



Outsourcing brief

Q4 2019



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2019-0009

Premium Contribution Schedule in The National Health Insurance Program (NHIP) Pursuant To Republic Act No. 11223 known as The "Universal Health Care Act"

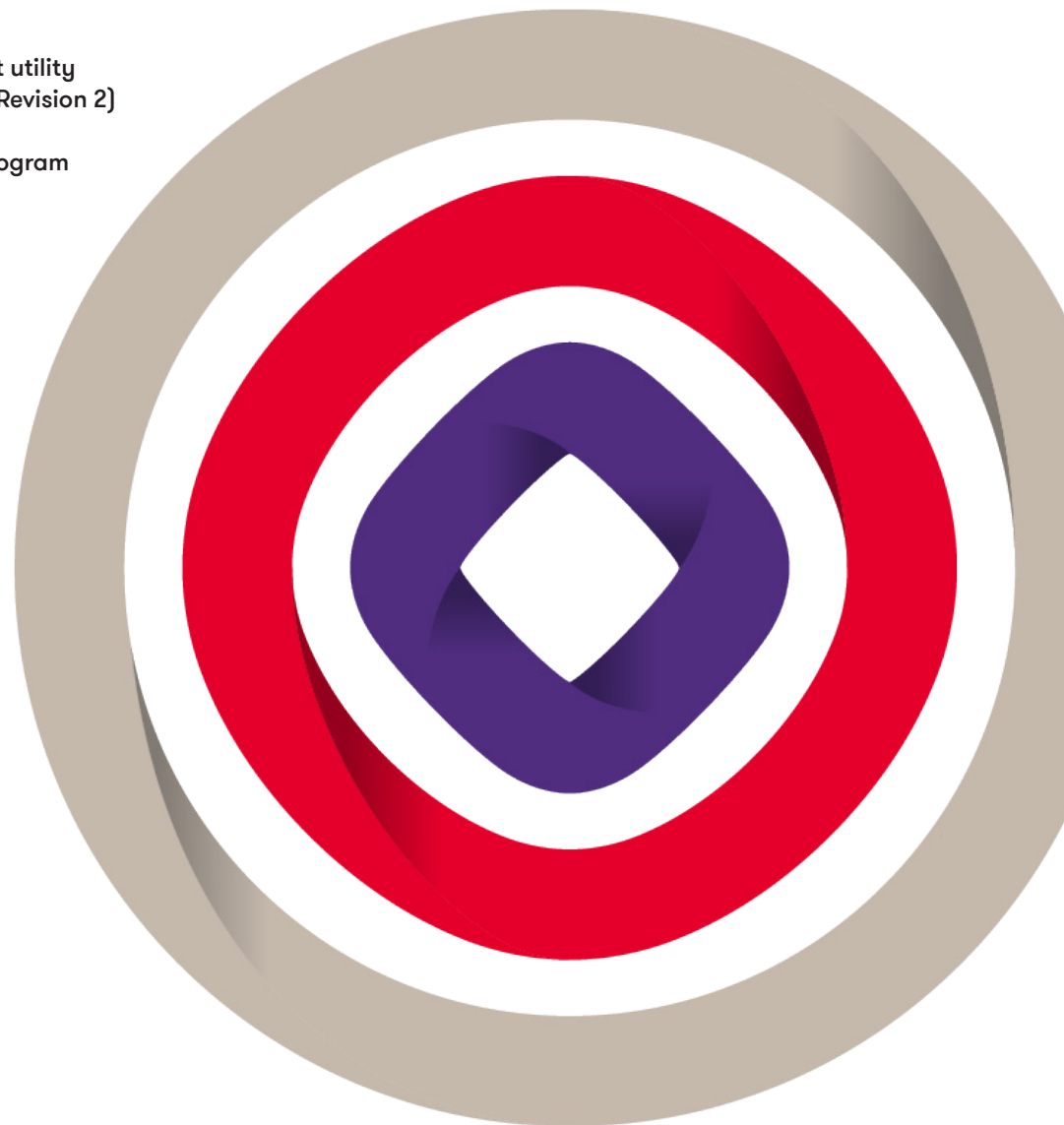
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REVENUE MEMORANDUM CIRCULAR NO. 105-2019: PROPER TAX TREATMENT OF MATERNITY LEAVE BENEFITS UNDER REPUBLIC ACT NO. 11210

The Revenue Memorandum Circular was issued to clarify the proper tax treatment of the maternity leave benefits of female employees in the private sector. Provisions of the Republic Act (RA) No. 11210 or the 105-Day Expanded Maternity Leave Law (EMLL) prescribes that workers availing of the maternity leave benefit will receive a full salary. RA No. 11210 mandates employers to pay salary differential for the remuneration to total the full salary, including the actual cash benefit from the Social Security System (SSS).

