



HOUSE OF REPRESENTATIVES

H. No. 10802

BY REPRESENTATIVES CAMPOS, VILLANUEVA (E.), RIVERA, CASTELO, RODRIGUEZ, YAP (V.), PINEDA, ROMERO, VARGAS ALFONSO, MENDOZA, LUSOTAN, NOGRALES (J.J.), PACQUIAO (A.), TULFO, ACOSTA-ALBA, TEJADA, SAVELLANO, LAZATIN, ROMUALDEZ (F.M.), PALMA, ROMUALDO, LARA, DEFENSOR (L.), NIETO, REMULLA, COLLANTES, DELOS SANTOS, ARROYO, ORDANES, ESPINA, ALBANO (A.), RADAZA, MACAPAGAL ARROYO, REVILLA, PADIERNOS, DE JESUS, DAGOOC, EBCAS, GUYA, TY (A.), LAGON, BAUTISTA-BANDIGAN, SANCHEZ, CRISOLOGO, DEFENSOR (M.), DALIPE, BAUTISTA-LIM, CO (A.N.), ECLEO, BABASA, MERCADO, ROMAN, GARBIN AND GONZALEZ, PER COMMITTEE REPORT NO. 1456

AN ACT

EXPANDING THE COVERAGE OF COMPULSORY INSURANCE OF OVERSEAS FILIPINO WORKERS, FURTHER AMENDING REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS THE MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF 1995, AS AMENDED

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 SECTION 1. Section 37-A of Republic Act No. 8042, otherwise known as the
2 "Migrant Workers and Overseas Filipinos Act of 1995", as amended, is hereby further amended
3 to read as follows:
4

5 "SEC. 37-A. *Compulsory Insurance Coverage for [Agency-Hired] MIGRANT*
6 *Workers.* - In addition to the performance bond to be filed by the
7 recruitment/manning agency under Section 10, each migrant worker,
8 **WHETHER AGENCY-HIRE, REHIRE, DIRECT-HIRE, OR**
9 **GOVERNMENT-HIRE**, [deployed by a recruitment/manning agency] shall
10 be covered by a compulsory insurance policy **AFTER SIGNING OR**
11 **DURING THE RENEWAL OF THE CONTRACT**, which shall be secured
12 at no cost to the said worker. **THE INSURANCE PREMIUM SHALL BE**
13 **PAID BY THE FOREIGN EMPLOYER, OR BY THE**
14 **RECRUITMENT/MANNING AGENCY IN THE CASE OF AGENCY-**
15 **HIRED WORKERS.** Such insurance policy shall be effective for the duration
16 of the migrant worker's employment **OR DEPLOYMENT**, and shall cover, at
17 the minimum:
18

19 (a) Accidental death, with at least Fifteen thousand United States
20 dollars (US\$ 15,000.00) survivor's benefit payable to the migrant
21 worker's beneficiaries;
22

23 (b) Natural death, with at least Ten thousand United States Dollars
24 (US\$ 10,000.00) survivor's benefit payable to the migrant worker's
25 beneficiaries;

1 (c) Permanent total disablement, with at least Seven thousand five
2 hundred United States dollars (US\$ 7,500.00) disability benefit
3 payable to the migrant worker. The following disabilities shall be
4 deemed permanent: total, complete loss of sight of both eyes; loss
5 of two (2) limbs at or above the ankles or wrists; permanent
6 complete paralysis of two (2) limbs; brain injury resulting to
7 incurable imbecility or insanity;

8
9 **TEMPORARY PARTIAL DISABLEMENT BENEFIT THAT**
10 **IS PAYABLE TO THE MIGRANT WORKER. THE TABLE**
11 **OR LIST OF PARTIAL DISABLEMENT WITH**
12 **CORRESPONDING AMOUNT SHALL BE INCLUDED IN**
13 **THE IMPLEMENTING RULES AND REGULATIONS OF**
14 **THIS SECTION BY THE INSURANCE COMMISSION,**
15 **AFTER CONSULTATION WITH THE INSURANCE**
16 **INDUSTRY AND OTHER STAKEHOLDERS;**

