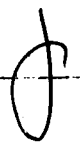


25 JAN 27 10:53

NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Third Regular Session)

RECEIVED BY: _____



SENATE

S. No. 2948

Introduced by Senator Jinggoy Ejercito Estrada

AN ACT

FURTHER AMENDING REPUBLIC ACT NO. 8042, ALSO KNOWN AS THE MIGRANT WORKERS AND OVERSEAS FILIPINO ACT OF 1995, AS AMENDED BY REPUBLIC ACT NO. 10022: ENHANCING PROTECTION AND WELFARE STANDARDS FOR MIGRANT WORKERS THROUGH EXPANDED COMPULSORY INSURANCE COVERAGE

EXPLANATORY NOTE

Overseas Filipino Workers (OFWs) face unique challenges and vulnerabilities, including risks of accidental injury, illness, wrongful termination, and emergencies. The amendment to Republic Act No. 8042 strengthens the government's commitment to safeguarding OFWs by expanding compulsory insurance coverage, ensuring immediate assistance without financial burdens. By requiring recruitment agencies or foreign employers to shoulder insurance costs, the principle of "no cost to the worker" is upheld, reinforcing the protection of OFWs during times of hardship.

These provisions provide financial security to OFWs and their families during life-altering events, reflecting their vital contributions to the economy. Additionally, subsistence allowances for workers involved in legal disputes ensure they can pursue justice without enduring undue financial hardship.

The suggested legislation sets a strict criteria for qualified insurance providers, requiring them to meet a minimum capitalization threshold and maintain ethical practices. Regular assessments by the Insurance Commission (IC), along with the option to blacklist non-compliant insurers, promote accountability, discourage unethical behavior, and build confidence in the system.

A mandated five-year review, with provisions for earlier assessments if necessary, ensures the policy remains responsive to evolving challenges. Collaboration among

government agencies, stakeholders, and the Congressional Oversight Committee fosters a dynamic and flexible framework that prioritizes the welfare of OFWs.

By enhancing protections and instituting a comprehensive insurance package covering all stages of the deployment cycle, the amendment reinforces the country's commitment to international labor standards. This demonstrates a dedication to upholding migrant workers' rights and addressing exploitation and hardship.

In sum, the proposed bill represents a significant step forward in safeguarding OFWs, ensuring they are supported and protected in the face of evolving risks and challenges, while maintaining the government's responsibility to its citizens working abroad.



JINGGOY EJERCITO ESTRADA

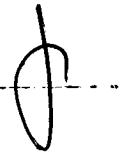
NINETEENTH CONGRESS OF THE)
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Office of the Secretary

25 JAN 27 A10 :53

SENATE
S. No. 2948

RECORDED



Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
FURTHER AMENDING REPUBLIC ACT NO. 8042, ALSO KNOWN AS THE
MIGRANT WORKERS AND OVERSEAS FILIPINO ACT OF 1995, AS AMENDED
BY REPUBLIC ACT NO. 10022 TO ENHANCE PROTECTION AND WELFARE
STANDARDS FOR MIGRANT WORKERS THROUGH EXPANDED COMPULSORY
INSURANCE COVERAGE

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, as amended, is hereby
2 amended to read as follows:

3 "Sec. 37-A. *Compulsory Insurance Coverage for*
4 *[Agency-Hired] **MIGRANT WORKERS OR OVERSEAS***
5 ***FILIPINO Workers.** - In addition to the performance bond*
6 *to be filed by the recruitment/manning agency under*
7 *Section 10, [~~each migrant worker deployed by a~~*
8 *~~recruitment/manning agency shall be covered by a~~*
9 *~~compulsory insurance policy which shall be secured]~~ **THE**
10 **PRIVATE RECRUITMENT AND MANNING AGENCIES**
11 **ARE REQUIRED TO PROVIDE COMPREHENSIVE**
12 **INSURANCE TO THE MIGRANT WORKERS OR OFWS**
13 **THEY WILL DEPLOY** at no cost to the said worker.*

14 "WITH RESPECT TO OFWS DEPLOYED
15 THROUGH OTHER ARRANGEMENTS, SUCH AS BUT

1 **NOT LIMITED, BALIK-MANGGAGAWA OR REHIRE**
2 **WORKER, DIRECT HIRE WORKER, AND FOR**
3 **GOVERNMENT TO GOVERNMENT HIRED WORKER,**
4 **THE FOREIGN EMPLOYER SHALL BE REQUIRED TO**
5 **SECURE THE COMPREHENSIVE INSURANCE TO THE**
6 **CONCERNED OFW UNDER THE EMPLOYMENT**
7 **CONTRACT, AT NO COST TO THE SAID WORKER.**

