

Philippines

Exchange rate: US\$1.00 = 53.32 pesos.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1954 (old age, disability, and survivors) and 2010 (social pension).

Type of program: Social insurance and social assistance system.

Coverage

Social insurance: Private-sector employees, self-employed persons, and household workers.

Voluntary coverage for citizens of the Philippines working abroad, persons who previously had mandatory coverage, and nonworking spouses of insured persons.

Special systems for government employees and military personnel.

Social assistance: Needy citizens of the Philippines.

Source of Funds

Insured person

Social insurance: 36.30 pesos to 581.30 pesos a month based on 31 income classes.

Voluntarily insured persons pay the combined insured person and employer contributions; voluntarily insured nonworking spouses pay a reduced contribution of 110 pesos to 880 pesos a month, based on the working spouses' last monthly income.

The insured person's contributions also finance cash sickness and maternity benefits.

Social assistance: None.

Self-employed person

Social insurance: 110 pesos to 1,760 pesos a month based on 31 income classes.

The self-employed person's contributions also finance cash sickness and maternity benefits.

Social assistance: None.

Employer

Social insurance: 73.70 pesos to 1,178.70 pesos a month based on 31 income classes.

The employer's contributions also finance cash sickness and maternity benefits.

Social assistance: None.

Government

Social insurance: Finances any deficit.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (social insurance): Age 60 with at least 120 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the pension is first paid; certain workers, such as miners, can retire earlier under certain conditions.

For pensioners up to age 65, employment or self-employment must cease; the pension is suspended if the pensioner resumes employment or self-employment.

Dependent's supplement: Paid for each of the insured's five youngest unmarried, unemployed children younger than age 21 (no limit if disabled) conceived or adopted on or before the insured's date of retirement.

Old-age grant (social insurance): Age 60 with less than 120 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the grant is paid.

Old-age social pension (Social Pension Program for Indigent Senior Citizens, social assistance, means tested): Age 60 and assessed as poor by the National Household Targeting System for Poverty Reduction (NHTS-PR).

Disability pension (social insurance): Must be assessed with a permanent total or partial disability and have at least 36 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the disability began.

Dependent's supplement: Paid to a disability pensioner with a total disability for each of his or her five youngest unmarried, unemployed children younger than age 21 (no age limit if disabled) conceived on or before the date the disability began.

Partial disability: Must be assessed with a permanent total loss of certain body parts or their functions, and have at least one month of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the disability began.

The pension is suspended if the pensioner recovers, resumes employment (in the case of a total disability), or fails to report for the annual physical examination.

Supplemental allowance: Paid to disability pensioners.

A Social Security System doctor assesses the degree of disability annually.

Disability grant (social insurance): Must be assessed with a permanent total or partial disability and have less than 36 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the grant is paid.

Survivor pension (social insurance): The deceased had at least 36 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the death occurred.

Eligible survivors include a widow(er) and up to five dependent, unmarried, unemployed children younger than age 21 (no age limit if disabled).

The widow(er)'s pension ceases upon remarriage.

Dependent's supplement: Paid for each of the deceased's five youngest unmarried, unemployed children younger than age 21 (no limit if disabled) conceived on or before the date of death.

Survivor grant (social insurance): The deceased had less than 36 months of contributions before the six-month period (January-June, April-September, July-December, or October-March) in which the death occurred.

Eligible survivors include a widow(er) and up to five dependent, unmarried, unemployed children younger than age 21 (no age limit if disabled). If there is no spouse or dependent child, the benefit is paid to dependent parents or to the person named by the deceased.

Funeral grant (social insurance): Paid to the person who paid for the funeral.

Old-Age Benefits

Old-age pension (social insurance): The pension is the highest of: 300 pesos plus 20% of the insured's average monthly covered earnings and 2% of average monthly covered earnings for each credited year of service exceeding 10 years; 40% of the insured's average monthly covered earnings; 1,200 pesos with at least 10 but less than 20 credited years of service; or 2,400 pesos with at least 20 credited years of service.

