



FINANCIAL STATUS STATE INSURANCE FUND As of December 31, 2019

A. ASSETS

	As at Dec. 31, 2019	% of Total	As at Dec. 31, 2018 (Restated)	% of Total	Peso Inc (dec)	% Inc (dec)
SSS	40,327,409,348.00	60%	38,420,175,517.00	64%	1,907,233,831.00	5%
GSIS	27,315,089,027.00	40%	21,683,946,276.00	36%	5,631,142,751.00	26.0%
Total	67,642,498,375.00	100%	60,104,121,793.00	100%	7,538,376,582.00	12.5%

Data based on the unaudited FS submitted by the SSS and the GSIS.

As of December 31, 2019, total assets of the State Insurance Fund (SIF) amounts to Php67.64B; sixty percent (60%) or Php40.33B under the Social Security System (SSS) while forty percent (40%) or Php227.31B is under the Government Service Insurance System (GSIS). Assets have Php7.54 billion increase from December 31, 2018 to December 31, 2019.

B. RESERVES/NETWORKTH

	As at Dec. 31, 2019	% of Total	As at Dec. 31, 2018 (Restated)	% of Total	Peso Inc(dec)	% Inc(dec)
SSS*	40,322,191,396.00	60%	38,410,799,562.00	64%	1,911,391,834.00	5%
GSIS**	27,240,410,144.00	40%	21,535,850,637.00	36%	5,704,559,507.00	26%
Total	67,562,601,540.00	100%	59,946,650,199.00	100%	7,615,951,341.00	13%

*Data based on the unaudited FS submitted by the SSS and the GSIS.

*Reserves

** Net worth

Total Reserves for future payment of EC claims in both private and public sector amounts to Php67.56B which has Php7.615 billion increase from December 31, 2018 to December 31, 2019.

As of December 31, 2019 the total reserves of the SSS-managed SIF for future payment of EC claims in private sector amounted to Php40.32B. Total reserve is increased by Php1.91 billion from December 31, 2018.

The GSIS SIF-managed fund total Net worth amounts to Php27.24B is broken down as follows:

Appropriated Surplus – ECIF	12,556,000,000.00
Unappropriated Surplus	13,479,836,015.00
Other Comprehensive Income Net unrealized gain on Investments	1,204,574,128.00
Total Net Worth	27,240,410,144.00

From Php21.53B (restated amount) in December 31, 2018 to Php27.24B as of December 31, 2019, the GSIS-ECIF total Net worth has increased by Php5.70 billion.

From the GSIS ECIF Net worth of Php27.24B balance as of December 31, 2019, a total amount of Ph12.556B is appropriated for payment of future claims, claims pending settlement, rehabilitation services, ECC and OSHC operating fund and for contingencies. Appropriations for years are as follows:

Years	Amount (in millions)
2010	613.96
2011	633.40
2012	1,095.95
2013	6,125.00
2014	7,045.00
2015	7,780.00
2016	8,678.00
2017	8,989.00
2018	12,095.00
2019	12,556.00

C. REVENUE

Table C-1 Revenue Collected from January 1 to December 31, 2019

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	2,401,983,262.00	55%	2,752,536,989.00	68%	5,154,520,251.00	61%
Investment and Other Income	1,940,254,650.00	45%	1,303,165,916.00	32%	3,243,420,566.00	39%
Total	4,342,237,912.00	100%	4,055,702,905.00	100%	8,397,940,817.00	100%
		51.7%		48.3%		

From January to December, 2019, **SIF generated total revenue of Php8.397B**: sixty-one percent (61%) or Php5.15B came from the collection of members' contributions while thirty-nine percent (39%) or Php3.24 billion from investment and other income.

Php4.34 billion or 52% of the total revenue came from the SSS while Php4.06 billion or 48% came from the GSIS.

The table below shows the details of the members Contribution and Investment and other income.

