



Department of Budget and Management
Department of Health



Joint Circular No. 1 s. 2016
July 15, 2016

TO : All Heads of Departments, Agencies, State Universities and Colleges (SUCs) and Other Offices of the National Government Including Commissions/Offices under the Constitutional Fiscal Autonomy Group (CFAG), and Government-Owned or –Controlled Corporations (GOCCs); Chief Executives of Local Government Units (LGUs); and All Others Concerned

SUBJECT : Amendment to DBM-DOH Joint Circular No. 1 s. 2012 Regarding the Rules and Regulations on the Grant of Compensation-Related Magna Carta Benefits to Public Health Workers (PHWs)

1.0 Background

1.1 The Supreme Court (SC), in the case of *Gil G. Gawad, et. al. vs. Florencio B. Abad, et. al.*, G.R. No. 207145, declared invalid Item 7.2 of the DBM-DOH Joint Circular No. 1, series 2012, which states:

“7.2. The rates of Hazard Pay for a month for PHWs exposed to the abovementioned risks shall be as follows:

7.2.1 For PHWs whose positions are at SG-19 and below, Hazard Pay shall be based on the degree of exposure to high risk or low risk hazards, as specified in sub-items 7.1.1 and 7.1.2 above, and the number of workdays of actual exposure over 22 workdays in a month, at rates not to exceed 25% of monthly basic salary. In case of exposure to both high risk and low risk hazards, the Hazard Pay for the month shall be based on only one risk level, whichever is more advantageous to the PHW.

Actual Exposure \ Level of Risk	Level of Risk	
	High Risk	Low Risk
12 or more days	25% of monthly basic salary	14% of monthly basic salary
6 to 11 days	14% of monthly basic salary	8% of monthly basic salary
Less than 6 days	8% of monthly basic salary	5% of monthly basic salary

7.2.2 PHWs whose positions are at SG-20 and above may be entitled to Hazard Pay at 5% of their monthly basic salaries for all days of exposure to high risk and/or low risk hazards. However, those exposed to high risk hazards for 12 or more days in a month may be entitled to a fixed amount of P4,989.75 per month.”

1.2 In view of said SC Decision, and in order to update and clarify certain guidelines on the grant of Magna Carta Benefits to PHWs, there is a need to amend pertinent rules and regulations thereon.

2.0 Purpose

This Circular is being issued to repeal certain provisions of DBM-DOH Joint Circular No. 1 dated November 29, 2012, particularly Items 7.0 and 13.0 thereof on the rules on the grant of Hazard Pay and the rules on the grant of Salary Step Increment for completion of a Post Graduate Degree, respectively.

3.0 New Rules on Hazard Pay

The new rules on the grant of Hazard Pay should be read as follows:

- 3.1 Hazard Pay is an additional compensation for performing hazardous duties and for enduring physical hardships in the course of the performance of duties.

As a general compensation policy, and in line with Section 21 of RA No. 7305, Hazard Pay may be granted to PHWs if the nature of their duties and responsibilities, their actual services, and location of work expose them to great danger, occupational risks, perils to life, and physical hardships, as determined by the Secretary of Health, or by the Head of the Agency or the Local Chief Executive, with the approval of the Secretary of Health.

- 3.2 Pursuant thereto, Hazard Pay may be granted to PHWs exposed to danger, perils to life and physical hardships in the following areas and circumstances:

- 3.2.1 Specific work areas in hospitals, sanitaria, leprosaria, and infirmaries such as patient wards, intensive care units, operating rooms, out-patient departments, and other medical departments where PHWs are in contact with patients with contagious and communicable diseases and handle hospital paraphernalia used by patients such as linen, food, utensils, bed pan, etc.;
- 3.2.2 Specific work areas in Provincial Health Offices, City Health Offices, Municipal Health Offices, rural health units, and health centers where PHWs are exposed to out-patients with contagious and communicable diseases;
- 3.2.3 Specific work areas in the DOH Central Office, DOH-Regional Offices, DOH attached agencies, and other health-related establishments where PHWs are exposed to patients with contagious and communicable diseases, or handling infectious specimens for testing, chemicals and other hazardous items;
- 3.2.4 Radiation-exposed areas such as laboratories and service workshops that involve operation or maintenance of radiation-emitting equipment and handling of radioactive and toxic substances;
- 3.2.5 Chemical and medical laboratories where personnel receive and directly handle infectious specimens or materials, or conduct inspection and regulatory functions;
- 3.2.6 Prison camps and institutions for mental health where exposure to bodily harm and risks from psychiatric patients exist;
- 3.2.7 Drug abuse drop-in centers or rehabilitation centers where exposure to bodily harm and risks from drug-crazed patients exist;

