

Republic of the Philippines
PHILIPPINE HEALTH INSURANCE CORPORATION
Citystate Centre Building, 709 Shaw Boulevard, Pasig City
Healthline 441-7444 www.philhealth.gov.ph



17 January 2014

OFFICE ORDER

No. 0019, s-2014

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SUBJECT: Reiteration of PhilHealth "No Gift" Policy

In consonance with the Civil Service Commission's (CSC) policy and Republic Act 6713 – Code of Conduct and Ethical Standards for Public Officials and Employees, the following guidelines on the "No Gift" gift policy in the Corporation is hereby reiterated:

I. RATIONALE

The guidelines on the "No Gift" gift policy in the Corporation were formulated in accordance with the following constitutional and legal provisions:

- (1) Section 27, Article II of the 1987 Constitution which states that *"The State shall maintain honesty and integrity in the public service and take positive and effective measures against graft and corruption"*;
- (2) Section 1, Article XI of the 1987 Constitution defining that *"Public office is a public trust. Public officers and employees must, at all times, be accountable to the people; serve them with utmost responsibility, integrity, competence and loyalty, act with patriotism and justice; and lead modest lives"*;
- (3) Section 7 (d) of the Code of Conduct and Ethical Standards for Public Officials and Employees (RA 6713) which mandates that *"Public officials and employees shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan or use anything of monetary value from any person in the course of their official duties or in connection with any operation being regulated by, or any transaction which may be affected by the functions of their office."*;
- (4) Section 1 of the Anti-Graft and Corrupt Practices Act (RA 3019) which provides that: *"It is the policy of the Philippine Government, in line with the principle that a public office is a public trust, to repress certain acts of public officers and private persons alike which constitute graft or corrupt practices or which may lead thereto"*;
- (5) Section 3 (b) and (c) of RA 3019 which declares as a corrupt practice the acts of: *"Directly or indirectly requesting or receiving any gift, present, share, percentage, or benefit, for himself or for any other person, in connection with any contract or transaction between the Government and any other party, wherein the public officer in his official capacity has to intervene under the law"* and *"Directly or indirectly requesting or receiving any gift, present or other pecuniary or material benefit, for himself or for another, from any person for whom the public officer, in any manner or capacity, has secured or obtained, or will secure or obtain, any Government permit or license, in consideration for the help given or to be given."*; and,



- (6) Section 29 of the Code of Corporate Governance for GOCCs (GCG Memorandum Circular No. 2012-07, s. 2012), which mandates that: "...every Governing Board shall formally adopt a No Gift Policy' within the GOCC and ensure its full advertisement to the community and its strict implementation by particular set of rules";

II. DEFINITION OF TERMS

1. *Personnel* – includes regular, temporary, coterminous, directly-hired and casual rank and file employees and officers of PhilHealth unless used in a more specific context.
2. *Gift* – refers to a thing or a right disposed of gratuitously, or any act of liberality, in favor of another who accepts it. It shall include, but not limited to, any gratuity, favor, service, discount or price concession, legacy (except from a relative), fee, compensation, cash, securities, entertainment, simulated sale or loan, or use of anything of monetary value, whether real or personal property. It shall not include an unsolicited gift of nominal or insignificant value given freely without any form of anticipation of, or exchange for, a favor from a public official or employee.
3. *Benefit* – a right, privilege, entertainment, advantage, exemption or any other similar act of liberality in favor of another.
4. *Receiving of any gift* – includes the act of accepting directly or indirectly a gift from a person other than a member of the public officer's immediate family, in behalf of himself or herself or of any member of his or her family, even on the occasion of a family celebration or national festivity like Christmas, if the value of the gift is, under the circumstances, manifestly excessive.
5. *Gift Registry* – a record of gifts received by PhilHealth officials and personnel.
6. *Gifts of Nominal Value* – refer to gifts which value does not exceed Five Hundred Pesos (P500.00).

III. COVERAGE

This Policy shall apply to all PhilHealth personnel, rank-and-file and officers.

IV. OBJECTIVES

This Policy aims to:

- (1) Promote the PhilHealth official and personnel's integrity in the diligent performance of their duties as public servants;
- (2) Ensure PhilHealth personnel's provision of consistent high quality service and non-preferential treatment to all members and stakeholders;
- (3) Establish transparency in the Corporation; and,
- (4) Clearly define the rules on receiving of gifts in the workplace.

V. GENERAL POLICIES

1. All PhilHealth personnel, rank-and-file employees and officers, shall not solicit, demand, or accept, directly or indirectly, any gift from any person, group, association,

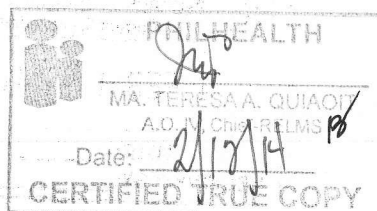
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or juridical entity, whether from the public or private sector, at any time, on or off the work premises, where such gift is either:

- (a) given in the course of their official duties or in connection with any transaction which may be affected by the functions of their office;
- (b) illegal or in violation of laws;
- (c) part of an attempt or agreement to do anything in return;
- (d) given to influence the actions of directors or employees; or
- (e) creating the appearance of a conflict of interest.

