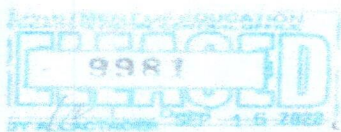




Republic of the Philippines
Department of Education
CORDILLERA ADMINISTRATIVE REGION



Republic of the Philippines
Department of Education

OFFICE OF THE UNDERSECRETARY FOR FINANCE

MEMORANDUM
 OUF-2022-0455

TO : ALL REGIONAL DIRECTORS
 ALL SCHOOLS DIVISION SUPERINTENDENT
 MARIA CLARISSE T. LIGUNAS, Information and Communications
 Technology Service (ICTS)
 DIRECTOR ANNE RACHEL C. MIGUEL, Bureau of Human
 Resource and Organizational Development (BHRD)

ATTENTION : Regional Chiefs of Administrative and Finance Divisions
 Heads of Regional Payroll Services Unit
 Heads of Schools Division Administrative Unit
 Heads of Schools Division Finance Unit
 School Heads of Implementing Unit Secondary Schools (LI-SS)
 Francis Allen Dela Cruz, Chief, BHRD-Personnel Division

FROM :
 ANNALYN M. SEVILLA
 Undersecretary for Finance

DR. GLORIA J. MAMIL-MERCADO
 Undersecretary for Human Resource and Organizational Development,
 National Educators Academy of the Philippines,
 Teacher Education Council Secretariat, and
 DepEd Employees' Associations Coordinating Office

SUBJECT : DIRECTIVES ON THE SETTLEMENT OF PHILHEALTH
 ARREARS OF DEPED PERSONNEL NATIONWIDE FROM
 JANUARY TO MAY 2022

DATE : SEPTEMBER 5, 2022

1. This pertains to the implementation of payroll deductions on the increase of PhilHealth premium pursuant to PhilHealth Circular No. 2019-0009 on the Premium Contribution Schedule in the National Health Insurance Program (NHIP) pursuant to Republic Act No. 11223 known as the "Universal Health Care Act." As per PhilHealth Advisory No. 2022-0010, all members and employers must be guided with the following:

- a. Effective January 2022, the monthly rate of PhilHealth premium per member is 4.0%, with an income floor of P 10,000.00 and income ceiling of P 80,000.00, to be paid equally by the employee and the employer (i.e. 2% by the member and 2% per member by the employer per month, from the former 1.5% each per month);

2/F Rizal Building, DepEd Complex, Meralco Avenue, Pasig City
 Telephone No. : (02) 8633-9342; Fax No. : (02) 8638-3703; Email Address: usec.finance@pm@deped.gov.ph

DEPARTMENT OF EDUCATION
 RECORDS SECTION REGIONAL OFFICE - CAR

To: **Schools Division Superintendents**
All Schools
All Others Concerned

For Information and Guidance:

FOR THE REGIONAL DIRECTOR:

MAKSIM A. BOTILAS
 Chief Administrative Officer

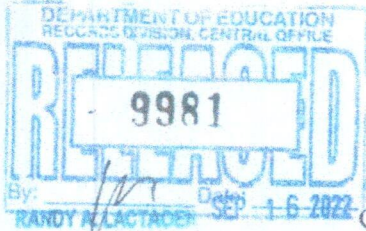
To: School Administrators, Principals & Teachers In-Charge
 (Elementary & Secondary)

FOR YOUR INFORMATION & APPROPRIATE ACTION

FEDERICO P. MARTIN, EdD, CEEd, CESO V
 Schools Division Superintendent

Admin/MARIELA marvinjohn





Republic of the Philippines
Department of Education

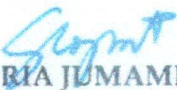
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DIRECTOR ANNE RACHEL C. MIGUEL, Bureau of Human
Resource and Organizational Development (BHROD)

ATTENTION : *Regional Chiefs of Administrative and Finance Divisions*
Heads of Regional Payroll Services Unit
Heads of Schools Division Administrative Unit
Heads of Schools Division Finance Unit
School Heads of Implementing Unit Secondary Schools (IU-SS)
Francis Allen Dela Cruz, Chief, BHROD-Personnel Division

FROM : 
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Undersecretary for Finance


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Teacher Education Council Secretariat, and
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- a. Effective January 2022, the monthly rate of PhilHealth premium per member is 4.0%, with an income floor of P 10,000.00 and income ceiling of P 80,000.00, to be paid equally by the employee and the employer (i.e. 2% by the member and 2% per member by the employer per month, from the former 1.5% each per month);