17
18 (d) Repatriation **AND OTHER ATTENDANT** costS of the worker
19 when his/her employment is terminated without any valid cause,
20 including the transport of his or her personal belongings. In case of
21 death **OF THE MIGRANT WORKER, AND THE EMPLOYER**
22 **IS INCAPACITATED TO PAY OR HAS ABANDONED THE**
23 **WORKER,** the insurance provider shall arrange and pay for the
24 repatriation or return of the worker's **BODY OR CREMATED**
25 remains. The insurance provider shall also render any assistance
26 necessary in the transport, including but not limited to, locating a
27 local and licensed funeral home, mortuary or direct disposition
28 facility to prepare the body for transport, completing all
29 documentation, obtaining legal clearances, procuring consular
30 services, **TRANSLATION COSTS,** providing death certificates,
31 purchasing the minimally necessary casket or air transport
32 container, as well as transporting the remains including retrieval
33 from site of death and delivery to the receiving funeral home;

34
35 **SUBJECT TO THE INTER-AGENCY STUDY, AFTER DUE**
36 **CONSULTATION WITH THE INSURANCE INDUSTRY**
37 **AND OTHER STAKEHOLDERS, THE REPATRIATION**
38 **BENEFIT UNDER THIS PARAGRAPH MAY ALSO**
39 **EXTEND TO CAUSES DUE TO AN EPIDEMIC, PANDEMIC,**
40 **WAR, CIVIL UNREST, DISASTERS AND CALAMITIES,**
41 **WHETHER NATURAL OR MAN-MADE;**

42
43 (e) Subsistence allowance benefit, with at least One hundred United
44 States dollars (US\$100.00) per month for a maximum of six (6)
45 months for a migrant worker who is involved in a case or litigation
46 for the protection of his/her rights in the receiving country;

47
48 (f) Money claims arising from employer's liability which may be
49 awarded or given to the worker in a judgment or settlement of his or
50 her case in the NLRC. The insurance coverage for money claims
51 shall be equivalent to at least three (3) months **SALARIES** for every
52 year of the migrant worker's employment contract.

1 THE MONEY CLAIMS OF REHIRES, DIRECT-HIRES AND
2 GOVERNMENT-HIRES, SHALL BE SUBJECT TO THE
3 ADMINISTRATIVE PROCEEDING OF SINGLE-ENTRY
4 APPROACH (SENA), WHICH WAS INSTITUTIONALIZED
5 UNDER REPUBLIC ACT NO. 10396, ENTITLED "AN ACT
6 STRENGTHENING CONCILIATION-MEDIATION AS A
7 VOLUNTARY MODE OF DISPUTE SETTLEMENT FOR
8 ALL LABOR CASES, AMENDING FOR THIS PURPOSE
9 ARTICLE 228 OF PRESIDENTIAL DECREE NO. 442, AS
10 AMENDED, OTHERWISE KNOWN AS THE "LABOR
11 CODE OF THE PHILIPPINES". THE SEN A PROCEEDING
12 MAY BE DONE ONLINE OR ONSITE. IF THE MIGRANT
13 WORKER IS IN THE PHILIPPINES, SEN A PROCEEDING
14 SHALL BE DONE AT THE PHILIPPINE OVERSEAS
15 EMPLOYMENT ADMINISTRATION (POEA). IF THE
16 WORKER IS ONSITE, SEN A PROCEEDING SHALL BE
17 DONE AT THE PHILIPPINE OVERSEAS LABOR OFFICE.
18 THE POEA, IN CONSULTATION WITH THE
19 STAKEHOLDERS, IS HEREBY TASKED TO
20 PROMULGATE THE IMPLEMENTING GUIDELINES FOR
21 THIS PROVISION, WHICH WILL INCLUDE THE
22 PROCEDURE ON HOW A CASE SETTLEMENT OR
23 ORDER IS ENFORCED AGAINST THE FOREIGN
24 EMPLOYER OR PRINCIPAL.

