

THIRTEENTH CONGRESS OF)
THE REPUBLIC OF THE PHILIPPINES)
First Regular Session)

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SENATE

P.S. Res. No. 287

RECEIVED BY: G

INTRODUCED BY HONORABLE MAR ROXAS

A RESOLUTION

URGING THE COMMITTEE ON GOVERNMENT CORPORATIONS AND PUBLIC ENTERPRISES TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE POLICIES OF THE GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS) AFFECTING THE SOCIAL SECURITY AND INSURANCE BENEFITS RECEIVED BY GOVERNMENT EMPLOYEES.

WHEREAS, it is the policy of the State to promote the efficiency and welfare of government employees through laws that grant social security and insurance benefits.

WHEREAS, on June 24, 1997, Republic Act No. 8291, otherwise known as "The Government Service Insurance System Act of 1997", took effect. It expanded and increased the coverage and benefits under the old GSIS law, and correspondingly increased the monthly contributions to be paid by the members from 7.5%/8.5% to 9%, and by employers from 9%/10.5% to 12%.

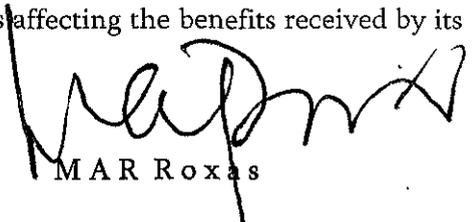
WHEREAS, the members' contributions are automatically deducted from their salaries. On the other hand, the increase in employer's share on the contribution for the years 1997 and 1998 was not supported by any appropriation. RA 8291 took effect in mid-1997 when there was already an operating budget, while the budget for 1998 was already submitted by the Executive Department to Congress.

WHEREAS, the GSIS instituted policy and systems reforms with the purpose of preserving the viability of the insurance and pension fund, viz.: (1) premium-based policy, or the computation and payment of benefits to members based on monthly premiums actually collected; (2) claims and loans interdependency policy (CLIP) or the automatic deduction of loan and premium arrearages from the maturing benefits and approved loans of members; and (3) computerization of GSIS' premium and loan repayment databases.

WHEREAS, pursuant to said policy and systems reforms, the GSIS automatically deducted from members claiming their benefits the premium arrearages corresponding to their employer's share on contributions for the period from July 1997 to December 1998, including accrued interests thereon, thereby decreasing the total benefits that members may receive.

WHEREAS, it is absolutely unjust, as it finds no basis in law, that government's increased share in contributions should be deducted by GSIS from the benefits and loans rightfully due to its members. This puts into question the fairness and validity of the GSIS' policies on matters affecting the social security and insurance benefits of 1.5 million members.

NOW THEREFORE, BE IT RESOLVED, AS IT IS HEREBY RESOLVED, that the Senate urge the Committee on Government Corporations and Public Enterprises to conduct an inquiry, in aid of legislation, to determine the policies employed by the Government Service Insurance System in the implementation of Republic Act No. 8291, particularly on matters affecting the benefits received by its members.


MAR ROXAS