



Republic of the Philippines  
**PHILIPPINE HEALTH INSURANCE CORPORATION**

Citystate Centre, 709 Shaw Boulevard, Pasig City  
 Call Center (02) 441-7442 Trunkline (02) 441-7444  
[www.philhealth.gov.ph](http://www.philhealth.gov.ph)



**PHILHEALTH CIRCULAR**

No. 003-2015

**TO : ALL GOVERNMENT AND PRIVATE SECTOR EMPLOYERS AND ACCOUNTING FIRMS**

**SUBJECT : Recovery of Payments for Properly Filed Claims by Employed Members but Without Qualifying Contributions**

Pursuant to **Section 18(d)** of the Revised Implementing Rules and Regulations (RIRR) of the National Health Insurance Act of 2013 on the Payment of Premium Contributions: *"The failure of the employer to remit the required contribution and to submit the required remittance list shall make the employer liable for reimbursement of payment of a properly filed claim in case the concerned employee or dependent/s avails of Program benefits, without prejudice to the imposition of other penalties as provided for in this Rules."*

Further, the same RIRR states the following provisions:

*"Section 178 on the Failure or Refusal to Register/Deduct Contributions – Any employer or officer who fails or refuses to register/deduct contributions from the employee's compensation shall be penalized with a fine of not less than Five Thousand pesos (Php 5,000.00) multiplied by the total number of employees of the firm.*

*Section 179 on the Failure or Refusal to Remit Contributions – Any employer or officer authorized to collect contributions who, after collecting or deducting the monthly contributions due from the employees, fails or refuses to remit said contributions to the Corporation within thirty (30) days from the date they become due shall be punished with a fine of not less than Five Thousand pesos (Php 5,000.00) but not more than Ten Thousand pesos (Php 10,000.00) multiplied by the total number of employees of the firm."*

Based on the above provisions, this Circular shall apply to all claims duly paid for by PhilHealth for employee-members and/or their qualified dependents but without qualifying contributions. Further, the Corporation shall be empowered to recover the said claim payments including unpaid premiums plus all applicable interests/penalties. Failure to comply therewith shall authorize PhilHealth to pursue appropriate legal action(s) against the concerned employers that are either delinquent, under-remitting, non-remitting and/or non-reporting as defined below:

- A. **Delinquent Employers** – Employers who have missed payment of the monthly contribution in behalf of all its employees for at least one (1) month within a period of six (6) months.
- B. **Under-remitting Employers** – Employers who remitted and reported contributions for all its employees that is less than the amount of premium prescribed by the Corporation and/or employers who remitted the prescribed amount of contribution but did not include all its employees.
- C. **Non-remitting Employers** – Employers who have not remitted any premium contributions in behalf of its employees from the start of their operations or those who have not paid any premium contributions for six months or more.

**MASTER DOCUMENT**  
 DC: phb-actv Date: 2/27/15



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- D. **Non-reporting Employers** – a registered or unregistered employer who may or may not have remitted premium contributions in behalf of its employees and has not submitted any reports for at least one month within a period of six (6) months.

This Circular shall take effect fifteen (15) days after its publication in any newspaper of general circulation and shall be deposited with the National Administrative Register at the University of the Philippines Law Center.

All provisions of previous issuances which are consistent and were not affected by this Circular shall remain in full force and effect.

  
ALEXANDER A. PAULILLA  
President and CEO

Date signed: 2/27/15