- b. The adjusted premium rate shall take effect in the PhilHealth's Electronic Premium Remittance System (EPRS) and the PhilHealth Member Portal starting month of June 2022; and
 - c. The settlement of 1% monthly differential payments/remittances (0.5% for employees and 0.5% for employer) for January to May 2022 shall be until December 31, 2022.
2. This office has been informed that existing payroll deductions for loan amortizations, insurance premiums and mutual aid system membership due to government financial institutions (GFIs) and/or accredited private entities affecting a significant number of employees were bumped-off and placed under Undeducted Obligations effective June 2022. This is to maintain the net take-home pay of employees at the allowable amount of not lower than P 5,000.00. The bumped-off deductions will further increase upon the settlement of the five (5) months PhilHealth premium differentials or arrears.
3. Coordination with the PhilHealth Central Office was done by this Department to appeal for the extension of the settlement of the said PhilHealth arrears in year 2023, however, the representatives of PhilHealth informed that there is yet no new ExeCom body and Board to study and approve or disapprove the appeal.
4. To address the aforesaid issue, as consulted with personnel in-charge of payroll preparation of the Central and Regional Offices, all concerned are hereby instructed to:
 - a. Deduct from the November 2022 payroll, using **APDS Code 0009**, the five (5) months PhilHealth arrears of DepEd employees, ranging from P 312.90 to P 3,500.00 depending on their monthly basic salary. The month of November 2022 has been chosen, in time for the release of the year-end bonus, so that DepEd employees will be less burdened with their other monthly financial obligations. Please be reminded that the deduction of PhilHealth arrears from the year-end bonus is not allowed under the existing accounting and COA rules.
 - b. Resume the regular payroll (without the PhilHealth arrears) by December 2022.
 - c. Include the tax adjustments resulting to the increase in PhilHealth premium for FY 2022 in the zero-based computation of year-end tax.
 - d. For the recipient workstation in case of employee's transfer of place of assignment, assume the responsibility of collecting the PhilHealth arrears through payroll deduction.
 - e. Extend the termination date for every month of delay of the affected GFI/accredited private entity deductions, in accordance with Annex C-1 (for loans) and Annex D of Enclosures 2 and 3, of DepEd Order No. 20, s. 2021, regarding the Authority to Deduct signed by the concerned DepEd employees.

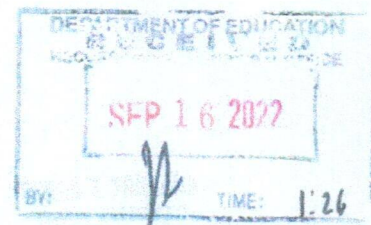
5. The IU-SS and Schools Division Office preparing regular and supplementary payrolls, respectively, whether using FoxPro payroll program or MS Excel application shall likewise follow the instructions in item 4 above.

6. The ICTS-SDD is also directed to provide the corresponding adjusted FoxPro payroll program to the regions and include the message below in the payslip of DepEd employees from October to November 2022:

Payroll deduction of the 0.5% of Philhealth premium differentials from January to May 2022 pursuant to PhilHealth Advisory No. 2022-0010 shall take effect in November 2022. Termination dates of dislodged obligations shall be extended for every month of non-deduction.

7. All concerned must ensure the monthly remittance of PhilHealth premium of DepEd employees and the settlement of PhilHealth arrears for FY 2022 on or before December 31, 2022. In this regard, please also be guided with DBM Circular No. 2022-6 dated April 6, 2022, entitled "Prescribed Health Insurance Premium (HIP) Contributions of Government Employees to the Philippine Health Insurance Corporation (PHIC) Consistent with Republic Act (R.A.) No. 11223 (An Act Institutionalizing Universal Health Care For All Filipinos, Prescribing Reforms in the Health Care System, and Appropriating Funds Therefor) For Fiscal Year 2022." Particular attention is invited to Item 2.1 of said Circular stating that the government premium, contributions to be remitted to PhilHealth shall be subject to advice or notice by the DBM to ensure that such contributions are duly covered by corresponding appropriations.

