

Republic of the Philippines
Department of the Interior and Local Government
NATIONAL POLICE COMMISSION
Makati City

MEMORANDUM CIRCULAR NO. 2001-001

AMENDING THE RULES GOVERNING BENEFIT CLAIMS OF EMPLOYEES OF THE NATIONAL POLICE COMMISSION

Pursuant to the provisions of Section 21 of Republic Act Numbered 4864, as amended by Presidential Decree Numbered 448, the following rules and regulations governing the investigation and adjudication of benefit claims of Napolcom employees are hereby promulgated.

RULE I

TITLE AND CONSTRUCTION

Section 1. Title of the Rules. - These Rules shall be known and cited as the "Rules On Benefit Claims Of Napolcom Employees."

Section 2. Coverage. - These Rules shall apply to claims for death and disability benefits by reason of any injury sustained or sickness incurred or contracted in line of duty or occupationally related thereto.

Section 3. Construction. - These Rules shall be liberally construed in order to promote and attain the objectives of obtaining a just, reasonable and speedy investigation and adjudication of benefit claims.

RULE II

DEFINITION OF TERMS

Section 1. Terms Defined. - For purposes of these Rules, the following terms shall be understood as:

- a. **Commission** - refers to the National Police Commission created under RA 6975, as amended.
- b. **Employee** - refers to any official or employee of the Commission whether permanent, temporary, casual or contractual.
- c. **Disability** - loss or impairment of the normal functions of the physical or mental faculties of an employee which reduces his/her capability to continue with his present employment.
- d. **Permanent Total Disability** - any impairment of the mind or body which renders the disabled employee incapable of performing substantially his/her usual duties and functions and which is

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expected to be of long, continued and indefinite duration: Provided, That, irreparable loss of the power of speech, or sense of hearing, or loss of one or both hands or feet, or loss of one or both eyes, or loss of the limbs at or above the ankle or wrist, paralysis of one or both limbs, or brain injury resulting in incurable imbecility or insanity shall be considered permanent total disability.

In all cases, the disability shall be deemed permanent if it has persisted for a period exceeding six (6) months, without fixed healing period and renders the employee incapable of performing his/her duties and functions: Provided, That, in case the disability is found to be permanent beyond doubt upon medical examination of said employee, the waiting period of six (6) months may be waived.

- e. **Injury** - any harmful change in the human organism resulting from an accident sustained at work, or while reporting to and from the work place, or elsewhere while the employee is executing a lawful order from his superior, or sustained by reason of the performance of duty.
- f. **Sickness** - any illness categorized as an occupational and compensable disease, or any illness caused or aggravated by reason of employment, subject to proof that the risk of contracting the same is increased by working conditions.
- g. **Death** - the loss of life as a result of injury sustained or sickness contracted or aggravated by reason of employment.
- h. **Supplies** - medicines and other medical, or surgical items.
- i. **Compensation Rating Officer / Clinic Physician** -- refers to the Commission's official compensation rating officer / physician.

RULE III PRE-CONSULTATION PROCEDURE

Section 1. Prior Examination by the Compensation Rating Officer or Clinic Physician. - Except in emergency cases, employees in the Central Office and the National Capital Region who wish to seek medical treatment for an occupationally related ailment must first consult the Compensation Rating Officer or Clinic Physician for initial examination and medical evaluation of the injury or sickness complained of.

For employees in the Regional Offices, the initial examination and medical evaluation shall be performed by a duly licensed government physician or by any attending physician.

The attending physician shall either issue

- 1) a prescription for the treatment of the injury or illness; or

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- 2) a referral
 - a) to a medical specialist for further consultation; or
 - b) to a medical institution/hospital for laboratory examination and other diagnostic procedures; or
 - c) to the hospital for immediate confinement.

The determination of whether the injury or sickness is sustained, incurred or contracted while in line of duty or by reason thereof or was aggravated by the condition of employment shall be based upon the evaluation and recommendation of the Committee on Claims.

Section 2. Emergency Cases. - In cases of injury or illness requiring immediate confinement, the employee concerned or his duly authorized representative shall inform the Commission of such confinement within five (5) days from date of admission.

