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Social Security Statistics of the Philippines in the New Millenium (2000-2012)

Background

The 20th century ushered in the global development of many national social security programs. The recognition of social security as a basic human right is enshrined in the 1948 Universal Declaration of Human Rights. Social security in this new millennium is highly gaining recognition as one strategic progress indicator being monitored on social protection towards the attainment of decent work worldwide. In addition, its development has been continuously supported by various international conventions and instruments through the years.

However, social security remains to be a very serious challenging and urgent issue of concern for many developing countries especially as to its limited coverage, inadequate program coverages and limited resources for sustainability purposes.

Broadly, **social security** is "any program of social protection established by legislation, or any other mandatory arrangement that provides individuals with a degree of income security when faced with the contingencies of old age, survivorship, incapacity, disability, unemployment or rearing children. It may also offer access to curative or preventive medical care."

The International Social Security Association (ISSA) defines social security to include social insurance programs, social assistance programs, universal programs, mutual benefit schemes, national provident funds and other arrangements including market-oriented approaches that, in accordance with national law or practice, form part of a country's social security system.

Most common type of social security program worldwide is for old-age, disability, and survivors' pensions, followed by programs for benefits for work injuries and occupational diseases, sickness and maternity, family allowances and unemployment.

This issue of LABSTAT Updates focuses on social security programs available in the **Philippines**. Our country, being a member of ISSA, endeavors to address the issue on social security of over 92 million Filipinos through the Social Security System (SSS) and Government Service Insurance System (GSIS) as affiliate institutions; and Home Development Mutual Fund (Pag-IBIG) and Philippine Health Insurance Corporation (PhilHealth) as associate institutions.

Specifically, SSS promotes social justice and provides meaningful protection to

workers and their beneficiaries against the hazards of disability, sickness, maternity, old age, death and other contingencies resulting in loss of income or financial burden. Similarly, GSIS secures the future of all Philippine government employees through its provision and administration of a pension fund which includes social security benefits like compulsory life insurance, optional life insurance, retirement benefits, and disability benefits for work-related accidents and death benefits. Meanwhile, PhilHealth provides social health insurance coverage to all Filipinos while Pag-IBIG uplifts the quality of life of its members through savings.

Total number of registered social security members generally increasing

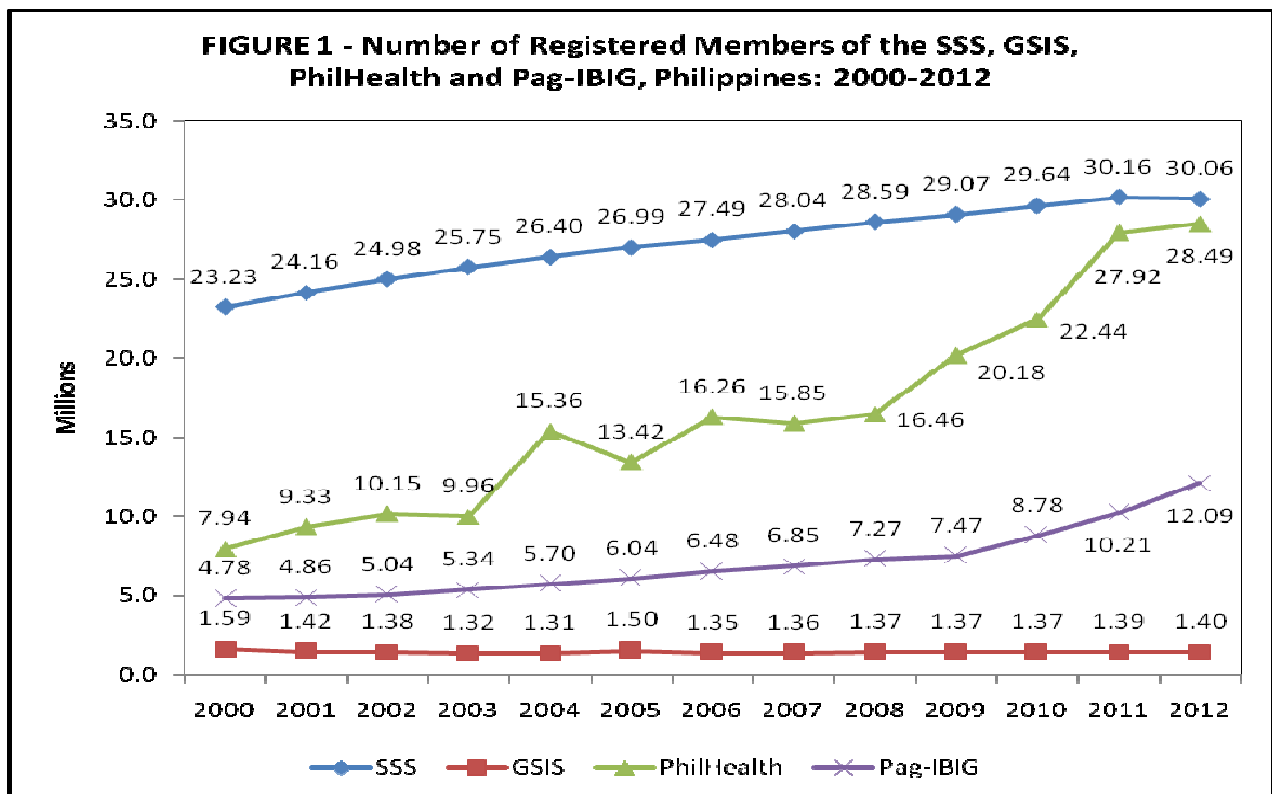
Over a span of 13 years (2000-2012), registered membership for social protection in the country generally followed an increasing trend. Specifically, SSS with a total registered members of 23.2 million in 2000 and 30.1 million in 2012, had an average growth rate of 2.2% yearly. SSS consistently registered the highest membership among the social security providers/institutions. Registered members under the SSS consist of employers, employees, self-employed and voluntary members which include separated workers, overseas foreign workers (OFWs) and non-working spouses. (Figure 1)

