

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>
New General Appropriations	<u>7</u>	<u>6</u>	<u>6</u>
General Fund	7	6	6
Automatic Appropriations	<u>366,007</u>	<u>387,976</u>	<u>355,092</u>
Special Account	366,007	387,976	355,092
Total Available Appropriations	<u>366,014</u>	<u>387,982</u>	<u>355,098</u>
Unused Appropriations	<u>( 6,265 )</u>		
Unreleased Appropriation	( 7 )		
Unobligated Allotment	<u>( 6,258 )</u>		
TOTAL OBLIGATIONS	<u>359,749</u>	<u>387,982</u>	<u>355,098</u>

EXPENDITURE PROGRAM  
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017 Actual</u>	<u>2018 Current</u>	<u>2019 Proposed</u>
General Administration and Support	<u>161,429,000</u>	<u>194,085,000</u>	<u>170,569,000</u>
Regular	<u>161,429,000</u>	<u>194,085,000</u>	<u>170,569,000</u>
PS	67,674,000	67,805,000	78,181,000
MOOE	92,931,000	108,526,000	76,068,000
CO	824,000	17,754,000	16,320,000
Operations	<u>198,320,000</u>	<u>193,897,000</u>	<u>184,529,000</u>
Regular	<u>198,320,000</u>	<u>193,897,000</u>	<u>184,529,000</u>
PS	161,171,000	161,291,000	154,920,000
MOOE	37,149,000	32,606,000	29,609,000
TOTAL AGENCY BUDGET	<u>359,749,000</u>	<u>387,982,000</u>	<u>355,098,000</u>
Regular	<u>359,749,000</u>	<u>387,982,000</u>	<u>355,098,000</u>
PS	228,845,000	229,096,000	233,101,000
MOOE	130,080,000	141,132,000	105,677,000
CO	824,000	17,754,000	16,320,000

Proposed New Appropriations Language  
 For general administration and support and operations, as indicated hereunder.....P 6,000  
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OPERATIONS BY PROGRAM	PROPOSED 2019 ( Cash-Based )			
	PS	MOOE	CO	TOTAL
INSURANCE, PRE-NEED, AND HMO REGULATORY AND SUPERVISORY PROGRAM	5,000			5,000

REGION	EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2019 ( Cash-Based ) (in pesos)			
	PS	MOOE	CO	TOTAL
Regional Allocation	6,000			6,000
National Capital Region (NCR)	6,000			6,000
TOTAL AGENCY BUDGET	6,000			6,000
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**SPECIAL PROVISION(S)**

- Insurance Fund. In addition to the amounts appropriated herein, One Hundred Twenty One Million Nine Hundred Ninety Seven Thousand Pesos (P121,997,000) shall be used to cover the MOOE and Capital Outlay requirements of the Insurance Commission (IC) sourced from the proceeds of premium taxes, constituted into the Insurance Fund in accordance with Section 286 of R.A. No. 8424.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292, s. 1987.

- Funding for Personnel Services. The Personnel Services of the IC shall be sourced from the Pre-need Fund in accordance with Section 5 of R.A. No. 9829. Any deficiency therefrom may be augmented by the Insurance Fund.

Release of funds shall be subject to the submission of a Special Budget pursuant to Section 35, Chapter 5, Book VI of E.O. No. 292.

- Reporting and Posting Requirements. The IC shall submit quarterly reports on its financial and physical accomplishments, within thirty (30) days after the end of every quarter, through the following:

- Unified Reporting System (URS) or other electronic means for reports not covered by the URS; and
- IC's website.

The IC shall send written notice when said reports have been submitted or posted on its website to the DBM, House of Representatives, Senate of the Philippines, House Committee on Appropriations, Senate Committee on Finance, and other offices where the submission of reports is required under existing laws, rules and regulations. The date of notice to said agencies shall be considered the date of compliance with this requirement.

- Appropriations for Activities or Projects. The amounts appropriated herein shall be used specifically for the following activities or projects in the indicated amounts and conditions:

## New Appropriations, by Programs/Activities/Projects ( Cash-Based )

	<u>Current Operating Expenditures</u>			<u>Total</u>
	<u>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	
PROGRAMS				
1000000000000000 General Administration and Support	1,000			1,000
100000100001000 General management and supervision	1,000			1,000
Sub-total, General Administration and Support	1,000			1,000
3000000000000000 Operations	5,000			5,000
3100000000000000 00 : Insurance, Pre-Need, and HMO Industries' growth and stability improved	5,000			5,000
3101000000000000 INSURANCE, PRE-NEED, AND HMO REGULATORY AND SUPERVISORY PROGRAM	5,000			5,000
310100100001000 Promulgation and implementation of policies, rules and regulations	1,000			1,000
310100100002000 Licensing of insurance, pre-need, and HMO entities and related services	1,000			1,000
310100100003000 Examination of insurance, pre-need, and HMO entities and evaluation of financial reports	1,000			1,000
310100100004000 Review and approval of premium rates, investments, reinsurance treaties, facultative placements, and products	1,000			1,000
310100100005000 Adjudication of claims/complaints and mediation of disputes	1,000			1,000
Sub-total, Operations	5,000			5,000
TOTAL NEW APPROPRIATIONS	P 6,000 =====			P 6,000 =====

Obligations, by Object of ExpendituresCYs 2017-2019  
(In Thousand Pesos)

