



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila

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CIRCULAR LETTER

TO : ALL INSURANCE COMPANIES AND OTHER ENTITIES CONCERNED

SUBJECT : APPLICABILITY OF SENIOR CITIZENS' DISCOUNT IN THE PAYMENT OF PREMIUMS FOR INSURANCE POLICIES

Republic Act No. 9994, otherwise known as the "Expanded Senior Citizens Act of 2010", and its Implementing Rules and Regulations is the enabling law which granted certain privileges to Senior Citizens or the Elderly.

One of the privileges granted to Senior Citizens under Section 4¹ of the Expanded Senior Citizens Act of 2010 is the Twenty Percent (20%) discount on the sale of goods and services specifically enumerated in the said law which **does not include payment of premiums for insurance policies.**

It is also noted that the National Inter-Agency Coordinating and Monitoring Board (NCMB), a government agency attached to the Department of Social Welfare and Development (DSWD) tasked with the implementation and monitoring of the Expanded Senior Citizens Act, has not issued any guideline ordering the applicability

¹ SEC. 4. Privileges for the Senior Citizens. - The senior citizens shall be entitled to the following:

(a) the grant of twenty percent (20%) discount and exemption from the value-added tax (VAT), if applicable, on the sale of the following goods and services from all establishments, for the exclusive use and enjoyment or avallment of the senior citizen:

(1) on the purchase of medicines, including the purchase of influenza and pneumococcal vaccines, and such other essential medical supplies, accessories and equipment to be determined by the Department of Health (DOH).

The DOH shall establish guidelines and mechanism of compulsory rebates in the sharing of burden of discounts among retailers, manufacturers and distributors, taking into consideration their respective margins;

(2) on the professional fees of attending physician/s in all private hospitals, medical facilities, outpatient clinics and home health care services;

(3) on the professional fees of licensed professional health providing home health care services as endorsed by private hospitals or employed through home health care employment agencies;

(4) on medical and dental services, diagnostic and laboratory fees in all private hospitals, medical facilities, outpatient clinics, and home health care services, in accordance with the rules and regulations to be issued by the DOH, in coordination with the Philippine Health Insurance Corporation (PhilHealth);

(5) in actual fare for land transportation travel in public utility buses (PUBs), public utility jeepneys (PUJs), taxis, Asian utility vehicles (AUVs), shuttle services and public railways, including Light Rail Transit (LRT), Mass Rail Transit (MRT), and Philippine National Railways (PNR);

(6) in actual transportation fare for domestic air transport services and sea shipping vessels and the like, based on the actual fare and advanced booking;

(7) on the utilization of services in hotels and similar lodging establishments, restaurants and recreation centers;

(8) on admission fees charged by theaters, cinema houses and concert halls, circuses, leisure and amusement; and

(9) on funeral and burial services for the death of senior citizens;

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of the Twenty Percent (20%) discount in the payment of premiums for insurance policies made by Senior Citizens.

Thus, unless the payment of premiums for insurance policies is included in the law, the Twenty Percent (20%) Senior Citizen Discount is not applicable in the payment of premium for insurance policies.

For your information and guidance.



EMMANUEL F. DOOC
Insurance Commissioner