Registered members under the GSIS for the same years reviewed posted an average annual decrease of 1.0% with a sharp dent of 12.5% from 2000 to 2001. However, membership was continuously improving from 2006 to 2012. GSIS membership consists of government workers irrespective of their employment status, except the following: 1) members of the Judiciary and Constitutional Commissions who are covered by separated retirement laws; 2) contractual

employees who have no employee-employer relationship with their agencies; and 3) uniformed members of the Armed Forces of the Philippines and the Philippine National Police, including the Bureau of Jail Management and Penology and the Bureau of Fire Protection. (Figure 1)

PhilHealth membership had the most substantial annual increases averaging to 12.5% every year (28.5 million in 2012 as compared to 7.9 million in 2000). PhilHealth membership comprised of government employees, individuals from the private sector, individuals under sponsored program and individually-paying program, overseas workers and lifetime members. (Figure 1)

Registered Pag-IBIG members, which reached 12.1 million in 2012 from 4.8 million in 2000, had an average increase of 8.1% annually during the same 13-year period. Pag-IBIG members cover government and private employees, self-employed, OFWs and voluntary members. (Figure 1)



Membership contributions also on the rise

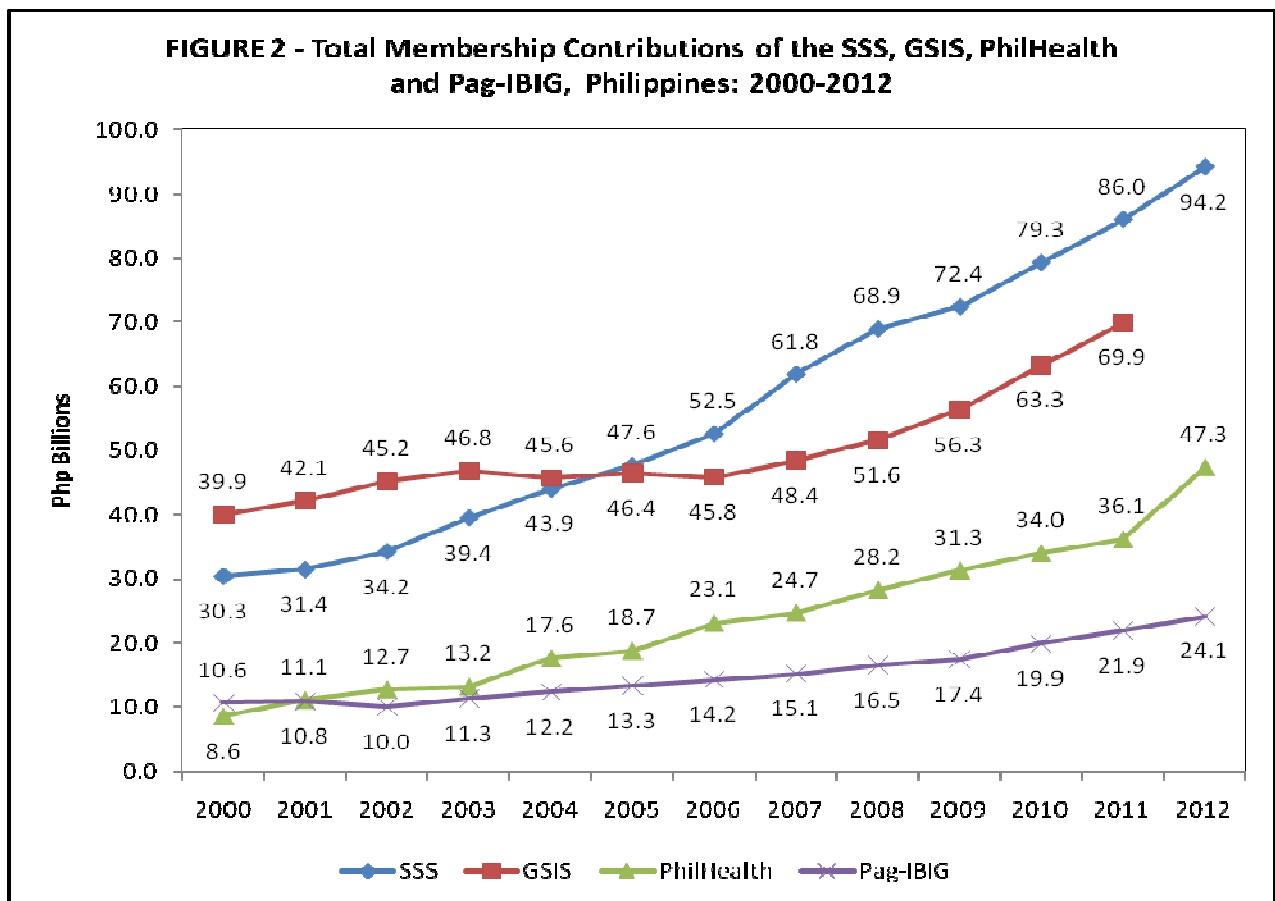
Membership contributions for social protection followed an increasing pattern as in registered membership from 2000 to 2012. Increasing at an average annual rate of 10.0%, SSS total membership contribution was pegged at ₱94.2 billion in 2012 from 30.3 billion in 2000. Starting 2005, contributions from SSS were consistently the highest among the social protection providers. (Figure 2)