- 3.2.8 Work areas where rescue operations/evacuations are carried out due to calamities and health emergencies;
- 3.2.9 Highly disease-infected and vector-infested areas;
- 3.2.10 Work areas involving handling and/or spraying of insecticides, molluscicides, pesticides and other hazardous chemicals;
- 3.2.11 Work areas involving direct handling of laboratory animals for purposes of experimentation, research, observation and the like;
- 3.2.12 Health-related establishments located in embattled or strife-torn areas which are sites of armed encounters between government troops and enemy forces and/or enemy-initiated attacks, raids, or ambushes, as may be declared and certified by the Department of National Defense authorities concerned;
- 3.2.13 "Geographically Isolated and Disadvantaged Areas" pursuant to DOH Administrative Order No. 185, s. 2004, as defined and identified by the DOH due to distance, isolation, extreme weather conditions, and transportation inaccessibility/difficulties, hence with poor access to basic health services; and
- 3.2.14 Work areas in the health offices of the DOH Central Office, DOH Regional Offices and attached agencies, as well as in other national government agencies and local government units where PHWs are exposed to occupational risks, perils to life or physical hardships while performing administrative support services.
- 3.3 The rates of Hazard Pay per month of PHWs exposed to any of the above-mentioned risks shall be as follows:

Salary Grade	Hazard Pay (% of Monthly Basic Salary)
19 and below	25%
20	15%
21	13%
22	12%
23	11%
24-25	10%
26	9%
27	8%
28	7%
29-30	6%
31	5%

- 3.4 In the case of part-time PHWs exposed to the above-mentioned risks, they shall receive half of the amount received by full-time PHWs.
- 3.5 The Hazard Pay of officials and employees who are on detail with another agency shall be paid by the parent agency, while those on secondment shall be paid by the recipient agency;

3.6 Officials and employees who are under any, a combination, or all of the following instances for at least eleven (11) working days in a month shall not be entitled to Hazard Pay:

3.6.1 On vacation or sick leave with or without pay;

3.6.2 On full time attendance in a training, seminar, scholarship grant, or any other similar activity;

3.6.3 While availing of other leave privileges such as:

- a. Maternity leave;
- b. Paternity leave;
- c. Special Leave Privilege;
- d. Parental Leave for Solo Parents;
- e. Special Leave Benefits for Women;
- f. Rehabilitation Leave; and,
- g. Study Leave.

4.0 New Rules on Salary Step Increment for Completion of a Post Graduate Degree

A new set of rules on the grant of Salary Step Increment for Completion of a Post Graduate Degree is hereby adopted:

4.1 In line with Section 34b) of R.A. No. 7305, a PHW who holds a position in the agency plantilla of regular positions and who completes a master's or doctoral degree related to the performance of the duties and responsibilities of his/her position after at least two (2) years of service as PHW, may be entitled to one (1) step increase to be integrated into the basic salary, in recognition of his/her efforts towards professional advancement.

4.2 The grant of such one (1) salary step increment shall not be more often than every two (2) years. It shall be based on the salary grade allocation of the position in the applicable salary schedule for the NGA, GOCC, or LGU concerned. In case the salary of the PHW is already at step 8 or the last step of the salary schedule, the adjustment of one step increment shall apply once the PHW is promoted to a position with higher salary grade, in which case, the salary shall be at step 2 of the corresponding salary grade.

5.0 Application of these Rules

The provisions on the rates of Hazard Pay under Item 3.3 hereof shall be retroactive to November 5, 2015 or the date of the finality of the SC Decision in the case of *Gil G. Gawad, et. al. vs. Florencio B. Abad, et. al.* The rest of the provisions shall be prospective in its application upon the effectivity of this Circular.

6.0 Effectivity

This Joint Circular shall take effect upon publication.


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