

No. 06-01-2013

RE-IMPOSITION OF INTEREST ON LATE AND NON-REMITTANCE OF PREMIUM CONTRIBUTIONS

Section 20 of the Revised Implementing Rules and Regulations of R.A. 7875 or the National Health Insurance Act of 1995, as amended, provides that the member's monthly contribution shall be deducted and withheld automatically by the employer from the former's salary, wage or earnings, and shall be remitted by the employer on or before the tenth (10th) calendar day of the month following the applicable month for which the payment is due and applicable.

To strictly enforce the provision of the law and to effectively and accurately monitor and ascertain compliance to premium contribution remittance and compute premium arrearages for proper enforcement of interests and penalties on employer delinquency, the PhilHealth Board, through Board Resolution No. 1669, series of 2012, had resolved and approved the adoption and institutionalization of PhilHealth Accounts Management System (PAMS) which include, among others the effective implementation of the policy on "Re-imposition of Interest on Non-remittance and Late Premium Remittances and Arrearages."

Through PhilHealth Circular No. 004, Series of 2013, which took effect on April 12, 2013 (fifteen (15) days after its publication in the newspaper of general circulation last March 28, 2013), ALL premium contribution payments or any balance thereof that have not been paid or remitted to PhilHealth after they became due and payable shall incur a monthly interest rate of two percent (2%), which shall be charged against delinquent or erring employers, and which shall be computed as follows:

$$\text{Interest} = \text{Remittable Amount} \times 2\% \times \frac{\text{Number of Days Delayed}}{30 \text{ Days}}$$

Thus, effective APRIL 12, 2013, Premium remittances that remained unpaid upon the effectivity date or after the respective due date shall incur the prescribed interests. Settlement thereof shall be made separately and directly to the PRO/LHIO that manages the accounts of the employers. Corollary, ALL Accredited Collecting Agents (ACAs) are hereby instructed NOT TO ACCEPT any late payments from the erring employers. Instead, to inform the latter to settle their late remittances to the PRO/LHIO that has jurisdiction over their accounts.

For guidance of all concerned.



ENRIQUE T. ONA MD

Secretary of Health/Chairman of the Board and
OIC, President and CEO