Notwithstanding the earlier noted negative overall average growth of GSIS membership, the monetary contributions for social protection from this institution

increased over time from ₱39.9 billion in 2000 to ₱69.9 billion in 2011. From 2000 to 2011, GSIS contributions reflected an average annual growth rate of 5.3%. (Figure 2)

Contributions to social protection collected through PhilHealth amounted to ₱8.6 billion in 2000 then upped at ₱47.3 billion in 2012. The 15.8% average annual growth rate of PhilHealth contributions was the highest among the four institutions.

Pag-IBIG contributions with an amount of ₱10.6 billion in 2000 and ₱24.1 billion in 2012 expanded at an average rate of 7.2% yearly. (Figure 2)



Increasing total benefits paid to members

Total benefits paid by the social security providers were generally increasing from 2000 to 2012. Pag-IBIG, whose total benefits paid showed a fluctuating trend from 2000 to 2007, registered the highest

average growth rate of 25.3% annually. Benefits paid by SSS, GSIS and PhilHealth for the period covered increased at an average annual growth rate of 8.0%, 11.5% and 18.2%, respectively. (Figure 3)

SSS paid the highest total benefits

Total benefits paid by SSS, which includes benefits paid for social security and employees compensation, was consistently the highest for the years under review. Total benefits paid ranged from ₱33.9 billion to ₱84.2 billion where retirement (42.3% - 51.7%) and death (33.2% - 36.3%) benefits comprised the bulk of benefits paid from 2000 to 2012. The number of paid claims by the institution, which reached 1.8 million in 2000 and 2.6 million in 2012, was generally increasing at an average annual rate of 3.5%. (Figure 3 and Table 1)