Average monthly covered earnings are the sum of the insured's last 60 months of covered earnings immediately before the six-month period (January-June, April-September, July-December, or October-March) in which the pension is first paid divided by 60, or the sum of all monthly covered earnings paid before the six-month period (January-June, April-September, July-December, or October-March) in which the pension is first paid divided by the number of monthly contributions paid in the same period, whichever is greater.

The insured's credited years of service are the insured's total months of contributions divided by 12 for contributions since 2002; every year in which the insured has at least six months of contributions for contributions from

1985 to 2001; 1985 minus the year the insured began making contributions for contributions before 1985.

The minimum monthly earnings used to calculate benefits are 1,000 pesos; 5,000 pesos for voluntarily insured overseas workers.

The maximum monthly earnings used to calculate benefits are 16,000 pesos.

There is no maximum monthly old-age pension.

Partial lump sum: The insured may choose to receive the first 18 months of pension payments (not including dependent supplements and the 13th pension payment in the first year) as a lump sum.

Dependent's supplement: 10% of the old-age pension or 250 pesos, whichever is greater, is paid for each eligible child.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted on an ad hoc basis based on changes in prices and wages and the financial health of the system, subject to approval by the Social Security Commission.

Old-age grant (social insurance): A lump sum of total employee and employer contributions plus accrued interest is paid.

Old-age social pension (Social Pension Program for Indigent Senior Citizens, social assistance, means tested): 500 pesos a month is paid.

Permanent Disability Benefits

Disability pension (social insurance): The pension is the highest of: 300 pesos plus 20% of the insured's average monthly covered earnings and 2% of average monthly covered earnings for each credited year of service exceeding 10 years; 40% of the insured's average monthly covered earnings; 1,000 pesos with less than 10 credited years of service; 1,200 pesos with at least 10 but less than 20 credited years of service; or 2,400 pesos with at least 20 credited years of service.

Average monthly covered earnings are the sum of the insured's last 60 months of covered earnings immediately before the six-month period (January-June, April-September, July-December, or October-March) in which the disability began divided by 60, or the sum of all monthly covered earnings paid before the six-month period (January-June, April-September, July-December, or October-March) in which the disability began divided by the number of monthly contributions paid in the same period, whichever is greater.

The insured's credited years of service are the insured's total months of contributions divided by 12 for contributions since 2002; every year in which the insured has at least six months of contributions for contributions from 1985 to 2001; 1985 minus the year the insured began making contributions for contributions before 1985.

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The minimum monthly earnings used to calculate benefits are 1,000 pesos; 5,000 pesos for voluntarily insured overseas workers.

The maximum monthly earnings used to calculate benefits are 16,000 pesos.

There is no maximum disability pension.

Dependent's supplement: 10% of the disability pension or 250 pesos, whichever is greater, is paid for each eligible child.

Partial disability: A percentage of the full disability pension is paid based on the assessed degree of disability. A lump sum is paid if the insured had less than 12 months of contributions.

Supplemental allowance: 500 pesos a month is paid.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted on an ad hoc basis based on changes in prices and wages and the financial health of the system, subject to approval by the Social Security Commission.

Disability grant (social insurance): For a permanent total disability, a lump sum of the full disability pension multiplied by the number of months of contributions or 12 (whichever is greater) is paid.

For a permanent partial disability, a lump sum of the full disability pension multiplied by the number of months of contributions or 12 (whichever is greater) multiplied by the assessed degree of disability is paid.

Survivor Benefits

Survivor pension (social insurance): 100% of the old-age or disability pension the deceased received or was entitled to receive is split among eligible survivors (illegitimate children receive 50% of the share allocated to legitimate children).

The spouse's pension ceases upon remarriage and the amount is split among the eligible surviving children.

The minimum monthly survivor pension is 1,000 pesos if the deceased had less than 10 credited years of service; 1,200 pesos with at least 10 but less than 20 credited years; 2,400 pesos with at least 20 credited years.

