

# PROCEDURES ON PHILHEALTH PREMIUM REMITTANCE AND REPORTING FOR THE EMPLOYED SECTOR

## *Objective:*

**To ensure promptness of employer remittances to prevent being penalized.**



# INTRODUCTION:



One of most important employer transactions with PhilHealth is premium remittance.

Correct and prompt premium remittance ensures that employees are able to avail of their benefits and it is the responsibility of the employers that premium remittance are forwarded to PhilHealth on time.

# ON REMITTANCE...

*Section 20, Rule III of the Revised IRR specifically states the following:*

“The member’s monthly contribution shall be deducted and withheld automatically by the employer from the former’s salary, wage or earnings. The employer’s counterpart in the payment of contribution shall not in any manner be charged to the employee”

“The monthly premium contribution of employed members shall be remitted by the employer on or before the 10th calendar day of the month for which the payment is due and applicable”

“The remittance of the employer XXXX shall be supported by a Quarterly Remittance List to be submitted to the Corporation not later than 15 calendar days after the end of each calendar quarter.”

# PHILHEALTH PREMIUM RATES

## *How much?*

not more than 3% of income  
Salary cap of 20,000

## *Why?*

Principle of **SOCIAL SOLIDARITY**  
**COMMUNITY SPIRIT**

**RISK SHARING** among income groups, age groups  
regardless of social status



<b>Monthly Salary Bracket</b>	<b>Monthly Salary Range</b>	<b>Salary Base (SB)</b>	<b>Total Monthly Contribution</b>	<b>Personal Share (PS) (PS = SB x 1.25%)</b>	<b>Employer Share (ES) ES = PS</b>
<b>1</b>	<b>P 4,999.99 and below</b>	<b>P 4,000.00</b>	<b>P 100.00</b>	<b>P 50.00</b>	<b>P 50.00</b>
<b>2</b>	<b>5,000.00 to 5,999.99</b>	<b>5,000.00</b>	<b>125.00</b>	<b>62.50</b>	<b>62.50</b>
<b>3</b>	<b>6,000.00 to 6,999.99</b>	<b>6,000.00</b>	<b>150.00</b>	<b>75.00</b>	<b>75.00</b>
<b>4</b>	<b>7,000.00 to 7,999.99</b>	<b>7,000.00</b>	<b>175.00</b>	<b>87.50</b>	<b>87.50</b>
<b>5</b>	<b>8,000.00 to 8,999.99</b>	<b>8,000.00</b>	<b>200.00</b>	<b>100.00</b>	<b>100.00</b>
<b>6</b>	<b>9,000.00 to 9,999.99</b>	<b>9,000.00</b>	<b>225.00</b>	<b>112.50</b>	<b>112.50</b>
<b>7</b>	<b>10,000.00 to 10,999.99</b>	<b>10,000.00</b>	<b>250.00</b>	<b>125.00</b>	<b>125.00</b>
<b>8</b>	<b>11,000.00 to 11,999.99</b>	<b>11,000.00</b>	<b>275.00</b>	<b>137.50</b>	<b>137.50</b>
<b>9</b>	<b>12,000.00 to 12,999.99</b>	<b>12,000.00</b>	<b>300.00</b>	<b>150.00</b>	<b>150.00</b>
<b>10</b>	<b>13,000.00 to 13,999.99</b>	<b>13,000.00</b>	<b>325.00</b>	<b>162.50</b>	<b>162.50</b>
<b>11</b>	<b>14,000.00 to 14,999.99</b>	<b>14,000.00</b>	<b>350.00</b>	<b>175.00</b>	<b>175.00</b>
<b>12</b>	<b>15,000.00 to 15,999.99</b>	<b>15,000.00</b>	<b>375.00</b>	<b>187.50</b>	<b>187.50</b>
<b>13</b>	<b>16,000.00 to 16,999.99</b>	<b>16,000.00</b>	<b>400.00</b>	<b>200.00</b>	<b>200.00</b>
<b>14</b>	<b>17,000.00 to 17,999.99</b>	<b>17,000.00</b>	<b>425.00</b>	<b>212.50</b>	<b>212.50</b>
<b>15</b>	<b>18,000.00 to 18,999.99</b>	<b>18,000.00</b>	<b>450.00</b>	<b>225.00</b>	<b>225.00</b>
<b>16</b>	<b>19,000.00 to 19,999.99</b>	<b>19,000.00</b>	<b>475.00</b>	<b>237.50</b>	<b>237.50</b>