The GSIS paid the next highest benefits on social protection, from ₱17.9 billion in 2000 to ₱63.9 billion in 2012. Majority (more than 94%) of the total benefits paid was on social insurance while the rest were on optional life insurance and employees compensation. (Figure 3 and Table 2)

Average amount of benefits paid per claim by PhilHealth almost doubled in 2012

The highest amount of benefits paid under the National Health Insurance Program of PhilHealth was consistently granted to

individuals from private sector with percent shares ranging from 28.3% to 67.2% of the total benefits paid by the institution. However, these percentages were decreasing over time with the introduction of other paid health insurance programs of PhilHealth. The total number of paid claims, which was generally increasing at an average rate of 12.4% annually, reached 4.9 million in 2012 from 1.3 million in 2000. The average amount of benefit paid per claim in 2012 was pegged at ₱9,089, which was almost twice the average benefits paid per claim in 2000 worth ₱5,244. (Table 3)

Pag-IBIG beneficiaries increasing at a rate of 13% annually

Under the Home Development Mutual Fund of Pag-IBIG, the highest types of benefits paid were retirement (2000 and 2008-2012), membership maturity (2001-2004 and 2006-2007) and optional withdrawal (2005). The total number of paid beneficiaries, which grew by 13.0% yearly, on the average, rose to 164,147 in 2012 from 88,560 in 2000. The average amount paid per claim was consistently highest for membership maturity which ranged from ₱31,897 in 2000 to ₱54,751 in 2012. (Table 4)

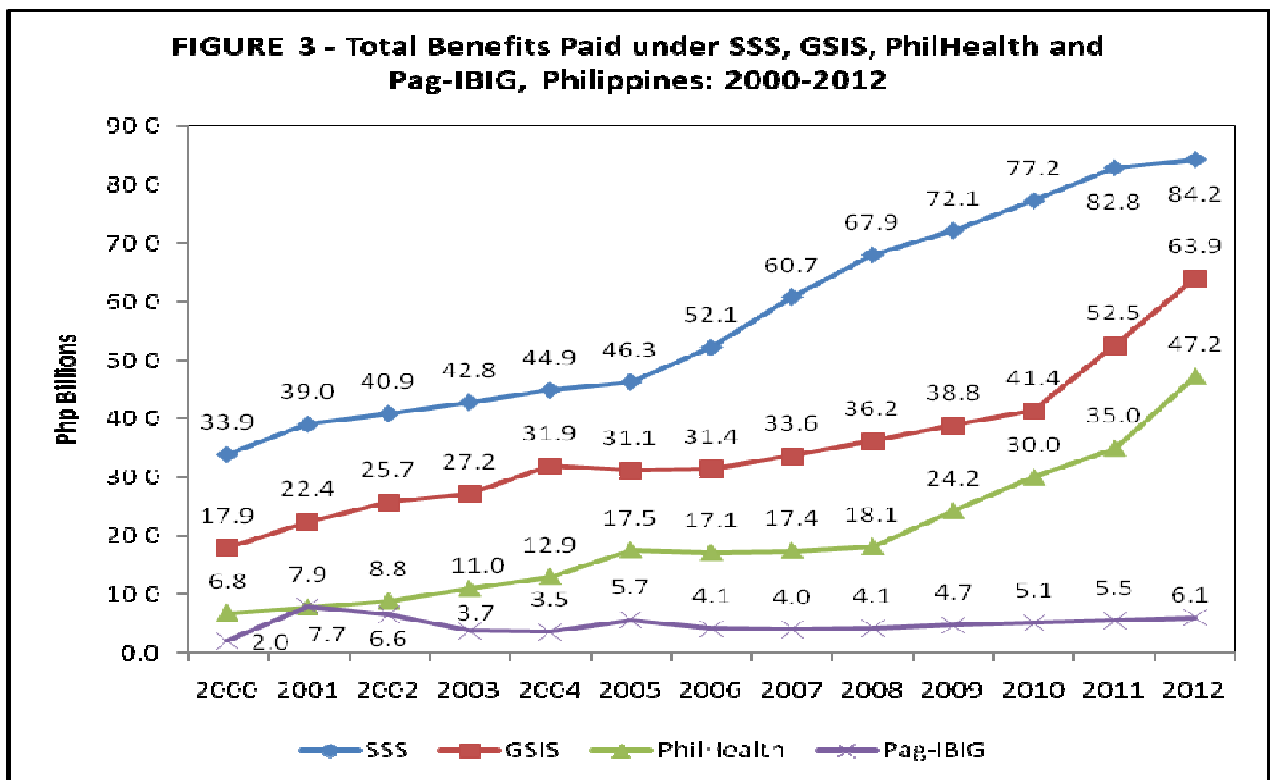


TABLE 1 - Total Benefits Paid by Type of Claim and Number of Paid Claims Under the Social Security System, Philippines: 2000 - 2012