2. The following gifts shall be exempted from the prohibition under this Policy:

- (a) token gifts, plaques, awards, certificates, cards, thank you notes, other written forms of souvenir, tokens of courtesy, appreciation of gratitude and recognition, which are deemed appropriate to the occasion or ceremonies for which they are given;
- (b) Seminar items (e.g. pens, hand-outs, etc.) or any other materials which are uniformly given to all participants in the seminar;
- (c) Books, pamphlets, publications, data and other information or reading materials that are directly useful to the Corporation in the performance of its mandates, objectives, and are given by individuals or organizations that have no pending business with the Corporation as to create an actual or potential conflict of interest;
- (d) Gifts given on special occasions between and among PhilHealth employees or directors;
- (e) Scholarships or fellowship grants, travel grants or expenses for travel taking place within or outside of the Philippines (such as allowances, transportation, food and lodging) if appropriate and consistent with the interest of the government, and with prior approval by the proper authorities in accordance with applicable laws or regulations;
- (f) Honoraria given as speaker or resource person in seminars when such honoraria are authorized under existing laws or rules and regulations and subject to compliance with all the requirements prescribed therein;
- (g) Working lunches or dinners with members or stakeholders, if such lunches or dinners are inevitable in the course of official transaction;
- (h) Product samples of nominal value given by clients or potential clients if giving such samples are allowed under the law or part of the standard procedures mandated by law or the rules (e.g. rules on bidding); and,
- (i) Unsolicited gifts of nominal or insignificant value provided that these are not given in anticipation of, or in exchange for, a favor from the public official or employee.



3. Notices of this Policy shall be posted in conspicuous areas of all Offices/Departments, PhilHealth Regional Offices (PROs) and Branches, Local Health Insurance Offices (LHIOs), including Service Desks and PhilHealth booths.
4. If any gift prohibited under this Policy is offered or given to any PhilHealth personnel, the latter shall politely decline acceptance of such gift and courteously inform the giver about the Corporation's "No Gift Policy".
5. In the event that, despite diligent efforts to refuse acceptance, any gift is inevitably received because it was sent through modes other than personal delivery or the giver insisted acceptance, the recipient of the gift shall report the acceptance thereof and turn-over the gift to the Head of the Office of the recipient within twenty-four (24) hours from receipt for proper documentation and handling of the gift in accordance with the provisions of this Policy.
6. Except for Section V.2 a-d, any gift received, regardless of value or kind, shall be registered in a Gift Registry to be maintained by the office of the manager of the personnel-recipient. The following information about the gift shall be recorded in the said registry: (1)purpose; (2)nature, form, or kind; (3)amount/value (if applicable); (4)date and time of receipt; (5)name, office address, and contact number of the giver; (6)name and position of the personnel/officer who received the gift; (7)date and time of delivery to the Gift Registry; and, (8)such other information as the head of the office of the personnel-recipient may deem necessary.
7. All gifts received shall be donated to appropriate charitable or social welfare institutions to be identified by Office concerned or to any charitable or social welfare institution in their respective areas. An acknowledgment letter shall be sent to the giver of the gift informing the latter about the donation to the said institution/s.
8. A provision adopting this Policy shall be incorporated in all contracts entered into by the Corporation with its consultants, contractors, suppliers, service providers, vendors or other such persons and institutions who have business, contractual or other similar dealings or transactions with the Corporation.
9. It shall be the responsibility of all PhilHealth personnel to report to the Human Resource Department (HRD) or the PRO HR Unit the violation of any of the provisions of this Policy. Failure to do so, as legally established upon investigation, shall be a ground for a violation of this Policy as well.
10. The Human Resource Department and its PRO HR Counterparts, in partnership with PhilHealth's Committee on Anti-Red Tape (CART), shall ensure full advertisement, monitoring, and strict implementation of this Policy. A quarterly report of the gifts received and donated or that no gift has been received shall be submitted by all offices corporate-wide within the first five (5) working days of the month.

VI. PENALTIES FOR VIOLATION

Any violation of this Policy must be reported to the Human Resource Department (HRD) or the PRO HR Units (for PRO personnel) for endorsement to the Legal Services Sector – Internal Legal Department, for investigation and disciplinary action in accordance with the specific provisions of RA 6713, RA 3019, the Revised Rules on Administrative Cases in the Civil Service (RRACCS) and other pertinent laws, rules and regulations.

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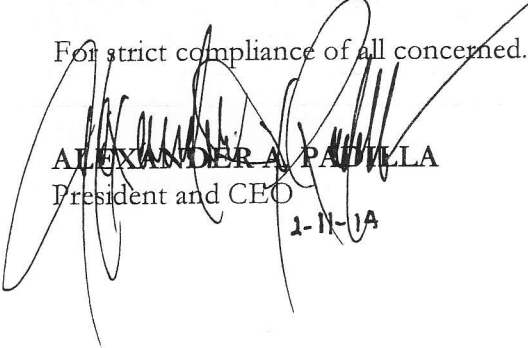
VII. MISCELLANEOUS PROVISIONS

All other rules and regulations inconsistent with any of the provisions in this Office Order are hereby repealed, amended or modified accordingly.

VIII. EFFECTIVITY

This order shall take effect immediately.

For strict compliance of all concerned.


ALEXANDER A. PADILLA
President and CEO

1-11-14