8 "[Such] **SAID** insurance policy shall be effective for
9 the duration of the migrant worker[':s] **OR OFW'S**
10 employment **UNLESS EXPRESSLY STATED**
11 **OTHERWISE IN THE INSURANCE POLICY. [and] IT**
12 shall cover, at the minimum:

13 "(a) x x x;

14 "x x x

15 "(e) x x x;

16 "(f) Money claims arising from employer's liability
17 which may be awarded or given to the worker in a
18 judgment or settlement of his or her case in the NLRC.
19 ~~["The insurance coverage for money claims shall be~~
20 ~~equivalent to at least three (3) months for every year of~~
21 ~~the migrant worker's employment contract];~~

22 ~~["In addition to the above coverage, the insurance~~
23 ~~policy shall also include:]~~

24 "(g) Compassionate visit. When a migrant worker is
25 hospitalized and has been confined for at least seven (7)
26 consecutive days, he/**SHE** shall be entitled to a
27 compassionate visit by one (1) family member or a
28 requested individual. The insurance company shall pay for
29 the transportation cost of the family member or requested
30 individual to the major airport closest to the place of
31 hospitalization of the worker **AND BACK TO THE**
32 **PHILIPPINES.** It is, however, the responsibility of the

1 family member or requested individual to meet all visa and
2 travel document requirements;

3 "(h) x x x; and

4 "(i) Medical repatriation. When medically necessary
5 as determined by the **INSURANCE COMPANY'S**
6 attending physician, repatriation under medical
7 supervision to the migrant worker's residence shall be
8 undertaken by the insurance provider at such time that the
9 migrant worker is medically cleared for travel by
10 commercial carrier. If the period to receive medical
11 clearance to travel exceeds fourteen (14) days from the
12 date of discharge from the hospital, an alternative
13 appropriate mode of transportation, such as air
14 ambulance, may be arranged. Medical and non-medical
15 escorts may be provided when necessary.

16 **"THE INSURANCE COVERAGE ENUMERATED**
17 **ABOVE SHALL BE THE MINIMUM INSURANCE**
18 **COVERAGE WHICH SHALL BE PROVIDED TO THE**
19 **MIGRANT WORKERS OR OFWS BY THE PRINCIPAL**
20 **EMPLOYER OR RECRUITMENT OR MANNING**
21 **AGENCY.**

22 "Only reputable private insurance companies duly
23 registered with the Insurance Commission (IC), which are
24 in existence and operational for at least **FIVE (5) YEARS,**
25 **WITH A NET WORTH IN ACCORDANCE WITH**
26 **SECTION 194 OF THE INSURANCE CODE, AS**
27 **AMENDED, OF AT LEAST [Five hundred million pesos**
28 **(P500,000,000.00)] ONE BILLION THREE HUNDRED**
29 **MILLION PESOS (P1,300,000,000.00)** to be
30 determined by the IC, and with a current year certificate
31 of authority shall be qualified to provide for the worker's
32 insurance coverage. Insurance companies who have

1 directors, partners, officers, employees or agents with
2 relatives, within the fourth civil degree of consanguinity or
3 affinity, who work or have interest in any of the licensed
4 recruitment/manning agencies or in any of the government
5 agencies involved in the overseas employment program
6 shall be disqualified from providing this workers' insurance
7 coverage.

8 **"ALL INSURANCE PROVIDERS CATERING TO**
9 **OFWS SHALL BE REQUIRED TO DIGITALIZE THEIR**
10 **SERVICES TO ENHANCE ACCESSIBILITY,**
11 **EFFICIENCY, AND TRANSPARENCY. THIS**
12 **INCLUDES ONLINE SUBMISSION OF APPLICATION**
13 **FORMS, ISSUING DIGITAL INSURANCE POLICIES,**
14 **MAKING POLICY DETAILS AVAILABLE ONLINE,**
15 **AND INTEGRATING SECURE DIGITAL PAYMENT**
16 **SYSTEMS. EMPLOYERS, RECRUITMENT/MANNING**
17 **AGENCIES SHOULD BE ABLE TO CONVENIENTLY**
18 **PAY FOR OFW INSURANCE ONLINE, FACILITATING**
19 **COMPLIANCE AND REDUCING ADMINISTRATIVE**
20 **BURDENS. PROVIDERS MUST ALSO ESTABLISH AN**
21 **ONLINE PLATFORM FOR THE DIGITAL**
22 **SUBMISSION AND TRACKING OF CLAIMS,**
23 **ENSURING A STREAMLINED AND EFFICIENT**
24 **PROCESS FOR OFWS AND THEIR BENEFICIARIES.**

