upon approval of the Office of the President;

This Commission **RESOLVED FINALLY** that this Resolution shed in a newspaper of general circulation upon the approval of the Office of the President and shall take fifteen (15) days its publication.

APPROVED in Quezon City, this 29th day of November 2013.

42. BOARD RESOLUTION NO. 13-11-38

Prescribing the Grant of Advance Three Month Pension for EC Pensioners in the Private Sector Whose Areas Were Affected by Typhoon “Yolanda”, Earthquake in Bohol and in Cebu, and Zamboanga Siege

WHEREAS, this Commission finds the need to provide immediate financial assistance to EC pensioners in those areas affected by the typhoon “Yolanda,” earthquake in Bohol and in Cebu, and Zamboanga siege;

WHEREAS, the grant of three month advance EC pension will assist the pensioners in rising above the trauma caused by the catastrophes;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission “to approve rules and regulations governing the processing of claims;”

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AS IT HEREBY RESOLVED** to prescribe the grant of advance three month pension for EC pensioners in the private sector whose areas were affected by the typhoon “Yolanda,” earthquake in Bohol and in Cebu and Zamboanga siege;

RESOLVED FURTHER, that the Commission may extend the period of grant depending on the extent of the damage suffered by the EC pensioners in the abovementioned areas;

RESOLVED FURTHER, that the SSS shall prescribe the corresponding guidelines for purposes of the implementation of this Resolution;

RESOLVED FINALLY, that this Resolution shall take effect immediately and a copy of this Resolution be furnished to the SSS for guidance and compliance.

APPROVED in Quezon City, this 29th day of November 2013.

43. BOARD RESOLUTION NO. 14-02-01

Prescribing the Grant of Advance Three Month Pension for EC Pensioners in the Private Sector Whose Areas were Declared Under State of Calamity by the National Disaster Risk Reduction and Management Council (NDRRMC) Due to Typhoon “Agaton”

WHEREAS, this Commission finds the need to provide immediate financial assistance to EC pensioners in the private sector in those areas which are declared under the state of calamity by the NDRRMC due to Typhoon “Agaton;”

WHEREAS, the grant of three month advance of EC pension will provide a relief to pensioners affected by the typhoon;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission “to approve rules and regulations governing the processing of claims;”

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AS IT HEREBY RESOLVED** to prescribe the grant of advance three month pension for EC pensioners in the private sector whose areas were declared under the state of calamity by the NDRRMC due to typhoon "Agaton;"

RESOLVED FURTHER, that the Commission may extend the period of grant depending on the extent of the damage to lives and properties in the abovementioned areas;

RESOLVED FURTHER, that the SSS shall prescribe the corresponding guidelines for purposes of the implementation of this Resolution;

RESOLVED FINALLY, that this Resolution shall take effect immediately after its publication in a newspaper of general publication and copy of this Resolution be furnished to the SSS for guidance and compliance.

APPROVED in the City of Makati, this 19th day of February 2014.

44. BOARD RESOLUTION NO. 14-02-15

Compensability of Injuries or Death of the Soldiers and Policemen When Responding to a Crime Situation When They are not at their Assigned Post

WHEREAS, EC Board Resolution No. 3908, dated July 5, 1988, provides that "the moment an AFP member suffers a contingency, the presumption is that it is the very nature of his work;"

WHEREAS, the contingency as contemplated in the said Resolution refers to assassination of men in uniform due to serious peace and order, more particularly the insurgency problem, which was prevailing at that time such that men in uniform are considered "marked men;"

WHEREAS, in the case of ECC vs. Court of Appeals (G.R. No. 115858, June 28, 1996 citing the case of Hinoguin vs. ECC, G.R. No. 84307, April 17, 1989), the Supreme Court held that for purposes of granting compensation benefits under P.D. 626, as amended, policemen should be treated in the same manner as soldiers owing to the similarity of functions, to keep peace and order, and the risks assumed;

WHEREAS, there are numerous queries from the soldiers and policemen on whether they and/or their beneficiaries are entitled to EC benefits when they are wounded or killed in action when responding to a crime situation while they are off-duty or on leave;

WHEREAS, in the said case of ECC vs. Court of Appeals, the Supreme Court further ruled that soldiers and policemen are technically on duty 24 hours a day by the nature of their functions. They may be asked by their superior officers or by any distressed citizen to assist in maintaining the peace and security of the community;

WHEREAS, in accordance with the abovementioned ruling of the

Supreme Court, this Commission finds the need to supplement EC Resolution No. 3908, dated July 5, 1988, to provide additional protection to the soldiers and policemen under the Employees' Compensation Program (ECP);

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission "to approve rules and regulations governing the processing of claims;"

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** as it hereby **RESOLVED** to declare the compensability of injuries, and its resulting disability or death, sustained by the soldiers and policemen when responding to a crime situation or when performing their sworn duties as law enforcers while they are not at their assigned posts;

RESOLVED FINALLY, that this Resolution shall take effect immediately after its publication in a newspaper of general circulation and a copy of this Resolution be provided to the GSIS for its guidance and compliance.

