

## **CY 2023 Performance Report of the Audit Committee** *Approved by the Audit Committee on 26 January 2024*

In 2023, the Audit Committee (AudCom) confirmed the audit reports on the following audit engagements, and issued additional directives pertinent thereto for the Management's action: COVID-19 Community Isolation Benefit Package, PhilHealth Members Accounts Information System (PMAIS) and its Databases in relation to Management of Members Accounts, Over-The-Counter Collection System (OTCCS), Implementation of Admin Decisions and Penalties of the Employees Relation and Discipline unit of Human Resource Department, Cataract Benefit Package, Employers Accounts Management and its Monitoring, Anti-Fraud Functions and Case Build-up process, Rendering of Legal Opinion by the Internal Legal Department, Maternity Care Benefits and Point of Service (POS) Program.

In compliance with good governance conditions, it reviewed and cleared the Financial Statements of the Corporation as of the fourth quarter of CY 2022, as well as the second and third quarter of CY 2023, prior to submission to the Board for subsequent approval. The AudCom also tackled key issues concerning the compliance of the Corporation with the various findings of the Commission on Audit (COA) Annual Audit Report for 2022, and concerns on the incurred but not received (IBNR) claims.

The Committee approved the extension of the audit deadlines for the Audits of NClaims System, Electronic Premium Remittance System (EPRS), and PhilHealth Provident Fund (PPF) Collections and Disbursements for CYs 2021-2022. Additionally, approval was granted for the revision of the AudCom-approved Internal Audit Strategic Plans for CY 2023 for both the Financial Audit Department (FAD) and Operations Audit Department (OAD). Similarly, the Committee also approved the Internal Audit Strategic Plan CYs 2024-2026 of the Task Force IT Audit (TFITA), FAD, and OAD. Furthermore, the Committee approved TFITA's request for four Job Order Contractor positions and increased the audit summit frequency to twice a year. As to the part of its oversight function, the Committee reviewed and successfully located the reported four missing routers.

To ensure propriety in the processes of the Corporation, the AudCom gave appropriate directions concerning the implementation of the internal audit function in PhilHealth. Later, the AudCom approved the revision of the PhilHealth Internal Audit Manual (PIAM) to conform with both the Revised Philippine Government Internal Audit Manual (RPGIAM) issued by the Department of Budget and Management (DBM) and Internal Auditing Standards for the Philippine Public Sector (IASPPS).

### **Committee Membership**

Deputy Treasurer Eduardo Anthony G. Mariño III from the Bureau of the Treasury (the alternate representative of the Department of Finance Secretary) currently serves as the chairperson of the AudCom with Board Member Alejandro L. Cabading (Expert Panel) as the vice chairperson. The other AudCom Members are BGen. Marlene R. Padua (Health Care Providers Sector Representative) and Dr. Rene Elias C. Lopez (Employers Sector), Dr. Jack Domingo G. Arroyo, Jr. (Expert Panel), Director Angelica I. Sarmiento (also an alternate representative of the Department of Finance), Dr. Kenneth G. Ronquillo and Atty. Charade B.

Mercado-Grande (alternate representatives of the Department of Health), and Undersecretary Will L. Wong and Director Elena Regina S. Brillantes (alternate representatives of the Department of Budget and Management).

The tables below show the dates of Audit Committee meetings that were held in CY 2023 and the attendance of each member:

### Audit Committee Meetings Conducted

No.	Date
1	27 February 2023
2	09 March 2023
3	10 July 2023
4	27 September 2023
5	04 December 2023

### Attendance of Audit Committee Members

Name	Sector	Feb 27	Mar 09	July 10	Sept 27	Dec 04	Total
Deputy Treasurer Eduardo Anthony G. Mariño III	BTr	X	X	✓	✓	✓	3/5
Director Angelica I. Sarmiento	BTr					✓	
Atty. Charade B. Mercado-Grande	DOH	X	X				1/5
Dr. Kenneth G. Ronquillo				X	✓	X	
Undersecretary Will L. Wong	DBM	✓	✓	✓	X	✓	4/5
Undersecretary Maria Francesca M. Del Rosario (Observer)						✓	
Alejandro L. Cabading, CPA	Expert Panel	✓	✓	✓	✓	✓	5/5
Dr. Jack Domingo G. Arroyo, Jr.	Expert Panel	✓	✓	✓	✓	✓	5/5
Dr. Rene Elias C. Lopez	Employers Sector	✓	✓	✓	✓	✓	5/5
BGen. Marlene R. Padua	HCP Sector	✓	✓	✓	✓	✓	5/5

Note: Dark blue fields denote that the member was not yet or no longer on board at the time of the meeting.