TYPE OF CLAIM	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Benefits (P M)	33,889	39,015	40,872	42,807	44,883	46,270	52,122	60,747	67,917	72,050	77,174	82,760	84,173
Funeral	1,141	1,544	1,735	1,780	1,874	1,964	2,068	2,110	2,253	2,377	2,488	2,591	2,500
Death	11,889	12,956	14,413	15,321	16,147	16,407	18,510	21,974	24,677	25,963	27,649	29,433	29,170
Disability	3,415	3,411	3,536	3,302	3,141	2,964	2,989	3,231	3,287	3,254	3,362	3,467	3,370
Sickness	1,272	1,383	1,466	1,494	1,530	1,483	1,574	1,607	1,706	1,704	1,778	1,868	1,700
Retirement	14,335	17,687	17,496	18,587	19,770	20,884	24,192	28,905	32,680	35,126	38,227	41,563	43,485
Maternity	1,740	1,944	2,126	2,248	2,354	2,512	2,742	2,873	3,274	3,589	3,635	3,803	3,913
Medical Services	94	87	97	75	65	55	46	45	41	37	36	34	35
Rehabilitation Services	4	2	1	0	-	-	0	0	0	0	0	0	0
Special Medical Examination	-	-	1	1	-	-	-	-	-	-	-	-	-
Social Security (P M)	32,735	37,813	39,566	41,623	43,743	45,181	51,052	59,665	66,820	70,964	76,088	81,683	83,147
Funeral	1,131	1,533	1,725	1,772	1,867	1,958	2,062	2,105	2,245	2,372	2,483	2,587	2,496
Death	11,148	12,183	13,546	14,515	15,349	15,629	17,736	21,183	23,865	25,146	26,825	28,616	28,386
Disability	3,247	3,228	3,349	3,137	2,996	2,828	2,862	3,104	3,161	3,134	3,243	3,351	3,262
Sickness	1,133	1,238	1,324	1,363	1,407	1,369	1,457	1,496	1,595	1,597	1,676	1,763	1,604
Retirement	14,335	17,687	17,496	18,587	19,770	20,884	24,192	28,905	32,680	35,126	38,227	41,563	43,485
Maternity	1,740	1,944	2,126	2,248	2,354	2,512	2,742	2,873	3,274	3,589	3,635	3,803	3,913
Employees Compensation (P M)	1,154	1,202	1,305	1,184	1,139	1,089	1,070	1,081	1,097	1,086	1,086	1,077	1,026
Funeral	10	10	10	8	7	6	6	6	8	6	5	4	4
Death	741	773	867	805	798	779	774	791	812	817	824	817	784
Disability	168	183	187	164	145	135	127	127	126	120	120	116	107
Sickness	138	145	142	131	124	114	117	112	110	107	102	105	96
Medical Services	94	87	97	75	65	55	46	45	41	37	36	34	35
Rehabilitation Services	4	2	1	0	-	-	0	0	0	0	0	0	0
Special Medical Examination	-	-	1	1	-	-	-	-	-	-	-	-	-
Total Number of Paid Claims (000)	1,762	1,866	1,909	1,939	1,974	2,094	2,012	2,094	2,249	2,303	2,484	2,619	2,637

Note: Details may not add up to totals due to rounding.

Source of data: Social Security System.

TABLE 2 - Total Benefits Awarded by Type of Claim Under the Government Service Insurance System, Philippines: 2000 - 2012

TYPE OF CLAIM	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Benefits (PM)	17,926	22,423	25,703	27,247	31,910	31,087	31,385	33,625	36,241	38,815	41,402	52,513	63,901
Optional Life Insurance	294	362	489	439	506	617	637	656	386	462	715	775	896
Social Insurance	16,902	21,293	24,451	26,760	30,854	29,910	30,574	32,903	35,808	38,288	40,657	51,670	62,967
Employees Compensation	729	768	763	48	551	560	174	66	47	65	31	68	38

Note: Details may not add up to totals due to rounding.