APPROVED in the City of Makati, this 19th day of February 2014.

45. BOARD RESOLUTION NO. 14-03-09

Setting the Reckoning Date for the Three-Year Prescriptive Period in the Evaluation of Claims for Temporary Total Disability (TTD) Due to Sickness

WHEREAS, Articles 201 of P.D. 626, as amended, provides:

"ART. 201. Prescriptive period. - No claim for compensation shall be given due course unless said claim is filed with the System within three years from the time the cause of action accrued."

WHEREAS, Commission Circular No. 03-709, dated July 22, 2009, provides for the reckoning date of the three-year prescriptive period due to sickness in this manner, to wit:

a. "In the case of sickness, from the time the covered employee lost the earning capacity and not when the illness first became manifest."

WHEREAS, EC Board Resolution No. 11-04-10, dated April 28, 2011, provides that the three-year prescriptive period for filing of claim for EC Permanent Total Disability (PTD) benefits should be reckoned from the time the employee was terminated from his employment due to illness.

WHEREAS, the existing rules do not provide guidelines on the reckoning date of claim for TTD due to sickness in the event that the employee has a series of confinements for the same illness but he/she is still able to report for work;

WHEREAS, in case of multiple confinements due to the same ill-

ness, the Systems usually count the three-year prescriptive period from the first confinement of the covered employee;

WHEREAS, Art. 166 of P.D. 626, as amended, states that the policy of the State is to grant income benefits to work-connected disability or death;

WHEREAS, in the case of ECC vs. Sanico (G.R. No. 134028, December 17, 1999, the Supreme Court held that disability should be understood more on the impairment of one's earning capacity;

WHEREAS, the object of the law in granting TTD benefits is to compensate the employee for what he/she might have earned during the period of treatment of his work-connected sickness;

WHEREAS, in accordance with law and with the ruling of the Supreme Court, this Commission finds the need to prescribe a definite guideline on the reckoning of the three-year prescriptive period in the evaluation of claims for TTD benefits due to sickness in the event of multiple confinements for the same illness of an employee who is still able to report for work;

WHEREAS, Art. 177 (c) of P.D. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AS IT HEREBY RESOLVED** that the three-year prescriptive period on claims for TTD benefits for multiple confinements for the same illness should be counted from the last confinement or from the last time the employee was unable to report for work due to the same illness, whichever is applicable;

RESOLVED FINALLY, that this Resolution shall take effect immediately after its publication in a newspaper of general circulation and a copy of this Resolution be furnished to the GSIS and to the SSS for guidance and compliance.

APPROVED in the City of Makati, this 25th day of March 2014.

46. EXECUTIVE ORDER NO. 167

Increasing the Amount of Certain Employment Compensation Benefits for Employees in the Private and Public Sectors

WHEREAS, there is a need to continually improve benefits under the Employees' Compensation Program (ECP) to make them more responsive to the welfare and development needs of occupationally disabled workers;

WHEREAS, the current Employees' Compensation (EC) Funeral Benefit for both private and public sectors is no longer sufficient to cover funeral costs;

WHEREAS, under Article 177 (e) of Presidential Decree No. 626, as amended, the Employees' Compensation Commission shall

have the powers and duties, among others, to upgrade benefits and grant new ones for permanent disability or death, subject to the approval of the President, provided that actuarial stability of the State Insurance Fund (SIF) shall be guaranteed and that such increases in the benefits shall not require any increases in contributions from the employers, both private and public;

WHEREAS, the results of the actuarial studies of the Social Security System (SSS) and the Government Service Insurance System (GSIS) show that the SIFs administered by them respectively can finance the increase in benefits herein set forth without affecting the stability of the SIFs and without requiring the additional contributions; and

WHEREAS, on 2 July 2013 and 29 November 2013, the ECC adopted Resolution Nos. 13-07-14, 13-07-15 and 13-11-37 approving the increase in benefits herein set forth.

NOW THEREFORE I, BENIGNO S. AQUINO III, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. EC Funeral Benefits for the Private and Public Sectors. The amount of EC Funeral Benefits in both the private and public sectors shall be increased from Ten Thousand Pesos (Php 10,000.00) to Twenty Thousand Pesos (Php 20,000.00), effective immediately; Provided, that the stability of the SIFs is not affected and there is no corresponding increase in the EC contribution from the employers, both private and public.

