



**RONALDO C. CALLANG,**  
*Appellant,*

**-versus-**

**ECC CASE No. GL-19514-0615-16**

**GOVERNMENT SERVICE  
INSURANCE SYSTEM (GSIS),**  
*Appellee.*

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## **D E C I S I O N**

This appeal seeks to review the decision of the Government Service Insurance System (GSIS) denying the appellant's claim for medical reimbursement for *Twynsta*, under the Employee's Compensation Law (P.D. No. 626, as amended), on the ground that the said medicine is not included under the Philippine National Drug Formulary (PNDF).

From April 1, 1988, to date, the appellant, Ronaldo C. Callang (GSIS ID No. 53090402656), 61 years old at the time of the filing of the claim and a resident of Santiago City, Isabela, has been employed as Administrative Officer II at the Southern Isabela General Hospital, Santiago City, Isabela, with the following duties and responsibilities:

1. Assists the Chief of Hospital by expediting internal staff services and administrative detail.
2. Supervises the Administrative functions of the division.
3. Acts for the Chief of Hospital in processing correspondences for his/her signature.
4. Disciplines personnel, attends to administrative charges and investigates general complaints.
5. Does other general duties as directed.

Records reveal that in 2002, the GSIS granted EC Temporary Total Disability (TTD) benefits to the appellant due to Cerebrovascular Disease, Haemorrhage Basal Ganglia, Hypertension. Records further reveal that between 2001 and 2014, the GSIS approved the claim of the appellant for reimbursement of his expenses for medicines such as *Carvedilol*, *Clonidine*, *Amlodipine*, and *Telmisartan*, due to the said work-connected illness.

Sometime in 2015, the appellant filed a claim for reimbursement of his expenses for *Twynsta* (combination of *Amlodipine* and *Losartan*). However, the GSIS denied the claim on the ground that *Twynsta* is not included in the Philippine National Drug Formulary (PNDF). The GSIS further states that “*in the GSIS pharmacy only the specific generic names of drugs down to its salt and dosage can be approved for procurement under Executive Order No. 49...*’

The GSIS-Office of the Senior Vice-President (GSIS-OSVP) Luzon Operations Group elevated the records to this Commission for review purposes.

On June 22, 2016, this case was submitted to the Technical Review Committee (Committee) for initial deliberation. Majority of the members of the Committee decided to elevate this case to the Commission with a recommendation to grant the claim on the ground that EC reimbursement does not run counter to E.O. No. 49 (Directing the Mandatory Use of the Philippine National Drug Formulary [PNDF] in relation to R.A. No. 9502 [Universally Accessible Cheaper Quality Medicines Act of 2008]).

***The appeal is meritorious.***

In denying the claim, the GSIS states that “in the GSIS pharmacy only the specific generic names of drugs down to its salt and dosage can be approved for procurement under Executive Order No. 49 which shall allow in audit, claims/disbursement of drugs and medicines which are not within the PNDP current edition.”

The pivotal issue in this case is whether only those medicines which are included in the PNDP shall be the subject of EC reimbursement.

In the case of *Bautista vs. GSIS* (ECC CASE No. GL-19513-0615-16, July 11, 2016), this Commission held that:

*“...the EC reimbursement of expenses for medicines is not a disbursement on procurement. Thus, the EC reimbursement does not run counter to E.O. No. 49 (Directing the Mandatory Use of the Philippine National Drug Formulary [PNDF] in relation to R.A. No. 9502 [Universally Accessible Cheaper Quality Medicines Act of 2008]),*

*“PD 626, as amended, is essentially a social legislation which grants reimbursement to drugs and medicines that are necessary and relevant to the work-connected sickness or injury of the PWRD. As long as the PWRDs need the medicine for the treatment of their work-related sickness or injury, even after retirement, they are entitled to reimbursement of out of pocket medical expenses for medicines. P.D. 626 makes neither distinction nor limitation on the medical services, including medicines, and appliances that may be had and reimbursed subject only that the nature of the sickness or injury and progress of recovery may require and the observance of such applicable expense limitations that may have been prescribed by the Commission. By limiting the reimbursement to a definitive, narrow list would defeat the very purpose of the law.”*

As guidance for future cases with similar circumstances, this Commission declares the following:

1. Only medicines that are relevant and necessary for the treatment of work-connected sickness or injury shall be the subject of EC medical reimbursement.
2. The amount of EC reimbursement shall be in accordance with the amount that may be prescribed under Republic Act No. 9502 (“Universally Accessible Cheaper Quality Medicines Act of 2008”) and its Implementing Rules and Regulations.
3. E.O. No. 49, insofar as it relates to the mandatory use of the PNDF as the basis for procurement of drug products, does not apply to claims for EC medical reimbursement.

**WHEREFORE**, the appeal is **GRANTED** and the **GSIS** is ordered to grant the claim for EC medical reimbursement of the appellant for his expenses on his medicines due to Stroke and Hypertension, including *Twynsta*, subject to the applicable limitations prescribed by the Commission.

**SO ORDERED.**

**CITY OF MAKATI,  
July 08, 2016.**