



**EXCERPTS FROM THE MINUTES OF
THE SECOND (2nd) REGULAR COMMISSION MEETING,
EMPLOYEES' COMPENSATION COMMISSION,
SERIES OF 2020,**

*Convened Via Zoom On-Line Meeting
Friday, 17 July 2020 at 10:00 A.M.*

BOARD RESOLUTION NO. 20-07-14

***Granting a One-Time Financial Assistance of P20,000 to EC Permanent
Partial Disability (PPD), EC Permanent Total Disability (PTD) and
Survivorship Pensioners in the Private Sector***

WHEREAS, the Employees' Compensation Program (ECP) provides workers and their families with income, medical and other related benefits in the event of disability or death from work-related illnesses or injuries;

WHEREAS, on 16 March 2020, President Rodrigo Roa Duterte issued Proclamation No. 922, series of 2020 declaring a State of Public Health Emergency throughout the Philippines due to Corona Virus Disease (COVID-19) pandemic;

WHEREAS, on the same date, the Office of the Executive Secretary issued a Memorandum putting the entire island of Luzon under Community Quarantine followed by adoption of such measure in certain parts of the country as declared by the Local Government Units;

WHEREAS, on 23 March 2020, Republic Act No. (RA) 11469 also known as Bayanihan to Heal as One Act was issued to mitigate if not contain the transmission of COVID-19 and immediately mobilize assistance in the provision of basic necessities to families and individuals affected by the imposition of Community Quarantine among other urgent needs and to provide the emergency subsidies or the Social Amelioration Program (SAP) to low income households;

WHEREAS, on 21 April 2020, Administrative Order No. 30 was issued by the President which further directs all government agencies to formulate and issue rules and guidelines on the grant of any benefit as a temporary emergency

measure to respond to the crises brought by the COVID-19 pandemic in order to ease the burden on individuals under community quarantine;

WHEREAS, EC pensioners are subjected to relatively more undue financial hardships because of their vulnerabilities despite the Social Amelioration Program of the government and other assistance to workers and individuals, thus, additional assistance to them is imperative;

WHEREAS, in a letter dated 28 May 2020, the ECC requested SSS to prepare an actuarial study to look at the impact on the State Insurance Fund of providing a one-time financial assistance to PPD pensioners (as of January 2020), existing PTD pensioners as well as survivorship pensioners with contemplated amounts at P10,000, P15,000 or P20,000 pesos;

WHEREAS, in the reply letter of SSS dated 09 July 2020, the SSS said that they updated their 2015 Actuarial Valuation of the EC Fund and used the EC pensioner profile as of January 2020 as basis for the actuarial study which shows that with the grant of the proposed one-time financial assistance in 2020, the fund life of the State Insurance Fund at the SSS would last beyond 2080 under all options;

WHEREAS, the same actuarial study shows that the options will cost the SIF P190 million, P280M or P370M respectively with no unfunded liability while benefits will exceed contributions in 2046. The study took into consideration in the valuation the recent increases in EC benefits, including the coverage of self- employed workers under the EC program.

WHEREAS, a similar one-time financial assistance is also contemplated for public sector EC pensioners and a similar actuarial study was also requested from the GSIS to look at the impact on the State Insurance Fund of providing a one-time financial assistance to PPD pensioners (as of January 2020), existing PTD pensioners as well as survivorship pensioners;

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 Fund (SIF) 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 grant, in 2020, of a one-time financial assistance to all EC PPD pensioners as of January 2020, existing PTD pensioners as well as survivorship pensioners in the amount of P20,000 each;

RESOLVED FURTHER 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.


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

DONE, this 17th day of July 2020, in Makati City, Philippines.



SILVESTRE H. BELLO III
Chairperson
Department of Labor and Employment



RIZALDY T. CAPULONG
Member-Alternate
Social Security System

NORA M. MALUBAY
Member-Designate
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CARLITO P. ROBLE
Member
Employees' Sector

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Member
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DENNIS S. MAS
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Philippine Health Insurance Corporation


STELLA ZAPAGAN-BANAWIS
Member
Employees' Compensation Commission - Secretariat