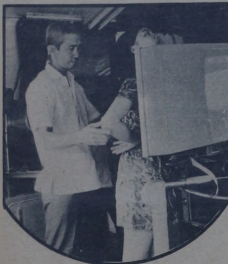


What the GSIS can do for you



THE Government Service and Insurance System (GSIS) offers a wide array of benefits to its members. These benefits, aimed at promoting the welfare of government officials and employees, include retirement and pension annuities to retired civil servants, disability benefits, life insurance benefits to the heirs of the deceased government workers, medicare benefits to the sick, employment compensation to those injured at work and the protection of properties.

The GSIS also pays dividends semi-annually to its members. A large chunk of its resources is reserved for small loans of GSIS members for such purposes as housing, education, supplementary medical needs and other daily needs.

Our national planners formulated these various benefits on the theory that government officials and employees must be given peace of mind. They must be made to feel that upon their retirement, they would be rewarded by the government. Also, the government wants to assure them that in case unforeseen contingencies of life befall on them, the government which has benefited from their productive effort will not abandon them. It is in this light that the state workers become effective and efficient factors in the task of nation-building.

To make government officials and employees fully aware of their benefits and privileges, Antonio Ordinario, GSIS Senior Field Insurance Representative, lectured recently on these benefits before the employees of the Bureau of National and Foreign Information at the Tuazon Bldg., Intramuros, Manila.

Temporary Appointment. Among the first benefits discussed by Ordinario was the life insurance benefit. He said that under the Civil Service Law, there are two kinds of appointments—temporary and permanent. If the appointment of an employee is temporary, the GSIS will issue either term renewable (TR) or optional membership policy (M-policy). TR is issued if the employee elects to pay P12 a year as premium with the government counterpart of P12. If the employee is willing to pay six percent of his monthly salary as his life insurance premium, the GSIS will issue optional membership policy with physical and medical examination. This means that an employee is covered by the insurance policy as if he is holding a permanent appointment. In offices where there are about 50 or more applicants, the GSIS will issue group policy (G-policy) without physical and medical examination.

Permanent Appointment. If the appointment is permanent, the GSIS will issue compulsory life insurance to the employed. Ordinario enumerated the benefits that will accrue to the members under the compulsory or optional membership life insurance policy:

1. **Maturity proceeds.** This is the total amount of insurance the insured will receive when the insurance policy matures. In order to claim the benefit, insured must submit the policy contract, or if not available, an affidavit of loss, and an updated service record to the Life Insurance Claims Department.

2. **Cash Surrender Value (CSV).** This is the amount the insured will receive from the GSIS if he surrenders his policy contract before its maturity. However, as long as an employee is working in the government, he is not allowed to surrender his insurance policy. But if the employee is separated from government service, he is given the option of either to continue paying both the personal and government shares, or if he cannot afford to pay, he should surrender his policy to get the cash surrender value of the insurance. The CSV is computed by adding all the premiums paid minus the cost of insurance and the administrative expenses.

The GSIS representative stated the requirements in the settlement of the CSV of the policy as follows: a. policy contract, b. an updated service record from the office concerned, c. clearance on money and property accountabilities and the certificate of surrender of the policy.

3. **Total and permanent disability.** An employee is said to be totally disabled if he can no longer pursue his regular work due to mental and/or physical infirmities. A disabled member will no longer pay the premiums from the date of approval of his disability by the GSIS medical director and will receive a yearly check equivalent to 20 percent of his total amount of insurance for five years or until his total amount of insurance is exhausted. To receive the benefit, a member must submit the policy contract, up-to-date service record from the office concerned, clearance on money and property accountabilities and the proof of disability.

4. **Death claim.** When a GSIS member dies, the total amount of insurance will be paid to the designated beneficiaries. The papers required to claim the death benefit are: policy contract, up-to-date service record from the office concerned, clearance on money and property accountabilities, proof of death and death certificate of the insured.

5. **Double Indemnity.** If the death is accidental, the GSIS will pay double the amount of insurance. The requirements for the settlement of the claims are similar to the death claim. In addition, a report of the investigation of any police agency is required.