25 **"TO ENSURE AUTHENTICITY AND**
26 **RELIABILITY, THE DEPARTMENT OF MIGRANT**
27 **WORKERS (DMW) AND THE INSURANCE**
28 **COMMISSION SHALL IMPLEMENT A VERIFICATION**
29 **SYSTEM TO VALIDATE THE LEGITIMACY OF ALL**
30 **ISSUED DIGITAL POLICIES. THIS VERIFICATION**
31 **MECHANISM TO PREVENT FRAUDULENT**
32 **INSURANCE SCHEMES, PROTECT OFWS FROM**

1 **ILLEGITIMATE PROVIDERS, AND ENSURE THAT**
2 **ONLY ACCREDITED AND COMPLIANT INSURERS**
3 **ARE ALLOWED TO OPERATE.**

4 **"ALL INSURANCE PROVIDERS CATERING TO**
5 **OVERSEAS FILIPINO WORKERS (OFWS) SHALL BE**
6 **REQUIRED TO TRANSITION TO DIGITAL**
7 **PLATFORMS FOR IMPROVED ACCESSIBILITY,**
8 **EFFICIENCY, AND TRANSPARENCY. INSURANCE**
9 **PROVIDERS MUST DEVELOP AND MAINTAIN AN**
10 **ONLINE SYSTEM.**

11 **"THE DIGITAL INSURANCE PLATFORM SHALL**
12 **PROVIDE OFWS WITH AN EASILY ACCESSIBLE**
13 **INTERFACE TO REVIEW POLICY TERMS,**
14 **CONDITIONS, AND COVERAGE DETAILS.**
15 **EMPLOYERS, RECRUITMENT/MANNING AGENCIES,**
16 **SHALL ALSO BE GRANTED ACCESS TO FACILITATE**
17 **COMPLIANCE AND ENSURE TIMELY INSURANCE**
18 **PAYMENTS FOR THEIR WORKERS.**

19 **"The PRINCIPAL EMPLOYER AND/OR**
20 **recruitment/manning agency WHO WILL PROCURE**
21 **THE INSURANCE POLICY OF A MIGRANT WORKER**
22 **OR OFW shall have the [right] FREEDOM to choose**
23 **[from] AMONGST any of the qualified AND DULY**
24 **ACCREDITED insurance providers [the company that will**
25 **insure the] TO COVER THEIR DEPLOYED migrant**
26 **worker [it will deploy]. After procuring [such] THE**
27 **REQUIRED insurance policy, the PRINCIPAL**
28 **EMPLOYER AND/OR recruitment/manning agency shall**
29 **provide an authenticated copy thereof to the migrant**
30 **worker [it] AND shall then submit the certificate of**
31 **insurance coverage of the migrant worker to [POEA] THE**
32 **DMW as [a] PART OF THE MANDATORY requirements**

1 for the issuance of an Overseas Employment Certificate
2 (OEC) to the migrant worker. [~~In the case of seafarers who~~
3 ~~are insured under policies issued by foreign insurance~~
4 ~~companies, the POEA shall accept certificates or other~~
5 ~~proofs of cover from recruitment/manning agencies:~~
6 ~~Provided, That the minimum coverage under sub-~~
7 ~~paragraphs (a) to (i) are included therein.]~~

8 **"THE PRINCIPAL EMPLOYER AND/OR**
9 **RECRUITMENT/MANNING AGENCY SHALL ASSIST**
10 **THE MIGRANT WORKER OR OFW OR HIS/HER**
11 **BENEFICIARY IN THE PROCESSING OF CLAIMS**
12 **AGAINST THE INSURER.**

13 "Any person having a claim upon the policy issued
14 pursuant to subparagraphs (a), (b), (c), (d) and (e) of this
15 section shall present to the insurance company concerned
16 a [~~written notice of~~] claim **EITHER MANUALLY**
17 **WRITTEN OR SUBMITTED THROUGH A SECURE**
18 **DIGITAL PORTAL**, together with pertinent supporting
19 documents. The insurance company shall forthwith
20 ascertain the truth and extent of the claim and make
21 payment within ten (10) days from [~~the filing of the notice~~
22 ~~of claim~~] **RECEIPT OF ALL THE REQUIRED**
23 **DOCUMENTARY REQUIREMENTS FOR THE CLAIM.**