25
26 In addition to the above coverage, the insurance policy shall also
27 include:

- 28
29 (g) Compassionate visit. When a migrant worker is hospitalized and
30 has been confined for at least seven (7) consecutive days, he shall
31 be entitled to a compassionate visit by one (1) family member or a
32 requested individual. The insurance company shall pay for the
33 transportation cost of the family member or requested individual to
34 the major airport closest to the place of hospitalization of the worker
35 **AND BACK TO THE PHILIPPINES.** It is, however, the
36 responsibility of the family member or requested individual to meet
37 all visa and travel document requirements;
38
39 (h) Medical evacuation. When an adequate medical facility is not
40 available proximate to the migrant worker, as determined by the
41 insurance company's physician and/or a consulting physician, **THE**
42 **INSURANCE PROVIDER SHALL UNDERTAKE THE**
43 **EVACUATION TO THE NEAREST HOSPITAL OF ADEQUATE**
44 **MEDICAL FACILITY** under appropriate medical supervision
45 **AND** by the mode of transport necessary [shall be undertaken by the
46 insurance provider]; and
47
48 (i) Medical repatriation. When medically necessary as determined by
49 the **INSURANCE COMPANY'S PHYSICIAN OR A**
50 **CONSULTING** [attending] physician, repatriation under medical
51 supervision to the migrant worker's residence shall be undertaken

1 by the insurance provider at such time that the migrant worker is
2 medically cleared for travel by commercial carrier. If the period to
3 receive medical clearance to travel exceeds fourteen (14) days from
4 the date of discharge from the hospital, an alternative appropriate
5 mode of transportation, such as air ambulance, may be arranged.
6 Medical and non-medical escorts may be provided when necessary.
7

8 **FOR PURPOSES OF THIS SECTION, THE TERM "DEPLOYMENT"**
9 **REFERS TO THE DURATION WHEN THE WORKER IS STILL**
10 **ABROAD, WHICH SHOULD NOT BE MORE THAN THE PERIOD OF**
11 **THE ORIGINAL EMPLOYMENT CONTRACT COVERED BY AN**
12 **INSURANCE POLICY.**

13
14 Only reputable private insurance companies duly registered with the Insurance
15 Commission (IC), which are in existence and operational for at least five (5)
16 years, with a net worth **OR CAPITALIZATION IN ACCORDANCE WITH**
17 **SECTION 194 OF THE INSURANCE CODE, AS AMENDED,** [of at least
18 Five hundred million pesos (P500,000,000.00) to be determined by the IC] and
19 with a current year certificate of authority **ISSUED BY THE IC** shall be
20 qualified to provide for the worker's insurance coverage. Insurance companies
21 who have directors, partners, officers, employees or agents with relatives,
22 within the fourth civil degree of consanguinity or affinity, who work or have
23 interest in any of the licensed recruitment/manning agencies or in any of the
24 government agencies involved in the overseas employment program shall be
25 disqualified from providing this workers' insurance coverage.
26

27 The **FOREIGN EMPLOYER, AS MAY BE REPRESENTED BY THE**
28 **recruitment/manning agency OR MIGRANT WORKER,** shall have the right
29 to choose from any of the qualified insurance providers [the company that will
30 insure the migrant worker it will deploy]. After procuring such insurance policy,
31 the **FOREIGN EMPLOYER, OR THE** recruitment/manning agency shall
32 provide an authenticated copy thereof to the migrant worker. It shall then submit
33 the certificate of insurance coverage of the migrant worker to POEA as a
34 requirement for the issuance of an Overseas Employment Certificate (OEC) to
35 the migrant worker. In the case of seafarers who are insured under policies
36 issued by foreign insurance companies, the POEA shall accept certificates or
37 other proofs of cover from recruitment/manning agencies: *Provided,* That the
38 minimum coverage under sub-paragraphs (a) to (i) are included therein.
39

40 Any person having a claim upon the policy issued pursuant to subparagraphs
41 (a), (b), (c), (d) and (e) of this section shall present to the insurance company
42 concerned a written notice of claim together with pertinent supporting
43 documents. The insurance company shall forthwith ascertain the truth and
44 extent of the claim and make payment within ten (10) days from the filing of
45 the notice of claim.
46