SECTION 2. EC Disability and Death Benefits for the Private Sector. There shall be a ten percent (10%) across-the-board increase in EC Pension for all EC permanent partial disability, permanent total disability and survivorship pension in the private sector, effective immediately; provided, that the stability of the relevant SIF is not affected and there is no corresponding increase in the EC contributions from the employers.

SECTION 3. Appropriation and Release from the SIFs. The ECC, SSS and GSIS are hereby directed to appropriate and release the amounts necessary to cover the increase in benefits set forth in Sections 1 and 2 above from the reserves of the relevant SIF that the SSS and GSIS administer, respectively, under the ECP.

SECTION 4. Implementing Rules and Regulations. The ECC shall issue such rules and regulations as may be necessary to implement this Executive Order, including the retroactive application of the increase in benefits for the private sector to September 2013 as adopted in Resolution Nos. 13-07-14 and 13-07-15.

SECTION 5. Amendment or Modification. All Presidential issuances, rules and regulations inconsistent herewith are hereby amended or modified accordingly.

SECTION 6. Separability Clause. If any provision of this Executive Order is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

SECTION 7. Effectivity. This Executive Order shall take effect fifteen days after its publication in the Official Gazette and in a newspaper of general circulation.

DONE in the City of Manila, this 26th day of May in the year of Our Lord, Two Thousand and Fourteen.

47. BOARD RESOLUTION NO. 14-06-29

Guidelines in the Implementation of Executive Order No. 167 in the Private Sector

WHEREAS, on May 26, 2014, President Benigno Simeon C. Aquino III issued Executive Order (E.O.) No. 167 (Increasing the Amount of Certain Employment Compensation Benefits For Employees in the Private and Public Sectors);

WHEREAS, Section 1 of E.O. No. 167 provides that the amount of EC Funeral Benefits in both the private and public sector shall be increased from ten thousand pesos (P 10, 000.00) to twenty thousand Pesos (P 20, 000.00);

WHEREAS, Section 2 of E.O. No. 167 provides that there shall be a ten (10%) across the board increase in EC Pension for all EC permanent partial disability (PPD), permanent total disability (PTD) and survivorship pension in the private sector;

WHEREAS, Section 4 of E.O. No. 167 provides that the ECC shall issue such rules and regulations as may be necessary to implement the same, including the retroactive application of the increase in benefits for the private sector to September 2013 as adopted in Resolution Nos.13-07-14 and 13-07-15.

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** as it hereby **RESOLVED**, that the following guidelines in the implementation of EO No. 167 in the private sector be approved:

I. Increase in the Amount of EC Funeral Benefits from Ten Thousand Pesos (P10,000.00) to Twenty Thousand Pesos (P20,000.00)

The EC funeral benefits shall be granted after the SSS has declared the following in the evaluation of the claim for EC death benefits:

1. Death due to sickness- causal relationship between the death and the working conditions of the covered member.
2. Death due to injury- causal relationship between the death

and the work-related accident.

3. Death of EC Permanent Total Disability (PTD) pensioner- the cause of death is a complication or natural consequence of previously compensated PTD.

II. 10 % Across the Board Increase for EC PPD, PTD and Death Benefits Pensioners

The said increase shall be granted to all EC Permanent Partial Disability (PPD), EC Permanent Total Disability (PTD) pensioners and to all EC survivorship pensioners in the private sector.

III. Retroactive Effectivity of Increase

The increase of EC funeral benefits in the amount of twenty thousand pesos and the ten (10%) across the board increase in EC pension shall have a retroactive application to September 2013 as adopted in Resolution Nos. 13-07-14 and 13-07-15, both dated July 2, 2013.

IV. Appropriation and Release from the SIF

The SSS is hereby directed to appropriate and release the amount necessary to cover the increase in EC funeral benefits and the 10% across the board increase in EC pension.

RESOLVED FINALLY, that copies of this Resolution be duly furnished to the SSS for compliance and proper guidance.

APPROVED in Quezon City, this 06th day of June, 2014.

