

G. INSURANCE COMMISSION

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>(Cash-Based)</u>		
	<u>2023</u>	<u>2024</u>	<u>2025</u>
New General Appropriations	6	6	6
General Fund	6	6	6
Automatic Appropriations	523,107	490,494	1,000,223
Special Account	523,107	490,494	1,000,223
Continuing Appropriations		92,946	
Unobligated Releases for Capital Outlays P.D. 612 /R.A. No. 8424 - Insurance Commission Fund		5,803	
Unobligated Releases for MOOE P.D. 612 /R.A. No. 8424 - Insurance Commission Fund		87,143	
Total Available Appropriations	523,113	583,446	1,000,229
Unused Appropriations	(93,017)	(92,946)	
Unobligated Allotment	(93,017)	(92,946)	
TOTAL OBLIGATIONS	430,096	490,500	1,000,229

EXPENDITURE PROGRAM
(in pesos)

GAS / STO / OPERATIONS / PROJECTS	<u>(Cash-Based)</u>		
	<u>2023 Actual</u>	<u>2024 Current</u>	<u>2025 Proposed</u>
General Administration and Support	269,076,000	311,932,000	770,905,000
Regular	269,076,000	311,932,000	770,905,000
PS	129,112,000	92,970,000	119,764,000
MOOE	134,935,000	218,962,000	404,491,000
CO	5,029,000		246,650,000
Operations	161,020,000	178,568,000	229,324,000
Regular	161,020,000	178,568,000	229,324,000
PS	134,045,000	148,477,000	199,233,000
MOOE	26,975,000	30,091,000	30,091,000
TOTAL AGENCY BUDGET	430,096,000	490,500,000	1,000,229,000
Regular	430,096,000	490,500,000	1,000,229,000
PS	263,157,000	241,447,000	318,997,000
MOOE	161,910,000	249,053,000	434,582,000
CO	5,029,000		246,650,000

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 2025 (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, 2025 (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

SPECIAL PROVISION(S)

1. Insurance Fund. In addition to the amounts appropriated herein, Six Hundred Eighty One Million Two Hundred Thirty Two Thousand Pesos (P681,232,000) 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, as amended.

Release of funds shall be subject to the submission of a Special Budget Request, and other relevant budgetary requirements in accordance with applicable laws, rules, and regulations.

2. 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 Request, and other relevant budgetary requirements in accordance with applicable laws, rules, and regulations.

3. Fees, Charges, Penalties, and Other Income Derived from the Regulation of Insurance Companies and Other Supervised Persons or Entities. The amount collected by the IC from fees, charges, penalties, and other income from the regulation of insurance companies and other supervised persons or entities shall be deposited and maintained in a separate account to be used for the salary, allowances, and other expenses of the IC, pursuant to Sections 437 (n) and 441 of R.A. No. 10607.

The implementation of this provision shall be in accordance with the guidelines issued jointly by DBM and IC.

Disbursements or expenditures by the IC in violation of the above requirement shall render any disbursement from said income void and shall subject the erring officials and employees to disciplinary actions in accordance with Section 43, Chapter 5, and Section 80, Chapter 7, Book VI of E.O. No. 292, and to appropriate criminal action under existing penal laws.

4. 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:
 - (a) URS or other electronic means for reports not covered by the URS; and
 - (b) 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.
5. 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>Personnel Services</u>	<u>Maintenance and Other Operating Expenses</u>	<u>Capital Outlays</u>	<u>Total</u>
A. REGULAR 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
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
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Obligations, by Object of ExpendituresCYs 2023-2025
(In Thousand Pesos)