The deceased's credited years of service are the deceased's total months of contributions divided by 12 for contributions since 2002; every year in which the deceased had at least six months of contributions for contributions from 1985 to 2001; 1985 minus the year the deceased began making contributions for contributions before 1985.

There is no maximum survivor pension.

Dependent's supplement: 10% of the monthly old-age or disability pension the deceased received or was entitled to receive or 250 pesos, whichever is greater, is paid for up to five eligible children.

If there is no surviving spouse or dependent child and if the deceased died within 60 months of first receiving a pension, a lump sum of the remaining balance of 60 months of the pension is paid to dependent parents, or if there are no dependent parents, to the person named by the deceased.

Schedule of payments: 13 payments a year.

Benefit adjustment: Benefits are adjusted on an ad hoc basis based on changes in prices and wages and the financial health of the system, subject to approval by the Social Security Commission.

Survivor grant (social insurance): A lump sum of the old-age pension the deceased would have been entitled to receive multiplied by the number of months of contributions or 12 (whichever is greater) is paid.

Funeral grant: A lump sum of 20,000 pesos is paid.

Administrative Organization

Social Security Commission, composed of a tripartite board of representatives from the government, employers, and workers, provides general supervision, management, and regulation.

Social Security System (<https://www.sss.gov.ph/>) collects contributions and pays benefits for the social insurance program.

Department of Social Welfare and Development (<https://www.dswd.gov.ph>) administers the social assistance program.

Sickness and Maternity

Regulatory Framework

First and current laws: 1954 (sickness), 1969 (medical benefits), and 1977 (maternity).

Type of program: Social insurance system.

Coverage

Cash benefits: Private-sector employees, self-employed persons, and household workers.

Voluntary coverage for citizens of the Philippines working abroad, persons who previously had mandatory coverage, and nonworking spouses of insured persons.

Special system for government employees (cash sickness benefits only).

Medical benefits: Citizens of the Philippines.

Source of Funds

Insured person

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 1.375% of the monthly covered earnings.

The minimum monthly earnings used to calculate contributions are 10,000 pesos.

The maximum monthly earnings used to calculate contributions are 40,000 pesos.

Employed persons pay contributions monthly; overseas workers pay annually; other voluntarily insured persons may pay contributions monthly, quarterly, semi-annually, or annually.

Self-employed person

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 2,400 pesos a year with gross monthly earnings up to 25,000 pesos; 3,600 pesos a year with gross monthly earnings above 25,000 pesos.

Overseas workers pay annually; other self-employed persons and voluntarily insured persons may pay contributions monthly, quarterly, semi-annually, or annually.

Employer

Cash benefits: See source of funds under Old Age, Disability, and Survivors.

Medical benefits: 1.375% of the lower limit of the employee's salary bracket, based on 25 salary brackets.

The minimum monthly earnings used to calculate contributions are 10,000 pesos.

The maximum monthly earnings used to calculate contributions are 40,000 pesos.

Government

Cash benefits: Finances any deficit.

Medical benefits: 2,400 pesos a year for certain categories of people with low or no income.

Qualifying Conditions

Cash sickness benefit: Must have at least three months of contributions in the 12 months immediately before the six-month period (January-June, April-September, July-December, or October-March) in which the incapacity began. The insured must be hospitalized or incapacitated at home for at least four days and provide medical certification.

Cash maternity benefit: Must have at least three months of contributions in the 12 months immediately before the six-month period (January-June, April-September, July-December, or October-March) in which the birth or miscarriage occurred. Benefits are paid for up to four pregnancies, including miscarriages. Must provide medical certification of the pregnancy and a birth certificate.

Medical benefits: Employed persons must have at least three months of contributions in the six months before hospitalization. Self-employed persons and voluntarily insured persons must have at least three months of contributions in the six months before hospitalization if no surgical

procedure is involved; nine months in the 12 months before hospitalization if a surgical procedure is involved. Contribution requirements are waived for registered retirees and pensioners, certain categories of people with low or no income, and overseas workers.