48. BOARD RESOLUTION NO. 14-06-30

Guidelines in the Implementation of Executive Order No. 167 in the Public Sector

WHEREAS, on May 26, 2014, President Benigno Simeon C. Aquino III issued Executive Order (E.O.) No. 167 on Increasing the Amount of Certain Employment Compensation Benefits for Employees in the Private and Public Sectors;

WHEREAS, Section 1 of E.O. No. 167 provides that the amount of EC Funeral Benefits in both the private and public sector shall be increased from ten thousand pesos (P10,000.00) to twenty thousand Pesos (P20, 000.00);

WHEREAS, Section 4 of E.O. No. 167 provides that the ECC shall issue such rules and regulations as may be necessary to implement the same;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

The Commission RESOLVES AS IT HEREBY RESOLVED that the following guidelines in the implementation of E.O. No. 167 in the public sector be approved:

I. Increase in the Amount of EC Funeral Benefits from Ten

Thousand Pesos (P10,000.00) to Twenty Thousand Pesos (P20,000.00)

The EC funeral benefits shall be granted after the GSIS has declared the following in the evaluation of the claim for EC death benefits:

1. Death due to sickness- causal relationship between the death and the working conditions of the covered member.
2. Death due to injury- causal relationship between the death and the work-related accident.
3. Death of EC Permanent Partial Disability (PPD) or Permanent Total Disability (PTD) pensioner- the cause of death is a complication or natural consequence of previously compensated PPD or PTD.

II. Effectivity of Increase

The increase of EC funeral benefits in the amount of twenty thousand pesos took effect on June 20, 2014 or fifteen days after the publication of E.O. No. 167 in the Philippine Star on June 5, 2014.

III. Appropriation and Release from the SIF

The GSIS is hereby directed to appropriate and release the amount necessary to cover the increase in EC funeral benefits.

RESOLVED FINALLY, that copies of this Resolution be duly furnished to the GSIS for compliance and proper guidance.

APPROVED in Quezon City, this 06th day of June, 2014.

49. BOARD RESOLUTION NO. 14-07-19

Prescribing the Revised Rules on Providing Rehabilitation Services under the Employees' Compensation Program (ECP) Amending for this Purpose Rule IX of the Amended Rules on Employees' Compensation

WHEREAS, under Article 177 (d) of P.D. No. 626, as amended, empowers the Commission "to initiate policies and programs toward adequate occupational health and safety and accident prevention in the working environment, rehabilitation other than those provided for under Art. 90 hereof xxx;"

WHEREAS, rehabilitation is a continuing program of this Commission for Persons with Work-Related Disabilities (PWRDs) to help them once again become productive members of society;

WHEREAS, the Commission, through the Secretariat, presently provides rehabilitation services to PWRDs in accordance with Letter of Instructions No. 856, dated May 1, 1979, and in correlation with Arts. 177 (d) and 190 of P.D. 626, as amended;

WHEREAS, Sections 1 to 12, Rule IX, of the Amended Rules in Employees' Compensation on Rehabilitation Services provides for the implementing rules on the provision of rehabilitation services to PWRDs;

WHEREAS, this Commission finds the need to revise and define the rules on rehabilitation services to make it more responsive to the needs of PWRDs;

NOW THEREFORE, ON MOTION DULYMADE AND SECONDED:

This Commission **RESOLVES** as it hereby **RESOLVED**, that Rule IX of the Amended Rules on Employees' Compensation is hereby revised to read as follows:

RULE IX – REHABILITATION SERVICES

Section 1. Definition of Terms. – As used in this Rule unless otherwise indicated by the context, the following definitions of terms are hereby adopted.

- a. Person with Work-Related Disability (PWRD) – means a worker who has suffered from a work-connected disease or injury adversely affecting the earning capacity.
- b. Rehabilitation – the process by which there is provided a balanced program of remedial treatment, vocational assessment and preparation designed to meet the individual needs of each handicapped employee to restore him to suitable employment and to help each PWRD to develop his/her mental, vocational or social potential.
- c. Rehabilitation Facility – An organized service offering one or more types of service for the rehabilitation of a person with disability.

Section 2. Nature and Condition of Entitlement

- a. Coverage under this rule shall be voluntary.
- b. Entitlement to rehabilitation services shall be upon approval of the EC claim for disability benefits by the Systems.

Section 3. Period of Entitlement. Rehabilitation services shall be provided during the period of the disability as the nature and progress of the recovery of the PWRDs may require as determined by the rehabilitation experts.

Rehabilitation services shall be suspended or terminated upon refusal of the PWRD to continue rehabilitation.

Section 4. Extent of Rehabilitation Services. Rehabilitation services may be in the form of any of the following:

- a. Medical-surgical management;
- b. Hospitalization;
- c. Necessary appliances and supplies;
- d. Physical restoration;
- e. Psychosocial counseling;
- f. Psychiatric evaluation;

- g. Skills training;
- h. Entrepreneurship training;
- i. Hearing impairment rehabilitation;
- j. Visual impairment rehabilitation.

Section 5. Expenses for Skills Training of PWRD. The PWRD trainee shall be entitled to tuition fees, reimbursement of the cost of training materials, and meal and transportation allowance, as applicable, within the amount prescribed by the Commission.