Source of data: Government Service Insurance System.

TABLE 3 - Total Benefits Paid, Number of Paid Claims, and Average Amount Paid Under the National Health Insurance Program of PhilHealth, Philippines: 2000 - 2012

INDICATOR/TYPE OF PROGRAM	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Benefits Paid (₱ M)	6,764	7,741	8,832	10,957	12,925	17,511	17,105	17,448	18,136	24,211	30,014	34,956	47,211
Government	2,183	2,554	2,856	3,291	3,613	4,395	3,864	3,644	3,545	4,660	5,341	5,964	6,846
Private	4,545	5,051	5,628	6,792	7,309	10,407	8,328	7,037	7,654	9,271	10,824	12,222	13,379
Sponsored Program	35	136	348	873	2,004	2,709	2,693	3,087	2,668	4,032	6,541	7,410	12,095
Individually-Paying Program	-	-	-	-	-	-	1,402	2,148	2,479	3,745	4,420	5,826	9,623
Overseas Workers Program	-	-	-	-	-	-	419	594	591	758	920	1,222	1,578
Lifetime Members	-	-	-	-	-	-	-	-	1,199	1,745	1,969	2,312	3,690
Non-Paying Program	-	-	-	-	-	-	398	936	-	-	-	-	-
Total Number of Claims Paid	1,309,768	1,417,124	1,574,954	1,831,786	2,148,633	2,646,352	2,419,682	2,735,206	2,393,191	3,371,834	3,479,453	3,941,412	4,863,818
Government	472,579	502,196	545,782	574,060	562,222	634,137	551,896	572,069	508,467	649,448	606,677	655,235	745,607
Private	827,703	864,823	906,633	1,010,411	950,017	1,123,551	988,781	1,003,023	861,651	1,236,890	1,157,145	1,263,202	1,482,674
Sponsored Program	9,487	36,752	73,552	173,611	384,943	476,478	375,122	491,450	383,546	501,663	732,313	758,295	931,794
Individually-Paying Program	-	13,353	48,987	68,669	194,810	306,514	363,471	451,119	429,992	635,867	658,076	845,456	1,178,668
Overseas Workers Program	-	-	-	-	-	-	526	27,627	36,256	105,182	105,734	120,684	152,515
Lifetime Members	-	-	-	-	-	-	-	-	173,279	242,784	219,506	298,540	372,560
Non-Paying Program	-	-	-	5,035	56,641	105,672	139,886	189,918	-	-	-	-	-
Average Amount Paid Per Claim (₱)	5,244	5,404	5,536	5,886	5,852	5,949	6,191	6,231	5,988	6,737	7,930	8,197	9,089
Government	4,688	5,019	5,272	5,780	5,817	5,790	6,115	6,177	5,692	6,750	8,068	8,454	9,450
Private	5,569	5,720	5,846	6,238	6,330	6,157	6,589	6,591	5,855	6,952	8,231	8,511	9,346
Sponsored Program	3,429	3,498	3,677	4,008	4,415	4,796	5,050	5,159	4,869	6,039	7,301	7,502	9,090
Individually-Paying Program	-	4,611	5,526	6,313	6,247	6,841	5,915	5,949	7,239	6,244	7,374	7,568	8,222
Overseas Workers Program	-	-	-	-	-	-	7,011	7,754	6,298	7,549	8,870	9,259	9,842
Lifetime Members	-	-	-	-	-	-	-	-	6,825	7,996	9,268	9,416	9,773
Non-Paying Program	-	-	-	6,009	6,519	7,306	7,442	7,710	-	-	-	-	-

Notes: 1. Number of claims paid for 2007 - 2008 were based on monthly operations report submitted by PhilHealth PhRCs, while 2009 - 2011 data were generated from the paid claims database.

2. Beneficiaries are aggregate of members and dependents. Number of dependents from 2007 - 2009 were estimated using UP School of Economics (UP-Econ) dependent multiplier while membership data for 2010 - 2011 are extracted from membership database.

3. Benefit payment and contributions data are based on financial statements.

4. Average value paid per claim is derived by dividing the total amount paid by the number of claims paid.

Source of data: Philippine Health Insurance Corporation, Corporate Planning Department.