As previously mandated by Section 2.78.1 (B)(1)(e) under Revenue Regulations (RR) No. 2-98, as amended, remunerations and payment of benefits received by employees as an incident of employment from the SSS Law is exempt from tax. The salary differential is, likewise, granted an exemption from income and withholding tax, since the RR No. 2-98 did not provide qualification in granting tax exemption on payment of benefits under the SSS law.

To read the full version of the circular, please refer to: https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/RMC%20Full%20Text%202019/RMC%20No.%20105-2019.pdf

REVENUE MEMORANDUM CIRCULAR NO. 125-2019: NEW APPROVED MINIMUM DAILY WAGE RATE IN WESTERN VISAYAS

The new minimum wage rates are as follows, with consolidated rates in the agriculture sector.

Sector/Industry	Wage order No. RBVI-24		Wage Order No. RBVI-25	
	Basic	Wage Increase	New Minimum Wage Rate	Percentage Increase
1. Non-Agriculture/Industrial				
Commercial				
a. Employing more than ten (10) workers and below	365	30	395	8%
b. Employing ten (10) workers and below	295	15	310	5%
2. Agriculture*			315	7%
a. Plantation	295	20		
b. Non-Plantation	295	20		

*Consolidated rates considering the wages for plantation and non-plantation are both the same.

To read the full version of the circular, please refer to: https://www.bir.gov.ph/images/bir_files/internal_communications_2/RMCs/RMC%20Full%20Text%202019/RMC%20No.%20125-2019.pdf

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CIRCULAR NO. 2019-014: GUIDELINES ON THE REAL-TIME PROCESSING OF LOANS (RTPL)

The following were issued to amend policies pertaining to RTPL effective 11 November 2019:

1. Amendment to the existing short-term member loan policies and guidelines pertaining to RTPL
2. Real time processing of Loans Granting
3. Real time processing of Loan Payments (covering the applicable month of October 2019)

Amendment to the existing short-term member loan policies and guidelines pertaining to RTPL

The circular is annexed by a list of amendments based on each loan activity in availing of a short-term member loan.

Particulars	Amendment
a. Filing of loan application	Online filing will be available through the My.SSS facility of the SSS mobile app. OTC application shall be available only for loans that require additional documents (Calamity, Education Assistance, Emergency).
b. Deadline for payment	Payment due shall be on or before the last day following the month of the amortization. The payment deadline based on the ER's or individual member's SS number will no longer be the basis for the due date.
c. Interest	The loan shall be charged 10% per annum with prorated interest from date of loan granting to the end of the month prior to the first amortization month shall be deducted in advance from the loan proceeds.
d. Penalty of arrearages	Penalty is still at 1% per month. Any delay by a fraction of a month will be charged a full-month penalty.

Particulars	Amendment
e. Overpayment	Overpayment on the previous loan shall be subject to validation by the SSS and shall be applied to the active loan.
f. Underpayment/ arrearages (default)	The SSS issues a new provision on unpaid obligation equivalent to more than six months. Loans in this condition will be considered in default and will become due and demandable.
g. Issuance of loans billing	Monthly billings with PRN will be sent through email or SMS.
h. Loan reference for payment reporting and posting	Mandatory use of PRN for loan payments.

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Real-time processing of Loans Granting

The amendment mandates the registration of ERs and individual members in the My.SSS facility through the SSS website or at any SSS branch e-center. Salary loans should be submitted through this channel, in contrast to loans such as Calamity, Education Assistance and Emergency loans, which should be filed at SSS branches due to additional requirements. The amendment also mandates the nomination of a bank account through My.SSS upon the availability of the Bank Enrollment Module. Loan proceeds will be processed to the nominated bank account in the absence of the member's UMID-ATM.

Real-time processing of Loan Payments (covering the applicable month of October 2019)

Aside from mandatory registration in My.SSS, the circular also mandates the use of a Payment Reference Number (PRN) in paying for loans through any payment channel. Likewise, employers are required to submit an Electronic Loan Collector List (e-LCLC) through the My.SSS facility. This will enable individual members with preassigned PRNs to receive their Statement of

Account on My.SSS.

To read the full circular, please refer to: <https://www.sss.gov.ph/sss/Download-Content?fileName=ci2019-014.pdf>

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**CIRCULAR No. 2019-0007
PER FAMILY PAYMENT (PFP)
PROCESSING USING THE AUTOMATED
PAYMENT UTILITY IN THE PHILHEALTH
HCI PORTAL (U-PCM) AND OTHER
CERTIFIED ELECTRONIC MEDICAL
RECORD (EMR) (REVISION 2)**

The Circular is issued to establish Electronic Medical Record (EMR) for Primary Care Benefit (PCB)-accredited providers with objectives set out in Section II of the Circular, as follows:

- a. Establish an electronic data record system for PCB-accredited providers.
- b. Ensure complete and timely reporting of health data for monitoring and performance assessment and evaluation purposes.
- c. Improve operational efficiency and turnaround time for paying health care providers.