Table C-2 Revenue Collected from January to December, 2018

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Members Contribution	2,251,166,114.00	56%	2,592,801,492.00	81%	4,843,967,606.00	67%
Investment and Other Income	1,762,262,659.00	44%	598,441,035.00	19%	2,360,703,694.00	33%
Total	4,013,428,773.00	100%	3,191,242,527.00	100%	7,204,671,300.00	100%
		55.7%		44.3%		

Table C-3 Comparative Net increase (decrease) in Revenues (December, 2019 and 2018)

Particulars	Ph Increase (Decrease) Members' Contributions	% Inc(dec)	Ph Increase (Decrease) Investment & Other Income	% Inc (dec)	TOTAL	% Inc (dec)
SSS	150,817,148.00	9%	177,991,991.00	4%	328,809,139.00	8%
GSIS	159,735,497.00	27%	704,724,881.00	22%	864,460,378.00	27%
TOTAL	310,552,645.00	4%	882,716,872.00	12%	1,193,269,517.00	17%

Total Combined Revenue from January to December, 2019 has gone up by 17% or a net increase of Php1.19 billion compared to same period in 2018. *The total increase in collection of members' contribution amounts to Php310.55 million. Likewise, Investment and Other Income has an increase of Php882.72 million.*

Total SSS revenue from January to December, 2019 has **gone up by 8% or Php328.81 million**. Likewise, the total GSIS revenue has **gone up by 27% or Php864.46 M** compared to the same period in 2018.

D. INVESTMENT

I. Investment and Investment Income of Public Sector SIF

As at December 31, 2019, the **Government Service Insurance System (GSIS)** has a total investment amounting to Php25.096B with an investment income of Php1.30 billion. Investment has increased by 53% or Php8.65 billion from the Php16.45B investment total at the end of 2018.

The table below shows the **comparative details of investment** as at December, 2019 and as at the end of 2018:

Particulars	Jan. to Dec. 2019	Jan. to Dec. 2018	Ph Inc (dec)	% Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment				
High Yield Short-term placement	207,004,216.00	365,957,576.00	(158,953,360.00)	-43%
NON-CURRENT INVESTMENT				
Fair Value Through Profit or Loss (FVPL)				
Stocks Traded -Traded-FVPL	3,325,625,408.00	3,210,911,267.00	114,714,141.00	100%
Fair Value through Other Comprehensive Income (FVOCI)				
ROP Notes & Bonds FVOCI	16,882,113,426.00	11,924,000,085.00	4,958,113,341.00	42%
Corporate Bonds-FVOCI	4,681,316,768.00	4,159,703,914.00	521,612,854.00	100%
Total Non-current Investments	24,889,055,602.00	16,083,703,999.00	8,805,351,603.00	55%
TOTAL INVESTMENT	25,096,059,818.00	16,449,661,575.00	8,646,398,243.00	53%
Return of Investment	5.19%	3.20%		

*Data based on the unaudited FS submitted by the GSIS.

Of the total investment as at December 31, 2019, almost 100% or Php24.89B is placed under non-current investment particularly in ROP Notes, Corporate Bonds and Stocks Traded while Php270 million is placed under the High Yield Short-term Placement. Return of Investment (ROI) is at 5.19%

The table below shows the **comparative details of the investment income** from January to December, 2019 and 2018.

PARTICULARS	Jan. to Dec. 2019	Jan. to Dec. 2018 (Restated)	Ph Inc (dec)	% Inc (dec)
CURRENT INVESTMENT				
Held to Maturity Investment				
High Yield Short-term placement	5,814,672.00	14,983,050.00	(9,168,378.00)	-61%
NON-CURRENT INVESTMENT				
Fair Value through Profit or Loss (FVPL)				
Gain (Loss) on Valuation - Stocks	125,790,300.00	(332,014,643.00)	457,804,943.00	-138%
Gain on Sale of Stocks-FVPL	779,903.00	65,210.00	714,693.00	1096%
Dividend on Stocks-FVPL	57,530,857.00	63,125,526.00	(5,594,669.00)	-9%
Fair Value through Other Comprehensive Income (FVOCI)				
Gain (Loss) on De-recognition of Bonds-FVOCI	296,343.00	(145,604.00)	441,947.00	100%
Interest on ROP Notes & Bonds - FVOCI	829,956,830.00	634,736,438.00	195,220,392.00	31%
Interest on Corporate Bonds - FVOCI	282,787,808.00	217,486,620.00	65,301,188.00	30%
Total	1,297,142,041.00	583,253,547.00	713,888,494.00	122%
Total Investment Income	1,302,956,713.00	598,236,597.00	704,720,116.00	118%

*Data based on the unaudited FS submitted by the GSIS.