8. Immediate dissemination of this Memorandum is enjoined.





Republic of the Philippines
Department of Education
OFFICE OF THE UNDERSECRETARY FOR FINANCE

September 5, 2022

ADVISORY

**TO ALL PRIVATE ENTITIES ACCREDITED WITH THE
DEPARTMENT'S AUTOMATIC PAYROLL DEDUCTION SYSTEM (APDS) PROGRAM**

**RE : IMPLEMENTATION OF THE INCREASE OF PHILHEALTH PREMIUM
OF DEPED EMPLOYEES FOR YEAR 2022**

This pertains to the implementation of payroll deductions for the increase in PhilHealth premium pursuant to PhilHealth Circular No. 2019-0009 on the Premium Contribution Schedule in the National Health Insurance Program (NHIP) in compliance with Republic Act No. 11223 otherwise known as the "Universal Health Care Act." PhilHealth Advisory No. 2022-0010 provides that all members and employers must be guided with the following:

- a. Effective January 2022, the monthly rate of PhilHealth premium per member is 4.0%, with an income floor of P10,000.00 and income ceiling of P80,000.00, to be paid equally by the employee and the employer (i.e. 2% by the member and 2% per member by the employer per month, from the former 1.5% each per month).
- b. The adjusted premium rate shall take effect in the PhilHealth's Electronic Premium Remittance System (EPRS) and the PhilHealth Member Portal starting month of June 2022; and
- c. The settlement of 1% monthly differential payments/remittances (0.5% for employees and 0.5% for employer) for January to May 2022 shall be until December 31, 2022.

As a result of the implementation of the above, existing payroll deductions for loan amortizations, insurance premiums and mutual aid/benefit system (MAS/MBS) membership contribution due to government financial institutions (GFIs) and/or accredited private entities affecting a significant number of employees were bumped-off and placed under Undeducted Obligations effective June 2022. This is to maintain the net take-home pay of DepEd employees at the allowable amount of not lower than P5,000.00 as required by law (i.e., Section 55. Authorized Deductions, General Provisions of the General Appropriations Act for Fiscal Year 2022). The bumped-off deductions will expectedly increase upon the settlement of the five (5) months PhilHealth premium differentials or arrears.

As a **win-win solution** for both the affected DepEd employees and the private entities accredited with the DepEd's APDS, in consultation with personnel in charge of payroll preparation, the agreement was to implement a one-time deduction for the settlement of five (5) months PhilHealth arrears through payroll deduction scheduled in November 2022. The month of November 2022 has been chosen, in time for the release of the year-end bonus, so that DepEd employees will be less burdened with their other monthly financial obligations. Thus, only one month of the affected APDS accredited entities' remittance will be disturbed instead of multiple months, in case the

AS

Department settles said PhilHealth arrears on staggered basis. The DepEd has determined that this is the best solution which would serve the interests of both our employees and your businesses.

Considering that aforesaid circumstance is unavoidable, we respectfully remind all private entities accredited with the Department's APDS against charging penalties, fines or surcharges in compliance with paragraph 4.7 of the Terms and Conditions of the APDS Accreditation (TCAA) as shown below:

"4.7 The Lender/Accredited Entity shall not charge penalties/fines/surcharges due to delays of payments as a result of any of the following:

- 4.7.1 Failure on the part of the Lender to pick up remittance checks;*
- 4.7.2 Non-remittance due to suspension or revocation of Accreditation;*
- 4.7.3 Failure of the DepEd to remit on time due to errors, inadvertence, force majeure, or any extreme circumstance;*
- 4.7.4 Non-existence of office or affiliate company in a particular province; and*
- 4.7.5 Other reasons/causes similar or analogous to the above."*

Termination dates of loan amortizations/insurance premium/MAS/MBS membership contributions in the payroll shall be extended for every month of delay in remittances for the affected deductions consistent with Annexes C-1 (for loans) and Annex D (for insurance premia/MAS/MBS membership contributions) of the TCAA, regarding the prescribed Authority to Deduct of the accredited entities' borrowers/members, as shown below. Although maturity dates are extended, the accredited entities are nonetheless assured of their collections/remittances.


Annex C-1 (for loans)

"x x x... In case my loan amortization is not deducted in the payroll, regardless of the reason, I also authorize DepEd to automatically adjust the termination period in my pay slip by one (1) month for every month of delay of its deduction."

Annex D (for insurance premia/MAS/MBS membership contributions)

"x x x... In case my premium contribution is not deducted from the payroll, regardless of the reason, I also authorize DepEd to automatically adjust the termination period in my pay slip by one (1) month for every month of delay of its deduction. I fully understand that no lapses of payment shall be made by the Accredited Entity for this purpose, thus, the corresponding benefit as contracted shall be available in case of need."

Please be guided accordingly. Thank you.


ANNALYN M. SEVILLA
Undersecretary

/eamd