24 "x x x

25 "For repatriation under subparagraph (d) hereof, a
26 certification which states the reason/s for the termination
27 of the migrant worker's employment and the need for his
28 or her repatriation shall be issued by the [~~Philippine foreign~~
29 ~~post or the Philippine Overseas Labor Office (POLO)~~
30 ~~located in the receiving country~~] **MIGRANT WORKERS**
31 **OFFICE (MWO), OR IN HIS ABSENCE, THE EMBASSY**

1 **OR CONSULAR OFFICIAL LOCATED IN THE**
2 **RECEIVING COUNTRY.**

3 "For subsistence allowance benefit under
4 subparagraph (e), the concerned [~~labor attaché~~] **MWO** or,
5 in his absence, the embassy or consular official shall issue
6 a certification which states the name of the case, the
7 names of the parties and the nature of the cause of action
8 of the migrant worker.

9 "For the payment of money claims under
10 subparagraph (f), the following rules shall govern:

11 "(1) After a decision has become final and executory
12 [~~or a settlement/compromise agreement has been~~
13 ~~reached between the parties at the NLRC~~], an order shall
14 be released mandating the respondent
15 recruitment/manning agency to pay the amount adjudged
16 [~~or agreed upon~~] within thirty (30) days;

17 **"(1-A) THE LIABILITY OF THE INSURANCE**
18 **COMPANY SHALL BE LIMITED TO THE UNEXPIRED**
19 **PORTION OF THE WORKER'S SALARY UNDER THE**
20 **EMPLOYMENT CONTRACT. ANY PORTION OF THE**
21 **CONTRACT AWARDED TO THE WORKER AS**
22 **COMPENSATION FOR UNPAID SALARY FOR WORK**
23 **ALREADY RENDERED, DAMAGES, PLACEMENT**
24 **FEEs, OVERTIME, OR OTHER MISCELLANEOUS**
25 **FEEs SHALL BE BORNE SOLELY BY THE AGENCY.**
26 **THE INSURANCE COMPANY'S LIABILITY SHALL**
27 **DIMINISH PROPORTIONATELY WITH ANY**
28 **REDUCTION IN THE UNEXPIRED PORTION OF THE**
29 **WORKER'S SALARY;**

30 **"(1-B) THE INSURANCE COMPANY SHALL**
31 **NOT BE LIABLE IF THE RECRUITMENT AGENCY IS**

1 **NOT THE ONE WHO DEPLOYED THE OFW OR**
2 **SEAFARERS;**

3 “(2) The recruitment/manning agency shall then
4 immediately file a notice of claim with its insurance
5 provider for the amount of liability insured, attaching
6 therewith a copy of the decision or compromise
7 agreement;

8 “(3) Within ten (10) days from the [~~filing of notice~~
9 ~~of claim~~] **RECEIPT OF ALL THE REQUIRED**
10 **DOCUMENTARY REQUIREMENTS FOR THE CLAIM,**
11 the insurance company shall make payment to the
12 recruitment/manning agency the amount adjudged [~~or~~
13 ~~agreed upon~~], or the amount of liability insured, whichever
14 is lower. After receiving the insurance payment, the
15 recruitment/manning agency shall immediately pay the
16 migrant worker’s claim in full, taking into account that in
17 case the amount of insurance coverage is insufficient to
18 satisfy the amount adjudged or agreed upon, it is liable to
19 pay the balance thereof;

20 “(4) x x x;

21 “x x x

22 “(7) x x x.

23 “x x x.”

24 **“THE DMW AND THE INSURANCE**
25 **COMMISSION SHALL OVERSEE THE TRANSITION**
26 **AND ENSURE COMPLIANCE WITH THE**
27 **DIGITALIZATION AND VERIFICATION MANDATE.**
28 **INSURANCE PROVIDERS FAILING TO COMPLY**
29 **WITH THIS MANDATE SHALL BE SUBJECT TO**
30 **PENALTIES, INCLUDING SUSPENSION OF**
31 **ACCREDITATION FOR OFW-RELATED INSURANCE**

1 **SERVICES AND OTHER REGULATORY ACTIONS AS**
2 **DEEMED NECESSARY.”**

3 Sec. 2. *Separability Clause.* – If any provision or part hereof is held invalid or
4 unconstitutional, the remainder of the law or the provision or part not otherwise
5 affected shall remain valid and subsisting.

6 Sec. 3. *Repealing Clause.* – Any law, presidential decree or issuance, executive
7 order, letter of instruction, administrative order, rule, or regulation contrary to or
8 inconsistent with the provisions of this Act are hereby repealed, modified, or amended
9 accordingly.

10 Sec. 4. *Effectivity.* – This Act shall take effect fifteen (15) days after its
11 publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,