	(Cash-Based)		
	2023	2024	2025
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	173,226	173,928	232,716
Total Permanent Positions	173,226	173,928	232,716
Other Compensation Common to All			
Personnel Economic Relief Allowance	5,448	5,496	5,448
Representation Allowance	2,207	2,028	2,178
Transportation Allowance	1,680	2,028	2,178
Clothing and Uniform Allowance	1,368	1,374	1,589
Mid-Year Bonus - Civilian	13,557	14,493	19,325
Year End Bonus	14,840	14,493	19,393
Cash Gift	1,174	1,145	1,135
Productivity Enhancement Incentive	1,089	1,145	1,135
Performance Based Bonus	6,298		
Total Other Compensation Common to All	47,661	42,202	52,381
Other Compensation for Specific Groups			
Other Personnel Benefits	175		
Total Other Compensation for Specific Groups	175		
Other Benefits			
Retirement and Life Insurance Premiums	21,018	20,870	27,926
PAG-IBIG Contributions	275	273	544
PhilHealth Contributions	2,994	3,901	5,014
Employees Compensation Insurance Premiums	275	273	271
Loyalty Award - Civilian			145
Terminal Leave	17,533		
Total Other Benefits	42,095	25,317	33,900
TOTAL PERSONNEL SERVICES	263,157	241,447	318,997
Maintenance and Other Operating Expenses			
Travelling Expenses	6,172	1,000	10,500
Training and Scholarship Expenses	6,961	5,250	15,250
Supplies and Materials Expenses	7,700	8,371	13,121
Utility Expenses	9,965	6,750	12,500
Communication Expenses	9,836	64,001	30,150
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	938	1,205	1,205
Professional Services	11,360	74,500	15,000
General Services	28,809	23,070	70,200
Repairs and Maintenance	2,853	12,300	10,050
Taxes, Insurance Premiums and Other Fees	2,089	1,200	2,850
Other Maintenance and Operating Expenses			
Advertising Expenses	792	1,000	1,000
Printing and Publication Expenses	321	250	1,000
Representation Expenses	2,698	3,500	4,000
Rent/Lease Expenses	2,793	8,107	13,700

Membership Dues and Contributions to Organizations	1,899	1,800	2,000
Subscription Expenses	26,272	24,574	195,572
Other Maintenance and Operating Expenses	40,452	12,175	36,484
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>161,910</u>	<u>249,053</u>	<u>434,582</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>425,067</u>	<u>490,500</u>	<u>753,579</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Infrastructure Outlay			75,061
Buildings and Other Structures			5,503
Machinery and Equipment Outlay	5,029		104,486
Transportation Equipment Outlay			9,100
Intangible Assets Outlay			52,500
TOTAL CAPITAL OUTLAYS	<u>5,029</u>		<u>246,650</u>
GRAND TOTAL	<u>430,096</u>	<u>490,500</u>	<u>1,000,229</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

<u>ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)</u>	<u>2023 GAA Targets</u>	<u>Actual</u>
Insurance, Pre-Need, and HMO Industries' growth and stability improved		P 161,020,000
INSURANCE, PRE-NEED, AND HMO REGULATORY AND SUPERVISORY PROGRAM		P 161,020,000
Outcome Indicator(s)		
1. Percentage of supervised entities' compliance with IC's regulatory enforcement action	100%	100%
2. Number of Key Performance Indicators improved for insurance pre-need and HMO industries	4	4
Output Indicator(s)		
1. Percentage of supervised/regulated entities examined, verified or monitored	100%	100%
2. Percentage of received application for new and renewal of licenses processed within the prescribed period	80%	99.52%
3. Percentage of applications for premium rates, insurance products, investments, contract forms, policies, reinsurance treaties, facultative placements processed within the prescribed period	98%	100%

PERFORMANCE INFORMATION

ORGANIZATIONAL OUTCOMES (00s) / PERFORMANCE INDICATORS (PIs)	Baseline	2024 Targets	2025 NEP Targets
Insurance, Pre-Need, and HMO Industries' growth and stability improved		P 178,568,000	P 229,324,000
INSURANCE, PRE-NEED, AND HMO REGULATORY AND SUPERVISORY PROGRAM		P 178,568,000	P 229,324,000
Outcome Indicator(s)			
1. Percentage of supervised entities' compliance with IC's regulatory enforcement action	100%	100%	100%
2. Number of Key Performance Indicators improved for insurance pre-need and HMO industries	4	4	4
Output Indicator(s)			
1. Percentage of supervised/regulated entities examined, verified or monitored	100%	100%	100%
2. Percentage of received application for new and renewal of licenses processed within the prescribed period	80%	85%	85%
3. Percentage of applications for premium rates, insurance products, investments, contract forms, policies, reinsurance treaties, facultative placements processed within the prescribed period	98%	98%	98%