Section 6. Program Partners. The Commission shall enter into an agreement with any government or private hospitals/institutions for purposes of utilizing their service facilities for rehabilitation.

Section 7. Establishment of Rehabilitation Facility. The Commission may establish a rehabilitation facility, as may be necessary and appropriate, such facility being a part of an existing medical facility or in a separate site, offering one or more types of services for the rehabilitation of PWRDs.

Section 8. Limitations of Liability. The System shall not be responsible for the payment of rehabilitation services when the injury, sickness, disability or death during the rehabilitation period of the PWRD is occasioned by any of the following:

- (1) Intoxication;
- (2) Willful intent to injure oneself or another;
- (3) Notorious negligence

Section 9. Monitoring of Activities and Progress of PWRDs. The Secretariat shall establish a mechanism to monitor the activities and progress of PWRDs. For this purpose, the Secretariat may conduct home visits for the successful implementation of the delivery of services/projects of the rehabilitation program of the Commission.

RESOLVED FURTHER that all previous Rules or Resolutions inconsistent with this Resolution are hereby repealed or modified accordingly and copies of this Resolution be transmitted to the GSIS and to the SSS for their guidance and compliance.

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

APPROVED in the City of Makati, this 19th day of February, 2014.

50. BOARD RESOLUTION NO. 14-07-20

Guidelines on the Grant of EC Benefits Due to Calamity or Fatal Event Amending for this Purpose Paragraph 5 of Board Resolution No. 93-08-0068

WHEREAS, Article 194 (a) of P.D. 626, as amended, partly provides:
“Article 194. Death. (a) Under such regulations as the

Commission may approve, the System shall pay to the primary beneficiaries upon the death of the covered employee under this Title an amount equivalent to his monthly income benefit, plus ten percent thereof for each dependent child, but not exceeding five, beginning with the youngest and without substitution..." (emphasis supplied)

WHEREAS, calamities or fatal events involve missing persons who were in the performance of their duties;

WHEREAS, this Commission finds the need to adopt a policy that would facilitate the grant of EC death with funeral benefits to the beneficiaries of the said missing persons;

WHEREAS, *Item No. 5 (5.1) of Board Resolution No. 93-08-0068, dated Sept.12, 1996*, provides the following rules on the processing and adjudication of EC claim for death benefits in case the death of a covered member is presumed:

xxx

"5. PRESUMPTIVE DEATH:

5.1. If one is declared presumptively dead after he had been reported missing for sometime, payment of death benefits shall be reckoned from the date he was declared presumptively dead by proper authority, in accordance with law; except when the declaration of death specified another date, in such a case, payment of death benefits shall start from the latter date;"

WHEREAS, this Commission finds the need to further clarify the resolution on presumptive death to prevent any confusion in the evaluation of EC claims concerning the same;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AT IT HEREBY RESOLVED**, to amend paragraph 5 of Board Resolution No. 93-08-0068, dated Sept.12, 1996, which provides:

"5. Presumptive Death:

5.1. If one is declared presumptively dead after he had been reported missing for sometime, payment of death benefits shall be reckoned from the date he was declared presumptively dead by proper authority, in accordance with law; except when the declaration of death specified another date, in such a case, payment of death benefits shall start from the latter date; and

5.2. In spite of the fact that the body of a missing person had not been recovered, and that no burial activities had been undertaken,

the beneficiaries shall still be entitled to funeral benefits, as provided for under the law;”

The said paragraph shall now read as follows:

5. “Guidelines on the Grant of EC benefits for the Beneficiaries of Missing Persons while in the Performance of Duty during Calamity or Fatal Events

5.1. **Coverage.** “These guidelines shall apply to all covered workers or employees’ and uniformed personnel who had been reported missing while they were in the performance of their duties during calamities or fatal events such as, but not limited to, police or military operation, earthquake, typhoon, and volcanic eruption.

5.2. **Period of Filing.** “The beneficiaries may file their claims for EC death with funeral benefits within the three year-prescriptive period from the time the missing person has been presumed dead after the lapse of four years from the occurrence of the incident.

In lieu of Death Certificate, the Systems may require the submission of certification from any concerned government institution showing that the concerned employee or uniformed personnel has been included in the list of missing persons due to a calamity or fatal event and/or has been missing for a period of four years.

5.3. **Grant of EC funeral benefits.** EC funeral benefits shall be provided to the qualified beneficiaries despite the absence of burial ceremony.

5.4. **Non-Refund of EC benefits.** “If the missing employee appears or without appearing his/her existence is proved, the EC death with funeral benefits which have been previously provided shall no longer be returned by the concerned beneficiaries to the Systems.”

RESOLVED FURTHER, that all previous Rules or Resolutions inconsistent with these guidelines are hereby repealed or modified accordingly.