The January to December, 2019 investment income is Php704.72million higher compared to the Php598.24 million investment income earned during same period in 2018.

II. Investment of Private Sector SIF

As at December 31, 2019, total investment of Private Sector SIF amounts to Php39.30B. Investment is increased by 6.71% or Php2.47 billion from the Php36.83B amount of investment at the end of December, 2018. Total Investment Income from January to December 31, 2019 amounts to Php1.76 billion. Investment Income has 5.17% or Php86.56 million increase from Ph1.67 billion investment Income in the same period in 2018. Return on Investment (ROI) is at 4.48%

Ninety-one percent (91%) of the total Investment is placed under the Non-Current Investment. The table below shows the details of these non-current investments.

Total investment in Financial Assets at amortized cost in the amount of Ph21.64 billion comprised the highest rate (60%) of its investment under the Non-current Investment and generates total investment income in the amount of Php886.52 million from January to December 2019. Total investment in Members' Loan in the amount of Php7.27 billion comprised the highest rate (21%) of the investment under loans and receivables and contributed Php410.22 million investment income.

Cash Equivalent and Interest Income

From January to December, 2019, the SIF at SSS has a total Cash and Cash Equivalent of Php556.72 million which is placed under a savings and term deposits. Such cash and cash equivalent generates a total interest income of Php37.77M.

Investment and other Income

Investment and other Income from January to December, 2019 amounts to Php1.94 billion is broken down as follows:

Particulars	AMOUNT
Investment Income	1,759,937,214.79
Other Income	
Interest Income –Cash in Bank/term deposits	37,768,123.31
Miscellaneous Income	2,883,426.59
Recovery of impairment loss	139,665,885.16
Total Investment and Other Income	1,940,254.649.85

INVESTMENT AND INVESTMENT INCOME OF THE PRIVATE SECTOR SIF

Particulars	INVESTMENT	% of total	INVESTMENT	INVESTMENT	Income from Investment Jan to Dec 2019	Income from Investment (Restated) Jan to Dec. 2018
	Jan 1 to Dec 31 2019		Jan 1 to Dec 31. 2018	% Inc. /-Dec		
CURRENT INVESTMENT						
Held to Maturity investments						
-Short term money placement -Int.	300,000,000.00		-		7,437,408.20	-
-Government Bonds	1,872,393,203.44		49,885,348.10			
-Corporate Bonds	850,000,000.00		-			
-Corporate Notes	246,702,893.98		24,162,052.50			
Financial Assets at FVTPL						
Equity Securities	362,506,549.09		270,552,638.37			
Dividend Income					8,388,283.10	3,095,777.56
Gain/(Loss) on fair value adjustment					(55,823,676.45)	(13,258,168.42)
Gain/(Loss) on sale/disposal					26,868,839.51	19,855,531.15
Investment Expenses					(1,629,358.86)	(1,207,865.28)
Total Current Investments	3,631,602,646.51	9%	344,600,038.97	954%	(14,758,504.50)	8,485,275.01
NON-CURRENT INVESTMENTS						
Non-current Financial assets						
<i>Financial Assets at FVTOCI</i>						
- Marketable securities at FV	5,170,948,544.19	14%	6,973,075,354.91	-26%	229,822,490.65	253,561,756.75
<i>Financial assets at amortized cost</i>						
- Government bonds	18,729,540,597.86		18,270,132,396.23	2.51%	886,524,538.11	749,606,047.06
- Corporate Bonds	2,766,310,000.00		2,544,500,000.00	8.72%	151,327,374.76	117,703,845.20
- Corporate notes	145,000,000.00		342,233,333.33	-58%	24,072,372.49	24,319,268.54