The Compensation Rating Officer or Clinic Physician, as the case may be, shall upon receipt of the notice immediately verify whether the sickness or injury of the employee is an emergency case requiring hospitalization.

In the regional offices of the Commission, such determination shall be the responsibility of the attending physician who shall make a certification to this effect.

RULE IV COMPENSABILITY OF INJURY OR ILLNESS

Section 1. Grounds for Compensability. - For the injury or sickness and the resulting disability or death to be compensable, the same must be incurred in line of duty, or by reason thereof or the ailment has supervened or was aggravated by the condition of employment.

Section 2. Grounds for Non-Compensability. - No compensation shall be allowed to an employee or his/her dependents when the injury, sickness, disability or death is occasioned by any of the following:

- a. Intoxication or drunkenness or vicious immoral habits, or intemperate use of regulated or prohibited drugs.
- b. Willful intention to injure or kill oneself.
- c. Notorious negligence.
- d. Unlawful aggression or provocation on the part of the claimant.

RULE V PROCEDURE

Section 1. Who may file a Claim for Temporary or Permanent Total Disability Benefits. - Claims for temporary or permanent total disability

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benefits may be filed by the employee concerned or in case of physical incapacity, by his/her duly authorized representative.

Claims for sickness benefits can only be availed of by employees who have rendered at least six (6) months of continuous service with the Commission. However, in case of accident-related injuries the six (6)-month required period of employment shall not apply.

Section 2. Who may file a Claim for Death Benefits. - Claims for death benefits may be filed by the beneficiaries stated hereunder according to the following order of precedence:

- a) Surviving spouse;
- b) Surviving dependent legitimate children;
- c) Surviving parents;
- d) Surviving brothers and sisters;

Section 3. Requirements for a Claim for Permanent Total Disability. - A claim for permanent total disability shall be in writing and under oath to be administered by the Director of the Personnel and Administrative Service for employees in the central office or the Regional Director for employees in the regional offices. The claim must be accomplished in two (2) copies, and shall state the name and residence of the claimant, brief summary of the claim, the grounds thereof, and the benefits sought. It must be accompanied by the following supporting documents:

1. Favorable recommendation or indorsement of the Service Chief or Regional Director as the case may be;
2. Service record duly authenticated;
3. Certification from the Compensation Rating Officer or Clinic Physician that the employee is unfit to further perform the duties of his office;
4. Detailed Investigation Report from the claimant's immediate superior as to the cause and extent of the disability resulting from accident-related injuries, or the medical evaluation / findings of the municipal/city/provincial health officer or any available government physician as to the cause and extent of disability resulting from illness;
5. Certified true copy of appointment;
6. Certificate of clearance from money and property accountability;
7. Certificate from the Chief, Human Resource Management Division, this Commission indicating the restorable deducted leave credits for absences incurred by reason of the injury sustained or sickness contracted in the performance of official duties, which shall be limited to the number of days that are

reasonable and necessary for the treatment and recuperation of a particular illness or injury as the Compensation Rating Officer may determine;

8. Official receipt/s duly numbered and dated for reasonable medical and hospitalization expenses incurred on account of a service-connected disability; Provided, That, purchase of medicine in excess of P50.00 shall be evidenced by doctor's prescription duly validated by the Compensation Rating Officer or Clinic Physician.
9. Certified true copy of the criminal complaint or the information in case of a benefit claim for an injury that is the subject of a criminal action or proceeding.

Section 4. Requirements for a Claim for Temporary Disability Benefits. - A claim for temporary disability benefits shall be in writing and under oath to be administered by the Director of the Personnel and Administrative Service for employees in the central office or the Regional Director for employees in the regional offices. The claim must be accomplished in two (2) copies and shall state the name and residence of the claimant, brief summary of the claim, the grounds thereof, and the benefits sought. It must be accompanied by the following supporting documents:

1. Service record duly authenticated;
2. Medical evaluation or findings of the attending physician as to the cause and extent of disability resulting from illness;
3. Certificate from the Chief, Human Resource Management Division or Administrative Division in the region indicating the restorable deducted leave credits for absences incurred by reason of the injury sustained or sickness contracted in the performance of official duties, which shall be limited to the number of days that are reasonable and necessary for the treatment and recuperation of a particular illness or injury as the Compensation Rater may determine;
4. Official receipt/s duly numbered and dated for reasonable medical and hospitalization expenses incurred on account of service-connected disability; Purchase of medicine in excess of P50.00 shall be evidenced by doctor's prescription duly validated by the Compensation Rating Officer or Clinic Physician.

