

## **CY 2022 Performance Report of the Audit Committee** *Approved by the Audit Committee on 27 February 2023*

In 2022, the Audit Committee (AudCom) confirmed the audit reports on the following audit engagements, and issued additional directives pertinent thereto for the Management's action: Hemodialysis Package, HCP-PAS: Medical Post-Audit, MMHR and RFV, Self-Earning Individuals and Professional Practitioners, All Case Rates, PhilHealth KonSulTa Package, Process of Enrollment and Accounts Management of 4Ps/MCCT and Listahanan Benefits, Process of Enrollment and Accounts Management of Overseas Filipino Workers/Migrant Workers, Lifetime Member Program, Process of Enrollment and Accounts Management of Employers in the Private Sector, Procurement Process, Procurement of Awarded and Paid Contracts for ICT Resources, Corporate Information Security, Disaster and Emergency Preparedness Program, Risk Management Process, PhilHealth Corporate Dashboard, Paid Contracts for ICT Projects with Similar Names for CY 2016-2020, and Member Information System.

In compliance with good governance conditions, it reviewed and cleared the Financial Statements of the Corporation as of the third and fourth quarter of CY 2021, as well as the first and third quarter of CY 2022, 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 Insurance Commission (IC), the COA Annual Audit Report for 2020 and 2021, and concerns on the incurred but not received (IBNR) claims.

As part of its oversight function, the Committee reviewed the hiring process of the Human Resource Department (HRD) and confirmed the appointment of Dr. Erwin P. Bucu as Medical Specialist III in the Internal Audit Group (IAG).

To ensure propriety in the processes of the Corporation, the AudCom gave appropriate directions concerning the implementation of the internal audit function in PhilHealth based on the replies of the Commission on Audit (COA), Department of Budget and Management (DBM), Legal Sector, and the subsequent proposal of the IAG. Later, the AudCom approved the 2022 Revised PhilHealth Internal Audit Charter to conform with both the Internal Auditing Standards for the Philippine Public Sector (IASPPS) of the COA and the Revised Philippine Government Internal Audit Manual (RPGIAM) of the DBM.

The AudCom confirmed the closure of the completed audit recommendations for IT systems and core processes for CY 2013-2021, as well as the completed audit recommendations for support processes for CY 2013-2020. As for the audit recommendations which were not implemented, the Committee directed their endorsement to the Risk Management Committee.

OIC-Deputy Treasurer Eduardo Anthony G. Mariño III from the Bureau of the Treasury (the alternate representative of Finance Secretary Benjamin E. Diokno) 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). Director Maria Grace M. Delos Santos (the alternate representative of Budget and Management Secretary Amenah F. Pangandaman) became part of the AudCom as of 11 February 2022, Dr. Jack Domingo G. Arroyo, Jr. (Expert Panel) as of 23 March 2022, and OIC-Undersecretary Charade B. Mercado-Grande (DOH representative) as of 15 August 2022 in lieu of Asec. Romeo A. Ong. Dr. Teodoro J.

Herbosa (Expert Panel) resigned from office on 03 March 2022 and Dr. Maria Graciela G. Gonzaga (Expert Panel) was replaced by Board Member Emmanuel R. Ledesma, Jr. as of 24 November 2022.

### Audit Committee Meetings Conducted

Number	Date
1	January 20, 2022
2	February 17, 2022
3	March 17, 2022
4	April 8, 2022
5	May 19, 2022
6	June 14, 2022
7	September 13, 2022
8	October 26, 2022
9	November 23, 2022

### Attendance of Audit Committee Members

Current Members	Agency/Sector	1/20	2/17	3/17	4/8	5/19	6/14	9/13	10/26	11/23	Total
OIC-Deputy Treasurer Eduardo Anthony G. Mariño III	Department of Finance/Bureau of the Treasury	✓		✓	✓	✓	✓	✓	✓		7/9
Alejandro L. Cabading, CPA	Expert Panel	✓	✓	✓	✓	✓	✓	✓	✓	✓	9/9
OIC-Usec. Charade B. Mercado-Grande	Department of Health										0/9
Dr. Jack Domingo G. Arroyo, Jr.	Expert Panel			✓	✓	✓	✓	✓	✓	✓	7/9
BGen. Marlene R. Padua	Health Care Providers Sector	✓	✓	✓	✓	✓	✓	✓	✓	✓	9/9
Director Maria Grace M. Delos Santos	Dept. of Budget and Management					✓	✓				2/9
Dr. Rene Elias C. Lopez	Employers Sector	✓	✓	✓	✓	✓	✓	✓	✓	✓	9/9

Former Member	Agency/Sector	1/20	2/17	3/17	4/8	5/19	6/14	9/13	10/26	11/23	Total
Dr. Maria Graciela G. Gonzaga	Expert Panel	✓	✓	✓	✓	✓	✓	✓	✓	✓	9/9
Asec. Romeo A. Ong	Department of Health	✓	✓	✓							3/9
Dr. Teodoro J. Herbosa	Expert Panel	✓									1/9

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