	<u>( Obligation-Based )</u>		<u>( Cash-Based )</u>
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	166,118	169,885	169,253
Total Permanent Positions	166,118	169,885	169,253
Other Compensation Common to All			
Personnel Economic Relief Allowance	5,259	5,136	5,328
Representation Allowance	1,700	2,052	1,692
Transportation Allowance	1,423	2,052	1,692

Clothing and Uniform Allowance	1,100	1,070	1,332
Year End Bonus	14,382	14,156	14,103
Cash Gift	1,127	1,070	1,110
Productivity Enhancement Incentive	1,073		1,109
Performance Based Bonus	8,142		
Total Other Compensation Common to All	<u>34,206</u>	<u>25,536</u>	<u>26,366</u>
Other Compensation for Specific Groups			
Other Personnel Benefits	324		
Anniversary Bonus - Civilian			2,219
Total Other Compensation for Specific Groups	<u>324</u>		<u>2,219</u>
Other Benefits			
Retirement and Life Insurance Premiums	19,934	20,382	20,309
PAG-IBIG Contributions	266	256	265
PhilHealth Contributions	994	791	1,369
Employees Compensation Insurance Premiums	264	256	265
Terminal Leave	6,739	11,990	13,055
Total Other Benefits	<u>28,197</u>	<u>33,675</u>	<u>35,263</u>
TOTAL PERSONNEL SERVICES	<u>228,845</u>	<u>229,096</u>	<u>233,101</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	11,912	9,885	7,900
Training and Scholarship Expenses	8,468	12,439	12,403
Supplies and Materials Expenses	10,284	6,952	9,350
Utility Expenses	6,719	7,727	5,817
Communication Expenses	4,634	13,935	10,633
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	488	715	715
Professional Services		120	
General Services	19,056	20,275	15,297
Repairs and Maintenance	18,133	5,824	3,850
Taxes, Insurance Premiums and Other Fees	1,086	1,219	2,219
Other Maintenance and Operating Expenses			
Advertising Expenses	2,248	600	3,500
Printing and Publication Expenses	1,212	598	500
Representation Expenses	3,008	2,012	650
Rent/Lease Expenses	1,899	1,155	1,115
Membership Dues and Contributions to Organizations	1,586	1,603	1,603
Subscription Expenses	3,920	41,819	13,888
Other Maintenance and Operating Expenses	35,427	14,254	16,237
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>130,080</u>	<u>141,132</u>	<u>105,677</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>358,925</u>	<u>370,228</u>	<u>338,778</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Machinery and Equipment Outlay		17,754	10,320
Other Property Plant and Equipment Outlay	824		6,000
TOTAL CAPITAL OUTLAYS	<u>824</u>	<u>17,754</u>	<u>16,320</u>
GRAND TOTAL	<u>359,749</u>	<u>387,982</u>	<u>355,098</u>

## STRATEGIC OBJECTIVES

SECTOR OUTCOME : Sound, stable and supportive macroeconomic environment sustained

ORGANIZATIONAL  
OUTCOME : Insurance, Pre-Need, and HMO Industries' growth and stability improved

## PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2017 GAA Targets	2017 Actual
Insurance, Pre-Need, and HMO Industries' growth and stability improved Percentage contribution of the Insurance Industry to the Gross Domestic Product increased	2.5% contribution of the Insurance Industry to the Gross Domestic Product by 2017	1.64%
Net Worth of Insurance Companies increased	> or = P550M in Net Worth for each Insurance Company by 2017	P550M
Percentage of Insurance Companies and MBAs compliant with Risk Based Capital (RBC) framework increased	80% of Insurance Companies and MBAs are compliant with the required RBC hurdle rate by 2017	Annual Statements for FY 2017 which were only submitted starting April 2018 are still in the process of examination. Thus, determination of compliance will be after the conduct of examination.

MFO / Performance Indicators	2017 GAA Targets	2017 Actual
MFO 1: INSURANCE REGULATION SERVICES		
Insurance Licensing Services Percentage of applications processed with complete documentation	90%	100%
Percentage of license or permit applications processed within 14 days of receipt	80%	100%
Number of licenses and permits issued	54,905	69,829
Monitoring Number of target entities/reports/disclosures monitored	2,504	3,549
Percentage of target entities/reports/disclosures monitored for compliance to tariff rules and investment requirements	90%	100%
Percentage of monitored target entities/reports/disclosures reviewed within the year	90%	100%
Enforcement Number of entities/reports/disclosures inspected	46,585	57,044
Number of violations of tariff rules and investment requirements detected in the last 3 years	238	246
Percentage of entities/reports/disclosures that have been inspected within the prescribed schedule	90%	99%

NOTE : Exclusive of Targets funded from other sources, e.g. Special Account in the General Fund.

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	2018 GAA Targets	Baseline	2019 Targets
Insurance, Pre-Need, and HMO Industries' growth and stability improved			
INSURANCE, PRE-NEED, AND HMO REGULATORY AND SUPERVISORY PROGRAM			
Outcome Indicator(s) 1. Percentage of supervised / regulated entities meeting the net worth requirements	100%	N/A	100%

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2. Percentage of supervised / regulated entities complying with Risk Based Capital (RBC) requirements	100%	N/A	100%
Output Indicator(s)			
1. Percentage of supervised / regulated entities examined, verified or monitored	100%	N/A	100%
2. Percentage of received application for new and renewal of licenses processed within the prescribed period	100%	N/A	100%
3. Percentage of applications for premium rates, insurance products, investments, contract forms, policies, reinsurance treaties, facultative placements processed within the prescribed period	100%	N/A	100%