Section 5. Requirements for a Claim for Death Benefits. - A claim for death benefits shall be in writing and under oath to be administered by the Director of the Personnel and Administrative Service for employees in the central office or the Regional Director for employees in the regional offices. The claim must be accomplished in two (2) copies indicating briefly the identity of the deceased employee, the date and cause of his death with the following supporting documents:

1. Service Record duly authenticated;
2. Death Certificate duly certified by the Local Civil Registrar;
3. Certificate from the attending physician as to the circumstances or cause of death;
4. Detailed Investigation Report from the decedent's superior as to the circumstances or cause of death;
5. Certified true copy of decedent's appointment;
6. Certificate from the Chief, Human Resource Management Division or Administrative Division in the region indicating the restorable deducted leave credits, if any, for absences incurred by reason of the sickness or injury sustained while in the performance of official duty;
7. Official receipts duly dated and numbered of reasonable expenses for medicines with the corresponding doctor's prescriptions, medical attendance and hospital fees; Purchase of medicine in excess of P50.00 shall be evidenced by doctor's prescription duly validated by the Compensation Rating Officer or Clinic Physician.
8. Certificate of clearance from money and property accountability;
9. Marriage Contract of surviving spouse and birth certificates of surviving children, if any, duly certified by the Local Civil Registrar;
10. Proof of surviving legal heirs if the claimant is other than the surviving spouse or children;

If the claim is filed by the surviving parent or by the brother or sister, proof must be submitted indicating that the deceased died without any surviving spouse or children.

11. Certified true copy of the criminal complaint or information in cases of claims for death benefit that is the subject of a criminal action or proceeding.

Section 6. Where to File Claim. - A claim for disability or death benefits shall be filed with the Legal Affairs Service, if the employee is assigned at the Central Office or the National Capital Region, or, with the Regional Director if the employee is assigned at the regional office.

Section 7. Initial Evaluation of Claim. - For employees from the Central office and the National Capital Region, the initial evaluation of

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the claim shall be conducted by the Compensation Rating Officer within five (5) days from receipt of the application.

For claims from the regional offices, the initial evaluation shall be performed by the Regional Director or his/her duly designated Hearing Officer within five (5) days from receipt of the application.

After his evaluation, the Compensation Rating Officer or the Regional Director as the case may be shall forward his Evaluation Report on the claim together with his recommendation as well as the supporting papers and documents thereof to the Legal Affairs Service for evaluation and referral to the Committee on Claims .

Section 8. Committee on Claims. - There is created in this Commission a Committee on Claims with the primary task of evaluating the merits and service-connection of claims for benefits of employees of the Commission and subsequently making the appropriate recommendation to the Vice Chairman and Executive Officer. It shall be composed of the following:

1. Any senior official of the Commission;
2. The Director of the Legal Affairs Service;
3. The Director of the Personnel and Administrative Service; and
4. The Compensation Rating Officer or Clinic Physician.

During the evaluation proceedings, the Committee on Claims shall determine whether the claim is service-connected, the reasonableness of medical and hospital expenses, the restoration of deducted leave credits and such other matters relevant to judicious adjudication of the claim. On the basis of such evaluation, the appropriate recommendation either for approval or disapproval of the claim shall be submitted to the Vice Chairman and Executive Officer.

Should a serious question on the compensability of a claim arise, the Committee on Claims may direct the Investigation, Monitoring and Inspection Service to conduct the necessary inquiry, and forthwith, submit the corresponding Report of Investigation (ROI). Said ROI shall be forwarded to the Committee on Claims as part of the records of the claim.