Total	21,640,850,597.86	61%	21,156,865,729.56	2.29%	1,061,924,285.36	891,629,160.80
<i>Loans and Receivables</i>						
Members Loan						
- Salary/education/calamity	7,273,958,199.39		6,730,784,231.38	8%	410,224,196.03	379,003,359.26
- Separated member loan	14,017,066.90		23,540,635.25	-40%	22,503,316.32	72,862,419.55
- Emergency loan	218,138,963.40		223,855,059.27	-2.6%	29,932,711.50	68,453,658.78
- Student Assistance loan	(7,047.99)		10,260.31	-168.7%	(11,329.33)	153,431.85
- Loan to Voc/tech students	15,748.06		15,748.06	0.0%	-	-
Total	7,506,122,929.76	21%	6,978,205,934.27	7.6%	462,648,894.52	520,472,869.44
National Home Mortgage						
Finance Corporation	1,214,838,899.51	3%	1,224,413,412.21	-0.8%	4,649,313.16	(20,547,172.78)
Home Development Mutual Fund	-		-		-	-
Housing loans						
- Real Estate loan	130,759,951.41	0.4%	146,950,216.40	-11%	15,626,103.63	19,759,418.77
Commercial and Industrial loans						
- Hospital financing program	-		-		-	-
- Dormitory/apartment loan program	4,267,471.93		4,267,471.93	0%	24,631.97	19,658.80
Total	4,267,471.93	0.01%	4,267,471.93	0%	24,631.97	19,658.80
Total Loans and Receivables	8,855,989,252.61	23%	8,353,837,034.81	6%	482,948,943.28	519,704,774.23
Total Non-Current Investments	35,667,788,394.66	91%	36,483,778,119.28	-2%	1,774,695,719.29	1,664,895,691.78
GRAND TOTAL	39,299,391,041.17	100%	36,828,378,158.25	7%	1,759,937,214.79	1,673,380,966.79
Return on Investment					4.48%	3.60%

*Data based on the unaudited FS submitted by the SSS.

E. EXPENDITURES

Particulars	SSS	% of Total	GSIS	% of Total	TOTAL	% of Total
Benefits Payments	1,656,323,093.00	90%	529,826,166.00	53%	2,186,149,259.00	77%
MOOE	83,403,591.00	5%	428,304,569.00		511,708,160.00	18%
Financial Expenses	2,386,176.00	0%	53,460.00	0%	2,439,636.00	0%
Non-Cash Expenses	104,350,880.00	6%	-	0%	104,350,880.00	4%
Management fees	-		32,216,820.00	46%	32,216,820.00	1%
Total	1,846,463,740.00	100%	990,401,015.00	100%	2,836,864,755.00	100%

*based on SSS and GSIS submitted reports

Total expenditures as of December 31, 2019 amounting to Php2.837 billion was incurred by the Systems for benefits payments, financial/investment expenses, operating expenses and management fee; sixty-five percent (65%) or Php1.85 billion by the SSS while thirty-five percent (35%) or Php990.40 million by the GSIS.

The **SSS spent Php1.66 billion for the payment of 254,193 EC benefits claims in the private sector. Operating expenses which include financial and non-cash expenses is at Php190.14 million.** The Operating Expenses is computed using the Benefit Payment Ratio formula re the percentage of the total ECC benefit payments over the combined SSS and ECC benefit payments from the total PS and MOOE of the entire SSS.

The **GSIS spent Php529.83 million for payment of 47,308 EC benefits claims in the public sector. Its operating expenses include Impairment Loss P339.73 million and contributions (others) P88.57 million.** The **Management fee charged by the GSIS to SIF amounts to Php32.216M** is computed also using the Benefit Payment ratio. The GSIS adopted the Benefit Payment Ratio formula in the computation of its management fee since 2015.

