

TAMANG SAGOT

PhilHealth Circular No. 019-2015

Modified Computation of Interests And/or Surcharges On Delayed Employer Remittances

1. What is the basis of this Circular?

Stipulations relative to late or delayed remittance of premium contributions in Section 16(v) of the NHIA of 2013 provides that “notwithstanding the provisions of any law to the contrary, to impose interest and/or surcharges of not exceeding three percent (3%) per month, as may be fixed by the Corporation, in case of any delay in the remittance of contributions which are due within the prescribed period by and employer, whether public or private.”

2. Who are covered by the Circular?

All employers in the government and private sectors.

3. Considering that interests on delayed employer remittances were imposed before, what are the modifications or changes in its computation?

Interests and/or surcharges shall now be computed based on the remittable amount multiplied by the interest rate (2%) and the number of months, or fraction thereof that the payment was delayed OR P200.00, whichever is higher.

Where: Remittable amount is the total premium contributions due, inclusive of interests and/or surcharges incurred from the previous month/s' late payment of contributions.

Number of months delayed shall be computed by counting the number of months starting from the day immediately after the deadline to the actual date of remittance, inclusive of Saturdays, Sundays and holidays. A fraction of a month shall be computed as one whole month delayed; i.e. premium contribution delayed for 1 day shall already be considered a delay for one month.

Example:

An employer whose premium for the applicable month of October 2015 amounting to P5,000 which is due on November 15 and generates SPA on November 23, shall be imposed a P200.00 interest/surcharge as the computed interest ($P5,000.00 \times 2\% \times 1 \text{ month} = P100.00$) is less than the P200.00 minimum surcharge.

On the other hand, an employer whose overdue premium amounts to P20,000.00 shall be imposed a P400.00 interest/surcharge ($P20,000.00 \times 2\% \times 1 \text{ month}$). The total premium payable, inclusive of the incurred interest, should be paid on or before December 20 of the same year to prevent incurring additional interests and/or surcharges