**TABLE 4 - Total Benefits Granted, Number of Beneficiaries Paid and Average Amount Paid by Type of Claim
Under the Home Development Mutual Fund of Pag-IBIG, Philippines: 2000 - 2012**

INDICATOR/TYPE OF CLAIM	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Total Benefits (P M)	2,000	7,930	6,550	3,743	3,528	5,651	4,120	4,038	4,142	4,696	5,102	5,491	6,050
Provident Benefits	1,915	7,844	6,448	3,637	3,417	5,562	4,033	3,944	4,045	4,592	4,994	5,377	5,934
Retirement	1,556	1,283	1,030	926	1,012	1,081	1,200	1,354	1,549	1,825	1,938	2,368	2,663
Membership Maturity	138	6,292	5,091	2,384	2,054	1,808	1,482	1,468	1,430	1,704	1,693	1,613	1,782
Optional Withdrawal	-	-	-	-	-	2,273	927	662	588	536	763	762	853
Death	154	179	206	209	226	238	248	284	302	347	375	412	435
Disability/Insanity	27	34	46	45	38	45	44	43	41	41	51	57	56
Permanent Departure	26	38	55	53	63	89	105	106	109	108	133	133	117
Separation Due to Health	14	18	19	20	23	29	27	27	27	32	41	30	28
Additional Death Benefit	86	86	102	105	111	89	87	95	97	104	108	114	117
Total Number of Beneficiaries Paid	88,560	241,698	189,385	136,728	131,641	194,623	141,389	135,511	135,514	143,878	148,803	153,969	164,147
Provident Benefits	74,147	227,320	172,231	119,066	113,041	178,141	125,478	118,409	117,924	125,193	129,529	133,866	143,083
Retirement	50,449	59,863	40,786	35,775	37,603	36,334	38,391	41,098	44,593	48,378	49,515	54,203	59,143
Membership Maturity	4,329	133,413	107,815	60,002	51,374	41,200	32,895	31,053	29,982	34,277	31,725	29,949	32,547
Optional Withdrawal	-	-	-	-	-	77,981	32,286	23,638	20,904	19,100	23,094	23,016	25,391
Death	14,129	27,473	16,352	16,346	17,106	15,129	14,219	15,642	15,771	16,936	17,956	19,521	19,483
Disability/Insanity	2,721	3,402	3,525	3,336	2,620	2,575	2,368	2,153	2,035	1,970	2,210	2,390	2,324
Permanent Departure	1,586	2,176	2,689	2,465	2,951	3,527	4,182	3,741	3,586	3,346	3,829	3,859	3,372
Separation Due to Health	933	993	1,064	1,142	1,387	1,395	1,137	1,084	1,053	1,186	1,200	928	823
Additional Death Benefit	14,413	14,378	17,154	17,662	18,600	16,482	15,911	17,102	17,590	18,685	19,274	20,103	21,064
Average Amount Paid Per Claim (P)													
Provident Benefits	25,822	34,508	37,439	30,548	30,228	31,224	32,140	33,304	34,303	36,679	38,552	40,168	41,469
Retirement	30,835	21,437	25,259	25,871	26,906	29,752	31,257	32,935	34,734	37,715	39,149	43,697	45,021
Membership Maturity	31,897	47,165	47,222	39,736	39,981	43,879	45,055	47,262	47,683	49,715	53,373	53,866	54,751
Optional Withdrawal	-	-	-	-	-	29,147	28,714	28,003	28,149	28,038	33,028	33,120	33,594
Death	10,881	6,503	12,597	12,771	13,239	15,743	17,409	18,163	19,119	20,518	20,870	21,118	22,331
Disability/Insanity	10,099	10,044	13,146	13,600	14,641	17,406	18,598	19,981	20,138	20,741	22,941	24,050	24,049
Permanent Departure	16,136	17,619	20,614	21,501	21,349	25,183	25,194	28,377	30,329	32,131	34,730	34,486	34,789
Separation Due to Health	15,164	17,654	17,857	17,828	16,914	20,674	23,500	24,982	25,575	26,863	33,958	32,651	33,512
Additional Death Benefit	5,932	5,956	5,942	5,963	5,975	5,387	5,456	5,535	5,517	5,585	5,608	5,653	5,539

Note: Details may not add to totals due to rounding.

Source of data: Home Development Mutual Fund, Pag-IBIG.