Section 9. Claim Approval / Disapproval. - The Vice Chairman and Executive Officer shall have the authority to approve/disapprove the claim for benefits subject to existing guidelines. In case of doubt, the Vice Chairman may refer the matter to other Commissioners for comments / consideration.

If the claim is disapproved, payment of medical and/or hospitalization services rendered shall be borne by the employee concerned or his/her heirs.

Section 10. Motion for Reconsideration. - If the claim is disapproved by the Vice Chairman and Executive Officer, the claimant may file a

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motion for reconsideration within ten (10) days from receipt of the decision.

Section 11. Appeal. - Within ten (10) days from receipt of the decision or resolution denying a claim, the claimant may file an appeal with the Commission *En Banc*. The decision of the Commission *En Banc* on the benefit claim is final and executory.

Section 12. Regular Physical Examination. - The Clinic Physician shall, on a continuing basis, conduct an annual physical examination of all employees and keep an individual file record on the results thereof for future reference.

Section 13. Prescriptive Period of Claim. - A claim for benefits under these Rules shall not prescribe.

RULE VI BENEFITS

Section 1. Death Benefits. - The beneficiaries of a deceased employee of the Commission who died in line of duty shall receive the following benefits:

1. Gratuity equivalent to decedent's one (1) year salary;
2. Burial expenses equivalent to decedent's three (3) months basic salary;
3. Reimbursement of reasonable expenses for medicines, medical attendance and hospital fees; and
4. Restoration of deducted leave credits for absences incurred by reason of the sickness or injury that caused his death and the subject of the present claim: Provided, That, the period of absence shall be subject to evaluation by the Compensation Rating Officer.

Section 2. Permanent Total Disability Benefits. - The following benefits shall be awarded to an employee who incurred permanent total disability in line of duty, to wit:

1. Gratuity equivalent to the employee's one (1) year salary;
2. Lifetime monthly pension equivalent to eighty (80%) percent of the employee's last salary;
3. Reimbursement of reasonable expenses for medicines, medical attendance, hospital fees; and
4. Restoration of deducted leave credits for absences incurred by reason of the sickness or injury contracted or sustained while in the performance of official duties.

Section 3. Temporary Disability Benefits. - The following benefits shall be awarded to an employee who sustains injury or sickness in line of duty, to wit:

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1. Reimbursement of reasonable expenses for medicines, medical attendance and hospital fees;
2. Restoration of deducted leave credits for absences incurred by reason of the sickness or injury contracted or sustained while in the performance of official duties.
3. Lump sum gratuity of one hundred pesos to two thousand pesos depending upon the merits of the claim.

RULE VII
SCOPE OF MEDICAL ATTENDANCE AND HOSPITALIZATION BENEFITS

Section 1. Scope of Service. - Medical and hospitalization benefits shall embrace the following:

1. Medical
 - a. Professional attendance and treatment
 - b. Consultative Professional Fees
2. Surgical
 - a. Surgical operation or intervention, after care and follow-up
 - b. Consultative Professional Fees
3. Hospital
 - a. Accommodation
 - b. Ambulance and operating room services
 - c. Clinical laboratory service
 - d. Diagnostic services/procedure as may be necessary to diagnose or effect a cure
4. Supplies
 - a. Drugs, medication or medical supplies
 - b. Medical appliances
 - c. Any other goods or supplies prescribed for medical diagnosis, care or treatment

RULE VIII
RULES FOR PAYMENT AND/OR REIMBURSEMENT OF
REASONABLE MEDICAL EXPENSES

Section 1. Hospital Room Rate. - Employees of the Commission who sustained injury or ailment in line of duty may seek confinement in any government or private hospital provided that hospital room rate shall not exceed One Thousand Pesos (P1,000.00) per day except in the following cases:

- a. When the condition of the patient requires confinement in the Intensive Care Unit (ICU) or in other specialized units, in which case the same shall be subject to the prevailing rate of the hospital where the patient is confined;

- b. When the nature of the ailment requires the use of special equipment or apparatus necessary for the patient's survival;
- c. In cases of emergency when the patient needs to be brought to a nearest hospital or admitted to the intensive care unit, the cheapest room available must be chosen. As soon as the patient's condition improves or when the emergency ceases to exist, the patient must be transferred to a room with a rate of not more than One Thousand Pesos (P1,000.00) per day. Otherwise, the excess shall be borne by the patient;
- d. Any other cases analogous to the foregoing, upon evaluation and recommendation by the Compensation Rating Officer or the Clinic Physician.