RESOLVED FINALLY, that this Resolution shall take effect fifteen (15) days after its publication in a newspaper of general circulation and copy of this Resolution shall be furnished to the GSIS and to the SSS for guidance and compliance.

APPROVED in the City of Makati this 28th day of July 2014.

51. BOARD RESOLUTION NO. 14-07-21

Grant of Advance Three Month Pension for EC Pensioners in the Private

Sector Whose Areas Were Declared Under the State of Calamity by the National Disaster Risk Reduction and Management Council (NDRRMC)

WHEREAS, this Commission finds the need to provide immediate financial assistance to EC pensioners in the private sector in the event that their areas are declared under the state of calamity by the NDRRMC;

WHEREAS, the grant of three month advance EC pension will provide a relief to pensioners affected by the calamity;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission “to approve rules and regulations governing the processing of claims;”

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AT IT HEREBY RESOLVED**, to prescribe the grant of advance three month pension for EC pensioners in the private sector whose areas were declared under the state of calamity by the NDRRMC;

RESOLVED FURTHER, that the Commission may extend the number of months of advance pension depending on the extent of the damage to lives and properties in the abovementioned areas;

RESOLVED FURTHER, that the SSS shall prescribe the corresponding guidelines for purposes of the implementation of this Resolution;

RESOLVED FINALLY, that this Resolution shall take effect immediately after its publication in a newspaper of general publication and copy of this Resolution be furnished to the SSS for guidance and compliance.

APPROVED, in the City of Makati, this 28th day of July 2014.

52. BOARD RESOLUTION NO. 14-07-34

Guidelines on the Grant of EC Death Benefits to Surviving Wives and Children Beneficiaries of Muslims

WHEREAS, P.D. 626, as amended provides for monthly death benefits to the dependent legitimate spouse until he/she remarries;

WHEREAS, Section 3, Art. 27 of P.D. No. 1083 otherwise known as the “Code of Muslim Personal Laws of the Philippines” partly provides:

SECTION 3. Subsequent Marriages

“ART.27. By a husband.— Notwithstanding the **rule of Islamic law permitting a Muslim to have more than one wife but not more than four at a time xxx**” (emphasis supplied)

WHEREAS, considering that a Muslim husband is permitted to

have more than one but not more than four wives, the second, the third wife, and the fourth wife, if any shall be considered as legitimate spouses;

WHEREAS, Article 177 (c) of P.D. 626, as amended, empowers this Commission “to approve rules and regulations governing the processing of claims;”

NOW THEREFORE, ON MOTION DULY MADE AND SECOND-ED,

This Commission **RESOLVES** as it hereby **RESOLVED** to prescribe the following guidelines on the grant of EC death benefits to qualified wives and children beneficiaries of Muslims:

1. The basic monthly pension shall be divided equally among the surviving wives;
2. Upon the death or re-marriage of any of the wives, her basic monthly pension shall be equally re-distributed to the remaining surviving wives;
3. The qualified dependent children not exceeding five beginning with youngest and without substitution, who are entitled to the dependent’s pension, shall be counted from among the collective number of children of the wives of the Muslim and not counted from the children of each of the wives of the Muslim.

RESOLVED FINALLY, that this Resolution shall take effect immediately after publication in a newspaper of general circulation and copy of this Resolution be furnished to the GSIS and to the SSS for guidance and compliance.

APPROVED, in the City of Makati, this 28th day of July 2014.

53. BOARD RESOLUTION NO. 14-10-32

Revising the Conditions for the Compensability of Deafness under Annex A of the Amended Rules on Employees’ Compensation

WHEREAS, Article 167 (1) of Presidential Decree 626, as amended, partly provides:

“ ... the Commission is empowered to determine and approve occupational diseases and work-related illness that may be considered compensable based on peculiar hazards of employment.”

WHEREAS, Article 167 (c) empowers this Commission to approve rules and regulations governing the processing of claims;

WHEREAS, pursuant to the policy of the Commission for the continuous upgrading of the benefit structure for workers through the updating of the conditions for the compensability of occupational and work-related diseases under Annex A of the

amended rules on Employees' Compensation;

WHEREAS, on February 25, 2011, this Commission issued through Board Resolution No. 11-12-09 creating a Technical Review Panel to review the conditions for compensability of occupational and work-related diseases under Annex A of the amended rules on Employees' Compensation;

WHEREAS, the Technical Review Panel (TRP), composed of medical experts and leaders of medical professional groups and medical specialty societies, medical officers representing government and medical evaluators of the Systems after a series of meetings has recommended the updating of the conditions for compensability of Deafness.

