DEPARTMENT ORDER NO. DO 2024-03-0001

GUIDELINES ON THE GRANT OF MEDICAL ALLOWANCE TO EMPLOYEES OF THE DEPARTMENT OF ENERGY (DOE)

WHEREAS, Section 7 of Executive Order (EO) No. 64[1], s. 2024 provides for the grant of a Medical Allowance beginning Fiscal Year (FY) 2025; and

WHEREAS, a Medical Allowance not exceeding Seven Thousand Pesos (PhP7,000.00) per annum is granted to each qualified government civilian personnel as a subsidy for the availment of health maintenance organization (HMO)-type benefits, subject to the conditions and guidelines under Department of Budget and Management (DBM) Budget Circular (BC) No. 2024-6[2] dated 12 December 2024.

NOW, THEREFORE, in consideration of the foregoing premises and to provide guidance on the proper implementation and availment of the Medical Allowance, the following rules are hereby issued:

I. **Purpose.** This Department Order (DO) establishes the internal guidelines on the grant of Medical Allowance to qualified DOE officials and employees, pursuant to Section 15.1 of DBM BC No. 2024-6 dated 12 December 2024.

II. **Coverage.** The grant of Medical Allowance applies to all regular DOE officials and employees, excluding individuals hired without employer-employee relationship, such as Contract of Service (COS) and outsourced personnel, among others.

III. **Definition of Terms**

1. **HMO provider** – refers to a juridical entity legally organized to provide or arrange for the provision of pre-agreed or designated health care services to its enrolled members for a fixed pre-paid fee for a specific period of time.

2. **HMO-type product** – refers to an agreement issued on individual/family or group basis approved pursuant to Insurance Commission (IC) Circular Letter NO. 2017-19 and issued by duly licensed HMO companies by the IC.

3. **HMO** – In accordance with Department of Health (DOH) Administrative Order No. 34 (s.1994), an HMO refers to a juridical entity legally organized to provide or arrange for the provision of pre-agreed or designated health care services to its enrolled members for a fixed pre-paid fee for a specified period of time.

[1] Updating the Salary Schedule for Civilian Government Personnel and Authorizing the Grant of an Additional Allowance, and For Other Purposes issued on 02 August 2024
[2] Rules and Regulations on the Grant of Medical Allowance to Civilian Government Personnel

IV. Rates of the Medical Allowance

1. For FY 2025, the Medical Allowance for full-time government personnel shall not exceed PhP7,000.00 per annum.

2. For each subsequent year, the Medical Allowance shall not exceed the amount authorized under the pertinent general provisions in the annual General Appropriations Act (GAA).

V. Conditions and Guidelines on the Grant of Medical Allowance in the DOE

1. Employees who have been in the government service and are to render services for an aggregate of six (6) months in a particular fiscal year including leaves of absence with pay, as well as those services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission.

2. A newly hired employee may qualify for the grant of Medical Allowance after rendering six (6) months of service.

3. For Transferred Employees:

    3.1 An employee who transferred to DOE within the year and was not granted Medical Allowance by his/her former agency shall be granted Medical Allowance by the DOE, subject to the submission of a certification to that effect.

    3.2 An employee who transferred to DOE within the year but was earlier granted Medical Allowance by his/her former agency shall no longer be granted Medical Allowance by the DOE.

4. Employees detailed to another government agency shall be granted Medical Allowance by their mother agency, while those on secondment shall be paid by the recipient agency.

5. A compulsory retiree, whose services have been extended, may be granted the Medical Allowance, subject to the conditions under DBM BC No. 2024-6 dated 12 December 2024.

6. Employees Facing Administrative and/or Criminal Charges:

    6.1 Employees formally charged with administrative and/or criminal cases, which are still pending for resolution, shall be entitled to Medical Allowance until found guilty by final and executory judgement, provided that:

        6.1.1 Employees found guilty shall not be entitled to the Medical Allowance in the year of finality of the decision and shall refund the amount received for that year; and

        6.1.2 Employees penalized only with a reprimand shall be entitled to Medical Allowance.

7. For Employees on Study Leave or Study/Training/Scholarship Grant:

   7.1 An employee on study leave or on study/training/scholarship grant, whether locally or abroad, shall be entitled to the grant of Medical Allowance for the year if he/she renders at least six (6) months of service in the same year, including leaves of absence with pay, prior to and/or after the study leave or study/training/scholarship grant.

   7.2 Employees on study/training/scholarship grant for the entire year, whether locally or abroad, shall not be entitled to the Medical Allowance.

VI. Forms and Other Details of the Medical Allowance

1. The Medical Allowance may be granted in the following forms:

   1.1. **HMO-type Product Coverage.** Purchased through a group arrangement by either (i) the government agency or (ii) employees' organizations/groups.

   Such an arrangement, however, is without prejudice to the preference of employees to opt out from such group purchase and individually avail another HMO product.

   Employees who availed the DOE-chosen HMO provider shall have the Medical Allowance automatically applied to their chosen premium/plan.