6. **Burial aid.** The amount of P750 will be given to the designated beneficiaries of the deceased member upon receipt of the notice of death, either by mail or wire.

Salary Loans. The GSIS official also dwelt on the privileges under the life insurance contract. If the insurance policy has been in force for 20 to 39 months, a member can apply for one month salary loan; 40 to 59 months, two months salary loan; 60 months or more, three months salary loan. The GSIS charges

five-percent interest from the gross loan and another five percent from the balance of the loan after one year, deductible when a member renews his loan or after the last installment if he does not. Ordinario also said that if the insurance policy has been in force for at least one year, a member can apply for policy loan.

Under the compulsory insurance policy, a member is entitled to only 50 percent of the cash value; whereas, under the optional membership, a member can borrow up to 90 percent of the value of the policy. The interest is only six percent compounded annually.

Real estate loan or the housing loan. This is temporarily suspended. But just the same, Ordinario gave the employees an idea of what the real estate loan is all about. He said that if the compulsory insurance coverage has been in force for at least three years and a member has a lot and sufficient capacity to pay he can avail himself of this loan. The amount of loan depends on the appraised value of the collateral and the paying capacity of the applicant. But the loan will not exceed the actual needs of the applicant as determined by the GSIS. The interest for the first P30,000 only six percent and in excess of P30,000 up to P70,000, the interest is nine percent.

Retirement. On the annuity benefits, the GSIS representative said that if the retiree is living, he must submit the application for retirement, an up-to-date service record from the office concerned, clearance on money and property accountabilities and a certificate that the applicant has no pending criminal or administrative charges.

If the retirement is under the disability category, the applicant must submit the above-mentioned requirements. In addition, the following are required: proof of disability, affidavit of guardianship for minor beneficiaries and, or retiree if mentally incompetent, bond of indemnity to be executed by guardian for the retiree, if mentally incompetent, or by any minor beneficiary if guardian is other than the natural parents.

It was also pointed out that a prospective retiree may avail himself of the benefits provided under RA 660 known as Annuity Retirement Plan or under the provisions of RA 1616 known as the Gratuity Retirement Plan.

Under RA 660, the requirements are age and the number of years in the government service. An illustration of this follows:

REQUIREMENTS		BENEFITS
Age	Service	
65	15	Five years lump sum and monthly pension for life after five years from the date of retirement.
64	16	
63	18	
62	20	Three years lump sum and the balance of two years lump sum will be paid to the retiree when he is 63
61	22	
60	24	
59	26	Monthly pension guaranteed for five years, meaning that if a retiree dies within five years from the date of retirement, the legal heirs shall receive the balance of the five years pension. If the retiree is still alive after the guaranteed period, he will receive a monthly pension for life.
58	28	
57	30	
56	31	
55	32	
54	33	
53	34	
52	35	

Medicare. The medicare benefits extended to the GSIS members are: hospitalization expense of 45 days a year. The hospital room and board must be at the rate of P12 per day and the total amount of which should not exceed P150 per confinement. The medical expense is P10 per day but in no case will the amount exceed P100 per confinement.

The surgical expense benefit as illustrated by Ordinario follows:

	TYPE OF OPERATION		
	Major	Medium	Minor
Surgical fee	P350	P150	P50
Anaesthesiologist's fee	P100	P50	P25
Operating room fee	P60	P40	P20

The following are not compensable under the medicare benefits: cosmetic surgery, dental services, except major dental surgery, optometric services, chronic psychiatric illness, services which are purely diagnostic and normal obstetrical services.

The GSIS members are also entitled to the benefits under the Employees' Compensation Program. The purpose of this program is to give meaningful and adequate income benefits, medical or related services and rehabilitation services to the employees and the immediate members of their families in the event of employment-connected injuries, sickness and disability or death.

To be entitled to these benefits, the injury must have been sustained at the place of work, in the performance of official duty and during working hours. A member is not qualified to receive compensation under this program if his injury is due to intoxication, or there was willful intention to injure or to kill himself, or if the injury was due to negligence. □