WHEREAS, the proposed amendments on the conditions for compensability of Deafness was presented to a tripartite consultation meeting composed of representatives from the Regional Tripartite Industrial Council (Region 14-A), Government Service Insurance System, Social Security System, Bureau of Working Conditions, Occupational Safety and Health Center, Philippine College of Occupational Medicine (PCOM), Philippine Government Employees Association (PGEA), Chamber of Mines, Construction Industry Authority of the Philippines (CIAP), and Pilipinas Shell Petroleum Corporation (PSPC) to further review the proposed amendments;

WHEREAS, the representatives of the tripartite group after due deliberations recommended the approval and adoption by the Commission of the amendments on the conditions for compensability of Deafness which is now termed Occupational Hearing Loss;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES AS IT IS HEREBY RESOLVED**, to revise the following conditions for compensability of Deafness under Annex A of the Amended Rules on Employees' Compensation;

The revised conditions for compensability of Deafness shall now read as follows:

Nature of Employment

4. Deafness

Any industrial operation having excessive noise particularly in the higher frequencies

Nature of Employment

“4. Occupational Hearing Loss

a. Noise Induced Hearing Loss (NIHL) is characterized as progressive sensorineural hearing loss that is usually bilateral, permanent/irreversible and affecting the 3000 to 6000 Hz level but commonly affects and is worst at the 4000 Hz level.

Exposure in the workplace to harmful noise levels in the higher frequencies

Contingencies wherein direct damage to the eardrum or inner ear are caused by the working activity

b. Acoustic Trauma results in a conductive or mixed type of hearing loss

Exposure in the workplace to sudden burst of sound such as an explosive blast

c. Physical Trauma can present as mixed type of hearing loss

Physical trauma sustained at work such as but not limited to motor vehicle accidents, blunt head trauma, falls, explosions, burns from caustic chemicals, open flames or welder’s slag that enter the ear canal

RESOLVED FURTHER, that copies of this Resolution be duly furnished the SSS and GSIS for their compliance and proper guidance.

RESOLVED FINALLY, that this Resolution shall take effect fifteen (15) days after its publication in a newspaper of general circulation.

APPROVED, in Quezon City, this 8th day of October 2014.

54. BOARD RESOLUTION NO. 14-10-33

Adjusting the Schedule of EC Contribution for the Private Sector on the Basis of the New Monthly Salary Credit Schedule of SSS

WHEREAS, Article 177 (a), in relation to Art. 183 (b), of P.D. 626, as amended, empowers this Commission to assess and fix the rate of EC contribution from all employers based on experience in risk, cost of administration, and the actual or anticipated as well as unexpected losses, as may be required to maintain the stability of the State Insurance Fund (SIF);

WHEREAS, the last increase in EC contribution in the private sector was provided through Board Resolution No. 06-08-70,

dated August 31, 1996 which fixed the contribution rate at P10/employee for employees with monthly salary credit (MSC) of four-thousand five hundred pesos (P14,500) and below; and a contribution rate of 0.2% of the MSC for employees with MSC of fifteen thousand pesos (P15,000);

WHEREAS, the above schedule is consistent with the schedule of SSS premium contribution obtaining in 1996 where maximum MSC was pegged at fifteen thousand pesos (P15,000);

WHEREAS, in January of 2014, the SSS adjusted its maximum MSC to sixteen thousand pesos (P16,000.00) for employees with range of compensation of fifteen thousand seven hundred fifty pesos (P15,750.00) and over;

WHEREAS, there is a need to adjust the rate of EC contribution to make it consistent with the new maximum MSC of SSS;

NOW THEREFORE, ON MOTION DULY MADE AND SECONDED,

This Commission **RESOLVES** as it hereby **RESOLVED** to further amend Rule V, Section 2 of the Amended Rules on Employees' Compensation by adopting the rate of thirty pesos (P30) for employees with MSC of fifteen thousand pesos (P15,00.00) and above, summarized as follows:

Range of Compensation	Present Monthly Salary Credit	Proposed Monthly Salary Credit	Present Employer's Contribution	Proposed Employer's Contribution
P 900-14,749	P 1,000.00-14,500	P 1,000.00-14,500	P10	P10
P 14,750-over	P 15,000	P 15,000 and above	0.2% of MSC	P30

RESOLVED FINALLY, that this Resolution shall take effect retroactively on January 1, 2014 and copy of the same be furnished to the SSS for guidance and compliance.

APPROVED, in Quezon City, this 08th day of October, 2014.

55. BOARD RESOLUTION NO. 14-10-43

Policy on Investment of the Private Sector State Insurance Fund (SIF)

WHEREAS, Article 178 of P.D. No. 626, as amended, partly provides;

“ART. 178. Management of Funds. – All revenues collected by the System under this Title shall be deposited, invested, administered and disbursed in the same manner and under the same conditions, requirements and safeguards as provided by Republic Act numbered eleven hundred sixty-one, as amended, and Commonwealth Act numbered one hundred eighty-six, as amended...”