Hospital bills shall be subject to evaluation by the Compensation Rating Officer prior to transmittal to the Committee on Claims.

Section 2. An employee may be entitled to reimbursement of expenses for laboratory and other diagnostic services if necessary upon evaluation of the Compensation Rating Officer.

Section 3. Professional Fee. – Reimbursement of professional fee shall be in accordance with the following schedule:

- a. Medical - P450/consultation (outpatient)
P850/day (inpatient)
- b. Surgical – Professional fee, including the 30% anesthesiologist's fee, for surgical cases shall not exceed the following schedule:

Ordinary	-	P 10,000.00
Intensive	-	P 75,000.00
Catastrophic	-	P150,000.00

Section 4. Operating Room Fee. The allowable reimbursement of operating room fee shall be in accordance with the following schedule:

Ordinary	-	P 5,000.00
Intensive	-	P 10,000.00
Catastrophic	-	P 15,000.00

Section 5. Limitation on Reimbursement of Expenses. - The Commission shall reimburse to the employee who suffered injury or contracted sickness while in the performance of official duty all necessary medical, surgical and hospital services, as the nature, seriousness, difficulty and complication of the injury or sickness may require.

Payment of necessary medicines, drugs, and other medical preparation duly prescribed by a physician for continuing treatment of employee's ailment which have been previously adjudicated as service-connected shall be allowed: Provided, That the same shall not be more

than the "retail price" prevailing in the local drug stores: Provided, Further, That request for payment must be properly supported by official receipts, duly dated, numbered, and with corresponding doctor's prescription duly validated by the Compensation Rating Officer or Clinic Physician: and Provided finally, that reimbursement of professional and medical expenses shall not exceed Sixty Thousand Pesos (P60,000.00) per annum.

For catastrophic cases requiring continuous medication, treatment, management, etc. such as chemotherapy and/or radiation therapy, dialysis, rehabilitation and other analogous cases, the actual and reasonable medical expense incurred may be reimbursed, upon certification of the urgency and necessity of such treatment and/or management thereof by the Compensation Rating Officer or the Clinic Physician.

In all cases, the employee concerned shall be considered as permanently and totally disabled if the impairment has persisted for a period exceeding six (6) months, without fixed healing period and renders the employee incapable of performing his duties and functions; Provided, that in case the disability is found to be permanent beyond doubt upon medical examination of said employee, the waiting period of six (6) months may be waived.

Section 6. Medical Reexamination. - The Clinic Physician or Compensation Rater may require an employee to undergo medical reexamination to determine whether or not he/she has fully recovered from a particular ailment.

RULE IX MISCELLANEOUS PROVISIONS

Section 1. Administrative Sanctions. - Any employee or his/her representative who, for the purpose of securing entitlement to any benefit or payment under these Rules, commits fraud, collusion, falsification, misrepresentation of facts or any other act analogous to the foregoing shall be subjected to criminal and administrative sanctions this Commission may deem appropriate.

Section 2. Repealing Clause. - All rules and regulations, orders, or circulars issued by the Commission, which are inconsistent with the provisions of this Memorandum Circular, are hereby repealed, amended or modified accordingly.

Section 3. Effectivity. - These Rules and Regulations shall take effect upon approval.

Approved, this 9th day of January, in the Year Two Thousand One in Makati City, Philippines.


ALFREDO S. LIM
Chairperson


LEO S. MAGAHUM
Commissioner

Vice Chairperson and Executive Officer


ROMEO L. CAIRME
Commissioner


CLEOFE M. FACTORAN
Commissioner


PANFILO M. LACSON
Chief, PNP
Commissioner

Attested By:


REYNALDO JD CUADERNO
Deputy Executive Director

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