Sickness and Maternity Benefits

Sickness benefit: 90% of the insured's average daily covered earnings is paid after a three-day waiting period (except for an injury or an acute disease) for up to 120 days in a calendar year. The benefit payment period may not exceed 240 days for the same illness.

Daily covered earnings are the sum of the insured's six highest months of covered earnings in the 12 months before the six-month period (January-June, April-September, July-December, or October-March) in which the incapacity began divided by 180.

Maternity benefit: 100% of the insured's average daily covered earnings is paid for 60 days each for up to four births or miscarriages (78 days for a caesarean birth or an ectopic pregnancy that requires surgery).

Daily covered earnings are the sum of the insured's six highest months of covered earnings in the 12 months before the six-month period (January-June, April-September, July-December, or October-March) in which the birth or miscarriage occurred divided by 180.

Workers' Medical Benefits

Accredited health care providers offer comprehensive health care services, including basic primary care, inpatient and outpatient services, and emergency care, which are paid directly by the health fund according to a fixed schedule (fee for service and case rates for select medical and surgical procedures).

Cost sharing: There is some cost sharing for general and specialist care, hospital care, laboratory and X-ray fees, surgery, and medicine.

There is no cost sharing for citizens of the Philippines aged 60 or older, household workers, and certain categories of people with low or no income and their dependents, who are treated at government hospitals and facilities.

Inpatient treatment is limited to 45 days a year for insured persons and each of their covered dependents.

Inpatient treatment abroad is reimbursed based on an established fee schedule for claims submitted within 180 days of discharge.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

No additional premium is required for a spouse, unmarried and unemployed children (including foster children) younger than age 21 (no limit if disabled), and parents

aged 60 or older who are not independently enrolled or who are assessed with a disability.

Administrative Organization

Social Security Commission, composed of a tripartite board of representatives from the government, employers, and workers, provides general supervision, management, and regulation of the cash benefits.

Employers pay sickness and maternity benefits directly to employees and are reimbursed by the Social Security System. The Social Security System pays benefits to self-employed and voluntary members.

Social Security System (<https://www.sss.gov.ph/>) collects contributions and administers the cash benefits.

Department of Health (<https://www.doh.gov.ph/>) provides policy coordination and guidance for the medical benefits.

Philippine Health Insurance Corporation (<https://www.philhealth.gov.ph/>) collects contributions for the medical care program and oversees the provision of medical benefits. Medical care is provided by accredited providers.

Work Injury

Regulatory Framework

First and current laws: 1928 (workmen's compensation); and 1974 (work injury), implemented in 1975.

Type of program: Social insurance system.

Coverage

Private-sector employees, household workers, and public-sector employees, including government employees, firefighters, military, police, coast guard, and correctional personnel.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 10 pesos a month for each private-sector employee with monthly earnings below 14,750 pesos; 30 pesos a month with monthly earnings of at least 14,750 pesos.

The Employees' Compensation Commission periodically adjusts the maximum monthly earnings used to calculate contributions.

Government: 100 pesos a month for each public-sector employee; finances any deficit.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

90% of the insured's average daily covered earnings is paid from the first day of disability for up to 120 days; may be extended up to 240 days if further treatment is required.

Daily covered earnings are the sum of the insured's six highest months of covered earnings in the last 12 months before the six-month period (January-June, April-September, July-December, or October-March) in which the incapacity began divided by 180.

The minimum daily temporary disability benefit is 110 pesos for private-sector employees.

The maximum daily temporary disability benefit is 480 pesos for private-sector employees.

The benefit is suspended if the insured does not undergo at least one medical exam a year.

Permanent Disability Benefits

The monthly pension is 115% of the permanent disability pension under Old Age, Disability, and Survivors.

The minimum monthly permanent disability pension is 2,000 pesos.