WHEREAS, in relation to the said provision, Art. 179 of P.D. No. 626, as amended, partly reads:

“ART. 179. Investment of funds.- xxx All amounts accruing to the State Insurance Fund, which is hereby established in the SSS and GSIS, respectively, shall be deposited with any authorized depository bank approved by the Commission, or invested with due and prudent regard for the liquidity needs of the System.” (As amended by Sec. 4, P.D. 1368)

WHEREAS, on the basis of the said provisions, the investment of the SIF shall be governed by the respective charters of both Systems with a limitation that the SIF should be “invested with due and prudent regard for the liquidity needs of the System”;

WHEREAS, SIF investments made by the GSIS for the past years prior to 2012 had been limited to Republic of the Philippines (ROP) bills and cash deposits in banks but since 2012 to date has expanded these to ROP bonds, corporate bonds and equities;

WHEREAS, on the other hand, the SSS is presently guided by the “low-risk, low yield” policy conveyed to SSS in the letter of then ECC Executive Director Elmor Juridico, dated April 29, 2004;

WHEREAS, for the past several years, the private sector SIF had been invested in low income generating schemes such as co-mingled investment in SSS loans and in bank deposits and therefore did not optimize the good investment climate during these times;

WHEREAS, the SSS has offered to extend the investments portfolio for the SIF to domestic equities and fixed income instruments;

WHEREAS, the SSS has requested this Commission for the approval, through the issuance of a Board Resolution, of the investment of the SIF in domestic equities and fixed income instruments;

WHEREAS, this Commission has considered the possibility of an increase in the return of investment (ROI) of its investible SIF through an expanded investment portfolio given healthy financial market indicators and GNP growth of the country;

NOW, THEREFORE, ON MOTION DULY MADE AND SECONDED;

This Commission **RESOLVES** as it hereby **RESOLVED** to authorize the SSS to expand the investment portfolio of the SIF to include domestic equities and fixed income securities;

RESOLVED FURTHER, that this Commission requires the SSS to regularly report their SIF investment and income to the EC Board on a quarterly basis;

RESOLVED FINALLY, that a copy of this Resolution be furnished to the SSS and to the GSIS for information and guidance.

APPROVED in the City of Makati, this 27th day of October, 2014

56. BOARD RESOLUTION NO. 14-12-44

Clarifying the Manner of the Grant of EC Benefits Despite the Absence of Recording of the Incident in a Logbook

WHEREAS, paragraph (a) and (c) of Art. 205 of P.D. No. 626, as amended, provides:

“ART. 205. Record of death or disability. (a) All employers shall keep a logbook to record chronologically the sickness, injury or death of their employees, setting forth therein their names, dates, and places of the contingency, nature of the emergency and absences. Entries in the logbook shall be made within five days from notice or knowledge of the occurrence of the contingency.

xxx

(c) “Should any employer fail to record in the logbook an actual sickness, injury or death of any of his employees within the period prescribed herein, give false information or withhold material information already in his possession, he shall be held liable for fifty percent of the lump sum equivalent of the income benefit to which the employee may be found to be entitled, the payment of which shall accrue to the State Insurance Fund.

WHEREAS, there is a misconception that in the event that a sickness, injury, or death has been declared as work-connected and the employer failed to record the same in a logbook, fifty per cent (50%) of the EC benefits shall be provided by the erring employer and only 50% shall be granted by the System;

WHEREAS, this Commission finds the need to clarify the same to prevent any confusion in the interpretation of the law and so as not to further delay meritorious claims to the prejudice of the workers, and/or their beneficiaries, with work-connected sickness, injury, or death;

WHEREAS, Article 177 (c) of P.D. No. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AT IS HEREBY RESOLVED** to require both Systems to grant workers, and/or their beneficiaries, with work-connected sickness, injury, or death of whatever EC benefits to which they are entitled despite the absence of recording of the said incident in a logbook;

RESOLVED FURTHER, that the mere absence of a logbook shall not result in the suspension of evaluation of the claim. In the event that a claim for disability or death has been declared as work-connected, the amount of claim shall be provided in full by the Systems which shall impose the penalty to the employer as provided under paragraph (c) of Art. 205 of P.D. No. 626, as amended;

RESOLVED FINALLY, that this Resolution shall take effect 15 days after its publication in a newspaper of general circulation and copy of the same be furnished to the Systems for guidance and compliance.

APPROVED in the City of Makati, this 9th day of December, 2014.

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