   1.2 **Cash Allowance.** For employees who will:

   (i) avail their own HMO plan; or
   (ii) pay/renew an existing HMO-type benefit.

   1.3 **In Cash Form.** For those who paid their medical expenses, such as but not limited to hospitalization, emergency care, diagnostic tests and medicines, due to the denial of the HMO provider of the application of the employee in acquiring the HMO coverage.

2. If an employee continues his/her existing HMO product, the Medical Allowance shall be spent thereto, provided it will cover the fiscal year, in whole or in part, when the allowance was granted.

   For this purpose, employees who are enrolled in other HMO provider, whether as dependent of their spouse, parent/s or child/children, must provide proof of enrollment and other reportorial requirements as provided in Section VIII of this DO. Once verified, the Medical Allowance shall be released to the employee concerned. The DOE Clinic will prepare the endorsement to the Accounting Division for the release of their Medical Allowance through payroll or individual vouchers.

3. If the employee's HMO premium is lower than the Medical Allowance of PhP7,000.00, the excess amount shall not be refunded to the government.

   Provided, however, that the purpose of granting the Medical Allowance is achieved. Employees who opt to avail of a non DOE-chosen HMO provider must ascertain that the following basic medical services are included in the HMO coverage, such as but not limited to:

   3.1 Laboratory Examinations:

   - Basic 5 (Chest X-ray, Complete Blood Count, Routine Urinalysis, Routine Fecalysis) plus 12 Lead ECG, and Pap Smear.
   - Blood Chem (FBS, BUN, BUA, Creatinine, Total Cholesterol, HDL, LDL, Triglyceride, SGPT, SGOT).

   3.2 Emergency Care; and

   3.3 Confinement

   Hence, the employee must submit the reportorial requirements as provided in Section VIII of this DO to the DOE-Clinic for verification prior to reimbursement and release of the Medical Allowance.

VII. Fund Sources

The amount required for the grant of the Medical Allowance shall be charged against the available Personnel Services (PS) allotment of the DOE.

In case of deficiency, the amount required may be charged against the Miscellaneous Personnel Benefits Fund and any other available appropriations under the annual GAA, subject to budgeting, accounting, and auditing rules and regulations.

VIII. Reportorial Requirements

1. All government personnel who have been provided with Medical Allowance shall submit proof of enrollment with an HMO provider, such as but not limited to:

   (i) Certified copy of the HMO agreement and identification card issued by the HMO provider;
   (ii) Certification of membership issued by the HMO provider; or
   (iii) Official receipt for the payment of membership fee for the HMO product acquired.

The DOE shall submit to the DBM's Budget and Management Bureau or Regional Office concerned not later than one (1) month after every fiscal year, the annual report on the grant of the Medical Allowance using the prescribed template in Annex "A."

IX. Effectivity

This DO shall take effect immediately upon its signing and shall remain in force unless revoked or modified accordingly.

RAPHAEL P.M. LOTILLA
Secretary

MAR 12 2025

ANNEX A

Report on the Grant of the Medical Allowance for FY 2025

Department/Agency: _____

I. Total Amount Paid for the Medical Allowance:

A. Number of Qualified Personnel:

i. Civilian personnel:	x x x
ii. Contractual personnel:	x x x
iii. Casual personnel:	x x x
Total No. of Qualified Personnel:	**x x x**

B. Rate of Medical Allowance: **x x x**

C. Total Amount Paid: **x x x**

II. Form of Medical Allowance

☐ **Procurement by Agency**

Name of HMO-Provider:	x x x
Unit Price of HMO-Type Benefit:	x x x
Total No. of Qualified Personnel:	x x x
Civilian personnel:	x x x
Contractual personnel:	x x x
Casual personnel:	x x x

☐ **Procurement by Employees' Organizations/Groups**

Name of HMO-Provider:	x x x
Unit Price of HMO-Type Benefit:	x x x
Total No. of Qualified Personnel:	x x x
Civilian personnel:	x x x
Contractual personnel:	x x x
Casual personnel:	x x x

☐ **In Cash Form**

☐ **Availed New HMO-type Benefit**

Total No. of Qualified Personnel:	x x x
Civilian personnel:	x x x
Contractual personnel:	x x x
Casual personnel:	x x x

☐ **Payment of Existing or Renewed HMO-type Benefit**

Total No. of Qualified Personnel:	x x x
Civilian personnel:	x x x
Contractual personnel:	x x x

Casual personnel: X X X

☐ **Localities Identified as GIDA**

Total No. of Qualified Personnel: X X X
Civilian personnel: X X X
Contractual personnel: X X X
Casual personnel: X X X

☐ **Localities Which Have No Adequate HMO Branch or Office**

Total No. of Qualified Personnel: X X X
Civilian personnel: X X X
Contractual personnel: X X X
Casual personnel: X X X

☐ **Application of Personnel Denied by HMO Company**

Total No. of Qualified Personnel: X X X
Civilian personnel: X X X
Contractual personnel: X X X
Casual personnel: X X X

Submitted by:

_____
Head, Finance/Administrative Unit

Certified Correct:

_____
Agency Head