



**EXCERPTS FROM THE MINUTES OF  
THE FOURTH (4<sup>TH</sup>) REGULAR COMMISSION MEETING  
EMPLOYEES' COMPENSATION COMMISSION  
SERIES OF 2019**

*ECC Multi-purpose Hall, 4<sup>th</sup> Floor, ECC Building, 355 Gil Puyat Ave., Makati City  
Thursday, 29 August 2019 at 12:00 N.N.*

**BOARD RESOLUTION NO. 19-08-28**

***Approving the Increase in the Maximum Daily Income Benefit for EC  
Temporary Total Disability (TTD) in the Private Sector from Php480 to  
Php600 in Relation to the new MSC Schedule under the Social Security Act of  
2018***

**WHEREAS**, Republic Act 11199 also known as the Social Security Act of 2018 was signed on 7 February 2019, repealing RA 1161, as amended by RA 8282;

**WHEREAS**, the same Law effectively increased the minimum and maximum Monthly Salary Credit (MSC) schedule for SSS members depending on the type of membership, effective April 2019 and in subsequent dates, as detailed in SSS Circular Nos. 2019-05 to 07 dated 15 March 2019 on New Schedules of Social Security Contributions Effective April 2019;

**WHEREAS**, the increase in the maximum MSC per RA 11199 results to a corresponding increase in the maximum daily EC TTD benefits;

**WHEREAS**, the ECC proposed for an increase in the maximum TTD benefit based on the ceiling of the MSC of SSS per RA 11199;

**WHEREAS**, RA 11199 provides that the MSC under the defined benefit (social security) program is capped at P20,000, while the contribution corresponding to MSC in excess of P20,000 is allocated to the mandatory Provident Fund Scheme to be established

(Sec. 4 (a)(2)); as such, in the computation of SS benefits, the maximum MSC to be considered is P20,000, until adjusted (Sec. 8(g));

**WHEREAS**, the computation of EC benefits follows the member's MSC under the SS scheme, therefore, the EC TTD benefit shall also follow the SS MSC ceiling of P20,000.00 which has a corresponding maximum daily TTD benefit of P600 even beyond 2021, until 2025.

**WHEREAS**, an actuarial study by SSS sent to the ECC Secretariat through a letter dated 4 July 2019 shows that with the proposed increase in the maximum TTD at P600.00, the present value of benefits will increase by 0.97 billion pesos (P .97 B) with benefits expected to exceed contributions in 2046 which is a year earlier than if there is no increase in TTD benefit.

**WHEREAS**, said actuarial study incorporated in the valuation the benefit enhancements under the EC program in the recent years (funeral, EC pension, carer's allowance, PT and professional fees of physicians, TTD) and the mandatory coverage of self-employed workers under the EC program;

**WHEREAS**, the same study shows that, even if the increase in the maximum daily EC TTD benefit to P600 per day is implemented, the EC Fund life would still last beyond 2080, the end of the valuation period, indicating that the EC fund is financially viable.

**WHEREAS**, under Article 183 (formerly Article 177) (e) of P.D. No. 626, as amended, the Commission shall have the powers and duties, among others, to upgrade EC benefits and grant new ones subject to the approval of the President, provided that the actuarial stability of the State Insurance Funds (SIFs) shall be guaranteed and that such increases in benefits shall not require any increase in contributions from the employers, both private and public;

**NOW THEREFORE, ON MOTION DULY MADE AND SECONDED**



This Commission **RESOLVES** as it hereby **RESOLVED** to approve the increase in the maximum daily EC TTD benefit from four hundred eighty pesos (P480.00) to six hundred pesos (P600.00) in the private sector;

**RESOLVED FURTHER**, that the increase in maximum EC TTD benefit shall have retroactive application from April 2019 which is consistent with the date when the new SSS MSC schedule became effective;

**RESOLVED FURTHER**, that copies of this Resolution be duly furnished to the SSS for compliance and proper guidance and to the GSIS for information.

**RESOLVED FINALLY** that a copy of this Resolution shall be transmitted to the Office of the President of the Republic of the Philippines for approval and that upon approval of the Office of the President, the corresponding Executive Order shall be published in a newspaper of general circulation for effectivity purposes.

**DONE**, this 29<sup>th</sup> of August 2019, in Makati City, Philippines.



**SILVESTRE H. BELLO III**

*Chairperson*

*Department of Labor and Employment*



**RIZALDY T. CAPULONG**

*Member-Designate  
Social Security System*



**NORA MALUBAY**

*Member-Designate  
Government Service Insurance System*



**CARLITO P. ROBLE**

*Member  
Employees' Sector*

**VACANT**

*Member  
Employers' Sector*



**DENNIS S. MAS**

*Member-Designate  
Philippine Health Insurance Corporation*



**STELLA ZIPAGAN-BANAWIS**

*Member  
Employees' Compensation Commission - Secretariat*