Dependent's supplement (permanent total disability): 10% of the insured's disability pension or 250 pesos, whichever is greater, is paid for each of the insured's five youngest unmarried, unemployed children younger than age 21 (no limit if disabled).

Partial disability: The pension is the same as the permanent total disability pension but is paid for a limited period according to a schedule in law for each specified disability. If the awarded duration of the pension is less than a year, the pension is paid as a lump sum.

Caregiver's allowance (permanent total and partial disability): 1,000 pesos a month is paid.

The degree of disability is assessed annually by a Government Service Insurance System doctor. The pension is suspended if the beneficiary is gainfully employed (in the case of a total disability), fails to undergo an annual physical examination, does not provide a doctor's quarterly medical report, or is fully rehabilitated.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital services; rehabilitation, physical and occupational therapy; medical appliances and prosthesis; skills and entrepreneurial training; and meals and transportation allowances.

Survivor Benefits

Survivor pension: 100% of the permanent total disability pension the deceased received or was entitled to receive is paid.

Dependent's supplement: 10% of the permanent total disability pension the deceased received or was entitled

to receive is paid for each of the insured's five youngest unmarried, unemployed children younger than age 21 (no limit if disabled).

The pension is shared between the spouse and dependent, unmarried children younger than age 21 (no limit if disabled) with monthly earnings less than 300 pesos.

If there is no eligible spouse or dependent child, the insured's monthly pension (excluding dependent supplements) is paid to dependent parents for up to 60 months, minus the number of months the pension was paid to the deceased before his or her death.

Funeral grant: A lump sum of 30,000 pesos is paid to the person who paid for the funeral.

Administrative Organization

Employees' Compensation Commission (<http://ecc.gov.ph/>), a government corporation attached to the Department of Labor and Employment (<https://www.dole.gov.ph/>), oversees and administers the program.

Employers pay temporary disability benefits directly to employees and are reimbursed by the Social Security System.

Social Security System (<https://www.sss.gov.ph/>) collects contributions and pays permanent disability benefits.

Unemployment

Regulatory Framework

Labor law (1974) requires employers to provide severance pay to employees who are dismissed due to illness, downsizing, or redundancy. The benefit amount is half a month of the employee's pay for each year of service if the dismissal is due to illness or downsizing; one month of pay for each year of service if the dismissal is due to redundancy.

The Public Employment Service Office provides free employment promotion services to unemployed workers.

Family Allowances

Regulatory Framework

First and current law: 2008 (cash transfer).

Type of program: Social assistance system.

Coverage

Needy residents of the Philippines.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family cash transfer (Pantawid Pamilyang Pilipino Program, [4P's], means tested): Paid to households that meet a series of requirements related to health, education, and family development: children up to age five must undergo regular medical check-ups and receive prescribed vaccines, children aged six to 14 must receive deworming pills twice a year, and children aged 3 to 18 must be enrolled in school and register at least an 85% attendance rate; pregnant women must receive pre- and post-natal care, and be attended by a trained professional during childbirth; and parents and guardians must attend monthly training activities.

Health grant: Paid to children younger than age 19 and pregnant women.

Education grant: Paid to children aged 19 or younger.

Rice subsidy: Paid to households that are beneficiaries of the 4P's program.

Means test: Must be assessed as poor based on the National Household Targeting System for Poverty Reduction (NHTS-PR).

Family Allowance Benefits

Family cash transfer (Pantawid Pamilyang Pilipino Program, [4P's], means tested):

Health grant: 500 pesos a month is paid for each eligible child and pregnant woman.

Education grant: 300 pesos a month is paid for each eligible child in elementary school; 500 a month for each child in high school for up to 10 months a year. The education grant is paid for up to three children per household.

Rice subsidy: 600 pesos a month is paid to each participating household.

Administrative Organization

Department of Social Welfare and Development, in collaboration with the Department of Health, the Department of Education, and the National Economic and Development Authority, administers the program.