F. EC BENEFITS CLAIMS AND PAYMENTS

The table below shows the breakdown of the number of claims and benefits payments made by the Systems from January to December, 2019:

Particulars	SSS		GSIS	
	NO. OF CLAIMS	AMOUNT	NO. OF CLAIMS	AMOUNT
DEATH AND PENSION	195,142	1,133,812,645.00	42,345	481,963,603.40
DISABILITY	22,804	240,112,822.00	1,717	11,499,360.06
SICKNESS	34,860	257,014,046.00	588	9,732,575.49
MEDICAL SERVICES	891	10,783,630.00	2447	21,998,973.02
FUNERAL BENEFITS	496	14,599,950.00	193	4,605,947.14
REHABILITATION SERVICES	0	-	18	25,706.75
TOTAL	254,193	1,656,323,093.00	47,308	529,826,165.86

Death and pension benefits comprised the highest share in the EC benefit payments made both by the SSS in the private sector and the GSIS (survivorship pension) in the public sector.

G. LOADING FUND

Particulars	SSS	GSIS	Total
Members Contribution	2,401,983,262.00	2,752,536,989.00	5,154,520,251.00
Investment Income	1,759,937,214.79	1,302,956,713.00	3,062,893,927.79
Total	4,161,920,476.79	4,055,493,702.00	8,217,414,178.79
12% Loading Fund	499,430,457.21	486,659,244.24	986,089,701.45

OPERATING EXPENSES

AGENCIES	SSS	GSIS	TOTAL
ECC*	84,537,194.00	36,230,226.00	120,767,420.00
OSHC*	158,871,300.00	68,087,700.00	226,959,000.00
GSIS - Management fee		32,216,820.00	32,216,820.00
SSS - MOOE/Financial Expenses	85,789,767.00		85,789,767.00
TOTAL	329,198,261.00	136,534,746.00	465,733,007.00

* ECC and OSHC approved COB co-shared at 70:30 by the SSS and the GSIS

Note : 47% of the 12% Loading Fund Ceiling)

The allowable 12% ceiling of loading fund to be used by the GSIS, SSS, ECC and OSHC for operational expenses amounts to Php986.09 million. Only forty-seven percent (47%) of the loading fund or Php465.73 is utilized for operational expenses in CY 2019.

COMPARATIVE FINANCIAL POSITION AND PERFORMANCE:

	SSS		GSIS	
	At December 31, 2019	At December 31, 2018 (Restated)	At December 31, 2019	At December 31, 2018 (Restated)
ASSETS	40,327,409,348.00	38,420,175,517.00	27,315,089,027.00	21,683,946,276.00
LIABILITIES	5,217,952.00	9,375,955.00	74,678,883.00	148,095,639.00
RESERVES	40,322,191,396.00	38,410,799,562.00		
NETWORTH *	-	-	27,240,410,144.00	21,535,850,637.00

	Jan to Dec 2019	Jan to Dec 2018 (Restated)	Jan to Dec 2019	Jan to Dec 2018 (Restated)
REVENUES	4,448,974,968.00	4,100,920,011.00	4,055,702,905.00	3,191,242,527.00
EXPENSES **	1,846,463,740.00	1,903,406,472.00	990,401,015.00	2,692,201,331.00
NET REVENUES	2,602,511,227.00	2,197,513,539.00	3,065,301,890.00	499,041,196.00
Total Comprehensive income	2,154,800,327.00	994,254,579.00	5,704,559,507.00	(935,642,292.00)

* GSIS - Networth -Surplus

- Surplus Appropriated

12,556,000,000.00

12,095,000,000.00

- Surplus Unappropriated

13,479,836,015.00

10,875,534,125.00

**GSIS- expenses Management fee

32,216,820.00

60,854,690.00

Impairment loss

339,734,033.00

2,120,236,963.00

**SSS -expenses inclusive of financial and non-cash expenses
Other Comprehensive Income
(Loss)

₱ 106,737,056.00

₱ 87,491,237.00

₱ (447,710,900.00)

₱ (1,203,258,960.00)

2,639,257,616.00

1,434,683,488.00

Submitted by:

**MARIA TERESA M. URBANO (SGD.)
Chief, Finance Division**

June 15, 2020