47 Any claim arising from accidental death, natural death or disablement under
48 this section shall be paid by the insurance company without any contest and
49 without the necessity of providing fault or negligence of any kind on the part of
50 the insured migrant worker: *Provided,* That the following documents, duly
51 authenticated by the Philippine foreign posts, shall be sufficient evidence to
52 substantiate the claim:

- 1 (1) Death Certificate - In case of natural or accidental death;
- 2 (2) Police or Accident Report - In case of accidental death; and
- 3 (3) Medical Certificate - In case of permanent disablement;

4
5 For repatriation under subparagraph (d) hereof, a certification which states the
6 reason/s for the termination of the migrant worker's employment and the need
7 for his or her repatriation shall be issued by the Philippine foreign post or the
8 Philippine Overseas Labor Office (POLO) located in the receiving country.

9
10 For subsistence allowance benefit under subparagraph (e), the concerned labor
11 attaché or, in his absence, the embassy or consular official shall issue a
12 certification which states the name of the case, the names of the parties and the
13 nature of the cause of action of the migrant worker.

14
15 For the payment of money claims under subparagraph (f), the following rules
16 shall govern:

- 17
18 (1) After a decision has become final and executory or a
19 settlement/compromise agreement has been reached between the
20 parties at the NLRC, an order shall be released mandating the
21 respondent recruitment/manning agency to pay the amount
22 adjudged or agreed upon within thirty (30) days;
- 23
24 (2) The recruitment/manning agency shall then immediately file a
25 notice of claim with its insurance provider for the amount of
26 liability insured, attaching therewith a copy of the decision or
27 compromise agreement;
- 28
29 (3) Within ten (10) days from the filing of notice of claim, the
30 insurance company shall make payment to the **EMPLOYER OR**
31 recruitment/manning agency the amount adjudged or agreed upon,
32 or the amount of liability insured, whichever is lower. After
33 receiving the insurance payment, the **EMPLOYER OR**
34 recruitment/manning agency shall immediately pay the migrant
35 worker's claim in full, taking into account that in case the amount
36 of insurance coverage is insufficient to satisfy the amount
37 adjudged or agreed upon, it is liable to pay the balance thereof;
- 38
39 (4) In case the insurance company fails to make payment within ten
40 (10) days from the filing of the claim, the recruitment/ manning
41 agency shall pay the amount adjudged or agreed upon within the
42 remaining days of the thirty (30)-day period, as provided in the
43 first subparagraph hereof;
- 44
45 (5) If the **AGENCY-HIRED** worker's claim was not settled within
46 the aforesaid thirty (30)-day period, the recruitment/manning
47 agency's performance bond or escrow deposit shall be forthwith
48 garnished to satisfy the migrant worker's claim;

- 1 (6) The provision of compulsory worker's insurance under this section
2 shall not affect the joint and solidary liability of the foreign
3 employer and the recruitment/manning agency under Section 10;
4
5 (7) Lawyers for the insurance companies, unless the latter is
6 impleaded, shall be prohibited to appear before the NLRC in
7 money claims cases under this section.
8

9 **IN FILING A CLAIM WITH THE INSURANCE PROVIDER, THE**
10 **RECRUITMENT/MANNING AGENCY SHALL ASSIST THE**
11 **MIGRANT WORKER OR THE BENEFICIARY AND ENSURE THAT**
12 **ALL INFORMATION AND DOCUMENTS IN THE CUSTODY OF THE**
13 **AGENCY NECESSARY FOR THE CLAIM MUST BE READILY**
14 **ACCESSIBLE TO THE CLAIMANT. EXCEPT FOR THE AGENCY-**
15 **HIRED WORKERS, THE FOREGOING DUTIES SHALL BE**
16 **PERFORMED BY THE DOLE/POEA/OWWA.**
17

18 Any question or dispute in the enforcement of any insurance policy issued under
19 this section shall be brought before the IC for mediation or adjudication.
20