## **2006 PREMIUM CONTRIBUTION SCHEDULE**





# Payment Procedures

***When to pay?***      ***Monthly basis***

***Deadline?***      ***On or before the 10th day of the month following the applicable month***

***Where?***      ***PhilHealth Regional/Service Offices***  
***Accredited Collecting Banks***



# REQUIREMENTS NEEDED

PHILHEALTH REGIONAL / SERVICE OFFICE	AUTHORIZED BANK
<ol style="list-style-type: none"><li>1. Completely filled up RF-1 (Employers Remittance Report)</li><li>2. Accomplished payment slip</li></ol> <p>-----</p> <p>Philhealth office will issue an official receipt upon Receipt.</p>	<ol style="list-style-type: none"><li>1. Properly filled up ME-5</li></ol> <p>-----</p> <p>Bank will give back validated ME-5 upon payment 1<sup>st</sup> copy (white) &amp; 2<sup>nd</sup> copy (yellow)</p>

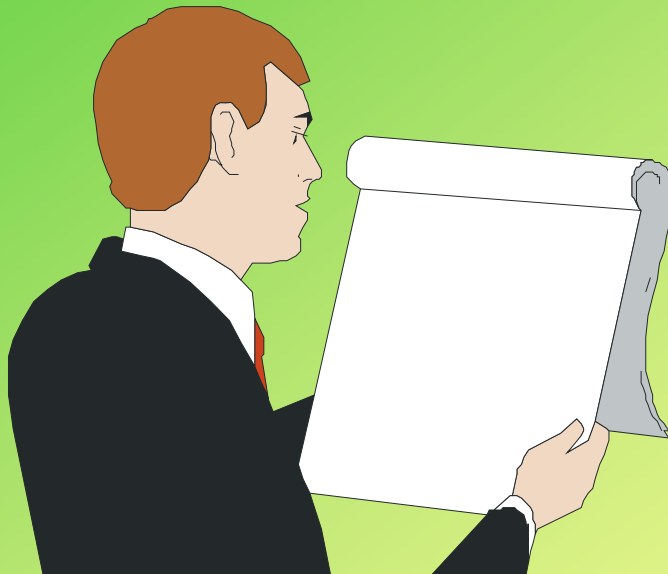


# Premium Contribution Reporting

***A. Quarterly reporting procedures using hard copy***

***B. Monthly reporting - effective July***

**2008**



# Requirements to be submitted

## Payments made at PhilHealth Service Office

- > Submit properly accomplished RF-1
- > Philhealth Official Receipt (xerox copy)

## Payments made at any accredited banks

- > Submit properly accomplished RF-1
- > Validated ME-5 (yellow copy)

## C. Soft copy or diskette reporting

1. Diskette
2. Corresponding ME-5 and/or validated receipts



### ***Where?***

PhilHealth Regional Office III, PhilHealth Building,  
Lazatin Blvd. San Agustin, City of San Fernando,  
Pampanga or to any of our service offices

### ***Deadline?***

On or before 15th day of the month following  
the applicable quarter

# Problems Encountered



1. *Late submission of report or non-submission of report*
2. *Under payment*
3. *Selective Remittance*
4. *Lost Receipts*

# SETTLEMENT OF ARREARS

(for unremitted premiums since July 1, 1999)



Arrears shall cover all unpaid or underpaid premiums.