PCB providers who afforded access to care to eligible members through enlistment, profiling, and provision services through Electronic Medical Records (EMR) shall be reimbursed on a Per Family Payment (PFP) Scheme. If PCB-accredited hospitals and RHU do not have an EMR system, they will submit data through the following:

Covered Period	Submission of PCB Data
2017	Manual excel file with additional data requirements (MEF Plus)
2018	EMR Service Provider
2019	EMR Service Provider

Per Family Payment Rate (PFPR) and generation of Statement of Accounts Payables (SAP) shall be done through Centralized Automated Batch Processing (CASBP). PFP will be processed afterwards. The generation of SAP for both EMR and MEF data shall be done on the 15th calendar day of the two immediately succeeding months after the applicable quarter.

Reports from PCB will be submitted monthly. See schedule below.

Levels of Data Transmission	Reporting Module		
	MEF Plus	EMR-Online	EMR-Offline
RHUs to LHIOs	Within seven (7) calendar days after the applicable month	N/A	N/A
RHUs to EMR Providers	N/A	Daily/Real-time	Within seven (7) calendar days after the applicable month
EMR Providers to PHIE Lite	N/A	Daily/Real-time	Within three (3) calendar days after the receipt of reports from PCB1 providers

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Per Family Payment

The following formula will apply:

$$\text{PFPR} = [\text{EM} \times \text{P50}] + [\text{EM} \times \text{A}]$$

Where:

$$\text{A} = (\text{PMD}/\text{EMD}) \times 100 = \% \text{PMD}$$

A = % PMD (Use Table 1 to identify the amount allotted for the %)

Where:

A = Amount Allotted

EM = number of enlisted members

EMD = number of enlisted members and their dependents

PMD = number of profiled members and dependents

Percentage profiled MM and DD (%PMD)	Amount Allotted
80%-100%	P 75
70%-79%	P 50
50%-69%	P 25
Less than 50%	P 0

To read the full version of the circular, please refer to: <https://www.philhealth.gov.ph/circulars/2019/circ2019-0007.pdf>

CIRCULAR NO. 2019-0009: PREMIUM CONTRIBUTION SCHEDULE IN THE NATIONAL HEALTH INSURANCE PROGRAM (NHIP) PURSUANT TO REPUBLIC ACT NO. 11223 KNOWN AS THE “UNIVERSAL HEALTH CARE ACT”

The Circular provides the new premium contribution schedule for direct contributors in accordance with the Implementing Rules and Regulations (IRR) of RA No. 11223 or the Universal Health Care (UHC) Act. The new premium contribution aims to operationalize “individual-based health services” pursuant to the UHC Act.

The new premium contribution covers all direct contributors as defined under the UHC Act, including qualified dependents.

For the new schedule of premium contributions, as well as the full copy of the new circular, please refer to: <https://www.philhealth.gov.ph/circulars/2019/circ2019-0009.pdf>

CIRCULAR NO. 2019-0010 GUIDELINES ON THE GRANTING OF IMMEDIATE ELIGIBILITY TO MEMBERS

The Circular is issued pursuant to the IRR of RA No. 11223 or the UHC Act. The UHC Act provides that every Filipino shall be granted “immediate eligibility,” as defined by the contribution-based rules for benefit availment in accredited health care institutions (HCIs) in the Philippines. Immediate eligibility means access to PhilHealth benefits and services from contracted facilities and basic accommodations in accredited or contracted private HCIs. Non-basic accommodations can be availed of in accredited or contracted private HCIs, provided that there is full payment from the reckoning date (November 2019) to the date of admission.

Individual members without full payment must settle unpaid premiums with interest, as provided in PhilHealth Circular No. 2019-0009.

To read the full circular, please refer to: <https://www.philhealth.gov.ph/circulars/2019/circ2019-0010.pdf>

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LABOR ADVISORY NO. 10-2019 ORGANIZATIONS RECOGNIZED AS FIRST AID TRAINING PROVIDERS ASIDE FROM THE PHILIPPINE RED CROSS (PRC)

To address issues or concerns related to medical incidents that may be considered emergency or critical to the patient or community, this Labor Advisory considers organizations such as the Department of Health (DOH), Bureau of Fire Protection (BFP), Technical Education and Skills Development Authority (TESDA) or accredited training centers to provide first-aid training.

Certificates issued by these organizations are considered valid and effective. The appointment of these organizations addresses different approaches to various scenarios related to the main paradigm of that organization (e.g., BFP to provide training on fire-related incidents, such as burns or asphyxia due to suffocation)

The regional offices of these organizations monitor and report their respective compliance to the Bureau of Working Conditions (BWC) 15 days after the reference quarter.

This Labor Advisory remains effective and valid, unless otherwise superseded or amended.

For full length of the advisory, refer to:

https://docs.google.com/viewerng/viewer?url=https://www.dole.gov.ph/wp-content/uploads/2019/10/Labor-Advisory-10-19-Organizations-Recognized-as-First-Aid-Training-Providers-aside-from-the-Philippine-Red-Cross-PRC.pdf&hl=en_US

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