21 In case it is shown by substantial evidence before the POEA that the migrant
22 worker [who was deployed by a licensed recruitment/manning agency] has paid
23 for the premium or the cost of the insurance coverage or that the said insurance
24 coverage was used as basis by the recruitment/manning agency **OR**
25 **EMPLOYER** to claim any additional fee from the migrant worker, the said
26 licensed recruitment/manning agency shall lose its license and all its directors,
27 partners, proprietors, officers and employees, **AS WELL AS THE FOREIGN**
28 **EMPLOYER** shall be perpetually disqualified from [engaging]
29 **PARTICIPATING** in the business of [recruitment] **RECRUITING LAND-**
30 **BASED AND SEA-BASED** [of overseas] workers. Such penalty is without
31 prejudice to any other liability which such persons may have incurred under
32 existing laws, rules or regulations.
33

34 For migrant workers recruited by the POEA on a government-to-government
35 arrangement, the POEA shall establish a foreign employers guarantee fund
36 which shall be answerable to the workers' monetary claims arising from breach
37 of contractual obligations. [For migrant workers classified as rehires, name
38 hires or direct hires, they may opt to be covered by this insurance coverage by
39 requesting their foreign employers to pay for the cost of the insurance coverage
40 or they may pay for the premium themselves.] To protect the rights of these
41 workers, the Department of Labor and Employment and the POEA shall
42 provide them adequate legal assistance, including conciliation and mediation
43 services, whether at home or abroad.
44

45 At the end of every year, the Department of Labor and Employment and the IC
46 shall jointly make an assessment of the performance of all insurance providers,
47 based upon the report of the NLRC and the POEA on their respective
48 interactions and experiences with the insurance companies, and they shall have
49 the authority to ban or blacklist such insurance companies which are known to
50 be evasive or not responsive to the legitimate claims of migrant workers. The
51 Department of Labor and Employment shall include such assessment in its year-
52 end report to Congress.

1 For purposes of this section, the Department of Labor and Employment, IC,
2 NLRC and the POEA, in consultation with the recruitment/manning agencies
3 [and], legitimate non-government organizations advocating the rights and
4 welfare of overseas Filipino workers, **AND INSURANCE COMPANIES**
5 shall formulate the necessary implementing rules and regulations.
6

7 The foregoing provisions on compulsory insurance coverage shall be subject to
8 automatic review through the Congressional Oversight Committee
9 [immediately after three (3)] **EVERY FIVE (5)** years from the effectivity of
10 this Act in order to determine its efficacy in favor of the covered overseas
11 Filipino workers and the compliance by **FOREIGN EMPLOYERS, OR**
12 recruitment/manning agencies and insurance companies, without prejudice to
13 an earlier review if necessary and warranted for the purpose of modifying,
14 amending and/or repealing these subject provisions. **FOR THIS PURPOSE,**
15 **THE CONGRESSIONAL OVERSIGHT COMMITTEE CREATED**
16 **UNDER REPUBLIC ACT NO. 10022, ENTITLED "AN ACT**
17 **AMENDING REPUBLIC ACT NO. 8042, OTHERWISE KNOWN AS**
18 **THE MIGRANT WORKERS AND OVERSEAS FILIPINOS ACT OF**
19 **1995, AS AMENDED, FURTHER IMPROVING THE STANDARD OF**
20 **PROTECTION AND PROMOTION OF THE WELFARE OF MIGRANT**
21 **WORKERS, THEIR FAMILIES AND OVERSEAS FILIPINOS IN**
22 **DISTRESS, AND FOR OTHER PURPOSES", SHALL CONTINUE TO**
23 **EXIST UNTIL ITS MANDATE IS TERMINATED BY AN ACT OF**
24 **CONGRESS."**
25

26 **SEC. 2.** The Department of Labor and Employment, Philippine Overseas Employment
27 Administration, National Labor Relations Commission, OWWA and the Insurance
28 Commission, after consultations with the stakeholders, shall, within sixty (60) days after the
29 effectivity of this Act, formulate the necessary rules and regulations for the effective
30 implementation of this Act.
31

32 **SEC. 3.** All laws, decrees, orders, issuances, rules and regulations or parts thereof
33 contrary to or inconsistent with this Act, are hereby repealed or modified accordingly.
34

35 **SEC. 4.** This act shall take effect fifteen (15) days after its publication in the *Official*
36 *Gazette* or in a newspaper of general circulation.

Approved,