***Terms:***

1. Lump sum
2. Installment
  - In Cash
  - Post dated checks (PDCs)

## Cont. . . **SETTLEMENT OF ARREARS**

**Provided that:**

**-Either P50,000 or total amount of arrears, whichever is lower, shall be remitted within three (3) months from the start of the payment term. Maturity date/s of PDCs issued for this case shall not be longer than the 3<sup>rd</sup> month from the start of payment term.**





## Cont . . . SETTLEMENT OF ARREARS

The balance of arrears over P50,000 shall be remitted within the immediate following 4<sup>th</sup> to 12<sup>th</sup> month following the proposed payment schedule submitted by the employer and approved by PhilHealth. Maturity date/s of PDCs issued for this purpose shall not be longer than one (1) year from the start of the payment term.

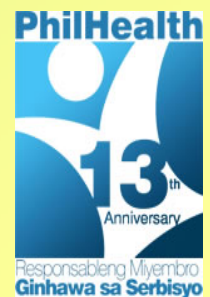
**The payment term shall commence, one (1) month after receipt of this billing statement and shall not be longer than one (1) year.**

# Penalties

## **Failure or refusal to deduct contributions:**

Any employer or officer who fails or refuses to deduct contributions from employee's compensation or remit the same shall be penalized depending on the violation specified below. The fine shall be in addition to the outstanding applicable contribution receivable from the employer and shall be multiplied by the total number of employees of the firm.

***(Sec. 161 of the Revised Implementing Rules and Regulations of RA 7875 as amended)***





# Violations

# Fines

1. Did not or refuses to deduct contribution for all or certain number of employees	
• Three months (3) or less of employees contri.	P 500.00
• More than three (3) months but less than six (6) months of employees contribution	P 625.00
• More than six (6) months but less than nine (9) months of employees contribution	P 750.00
• More than nine (9) months but less than twelve (12) months of employees contributions	P 875.00
• More than twelve (12) months of employees contribution	P1,000.00

## Violations

## Fines

2. Did not deduct the right amount	
• Three (3) months or less of employee's contribution	P 500.00
• More than three (3) months but less than six (6) months of employee's contribution	P 625.00
• More than six (6) months but less than nine (9) months of employee's contribution	P 750.00
• More than nine (9) months but less than twelve(12) months of employee's contribution	P 875.00
• More than twelve (12) months of employee's contribution	P1,000.00
3. Combination of 1 and 2	

# Penalties



## **Failure or Refusal to remit contributions:**

Any employer or officer authorized to collect contributions who, after collecting or deducting the monthly contributions due from his/its employees, fails or refuses to remit said contributions to the Corporation within 30 days from the date they become due shall be presumed to have misappropriated such contribution and shall suffer the penalties hereunder indicated and those provided for in Article 315, part 1 (b) of the Revised Penal Code on Swindling. The fine shall be in addition to the outstanding applicable contribution receivable from the employer and shall be multiplied by the total number of employees of the firm.

***(Sec. 162 of the Revised Implementing Rules and Regulations of RA 7875 as amended)***

## Violations

## Fines

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<ul style="list-style-type: none"><li>• Three (3) months or less of employee's contribution</li></ul>	P 500.00
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<ul style="list-style-type: none"><li>• More than nine (9) months but less than twelve(12) months of employee's contribution</li></ul>	P 875.00
<ul style="list-style-type: none"><li>• More than twelve (12) months of employee's contribution</li></ul>	P1,000.00

# Penalties



## Unlawful deductions:

Any employer or officer who shall deduct directly or indirectly from the compensation of the covered employees or otherwise recover from them their own contribution on behalf of such employees shall be punished by imprisonment not exceeding 1 year or a fine not exceeding P1000 multiplied by the total number of employees employed by the firm, or both fine and imprisonment, at the discretion of the Court.

***(Sec. 163 of the Revised Implementing Rules  
and Regulations of RA 7875 as amended)***

# Penalties



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**Thank You**