



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



Advisory No. :	RS-2025-007
Classification:	Regulatory and Supervisory Advisory
Date:	24 March 2025

INSURANCE COMMISSION ADVISORY

TO : ALL NON-LIFE INSURANCE COMPANIES, PPAI MANAGEMENT COMPANIES, LAND TRANSPORTATION OFFICE (LTO), LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD (LTFRB), LTFRB ACCREDITED MOTORCYCLE TAXI OPERATORS AND THE GENERAL PUBLIC

SUBJECT : DRAFT CIRCULAR LETTER ON THE INTERIM PREMIUM AND BENEFIT COVERAGE OF PASSENGER PERSONAL ACCIDENT INSURANCE (PPAI) FOR MOTORCYCLE (MC) TAXIS

The Insurance Commission (IC) shall issue a schedule of premium and benefit coverage of PPAI for MC Taxis.

Relative thereto, we would like to solicit your comments, suggestions, and recommendations on the draft Circular Letter and its annexes (see attached).

Comments/feedback shall be submitted to the IC – Office of the Insurance Commissioner at ocom@insurance.gov.ph within fourteen (14) calendar days after the issuance of this Advisory.

Thank you.


REYNALDO A. REGALADO
Insurance Commissioner





Circular Letter (CL) No.:	
Date:	
Supersedes:	None

CIRCULAR LETTER

TO : ALL NON-LIFE INSURANCE COMPANIES PROVIDING PASSENGER PERSONAL ACCIDENT INSURANCE FOR MOTORCYCLE TAXIS

SUBJECT : INTERIM PREMIUM AND BENEFIT COVERAGE OF PASSENGER PERSONAL ACCIDENT INSURANCE FOR MOTORCYCLE TAXIS

WHEREAS, Section 387 of the Amended Insurance Code provides that, "It shall be unlawful for any land transportation operator or owner of a motor vehicle to operate the same in the public highways unless there is in force in relation thereto a policy of insurance or guaranty in cash or surety bond issued in accordance with the provisions of this chapter to indemnify the death, bodily injury, and/or damage to property of a third-party or passenger, as the case may be, arising from the use thereof.";

WHEREAS, the Amended Insurance Code defined Passenger as any fare paying person being transported and conveyed in and by a motor vehicle for transportation of passengers for compensation, including persons expressly authorized by law or by the vehicle's operator or his agents to ride without fare;

WHEREAS, the Department of Transportation (DOTr) issued Department Order No. 2018-020¹ which mandated that the determination, assessment and evaluation of qualifications and requirements of insurance companies, joint ventures, or consortiums providing mandatory insurance for motor vehicles and Passenger Personal Accident Insurance (PPAI) shall be under the sole and exclusive authority of the Insurance Commission (IC);

WHEREAS, a Technical Working Group (TWG) chaired by the LTFRB and member representatives from DOTr, Land Transportation Office (LTO), and the Inter-Agency Council for Traffic (i-ACT), has implemented the pilot program for ride-hailing motorcycle taxis, in aid of legislation to evaluate pending bills on the legalization of motorcycles as public utility vehicles (PUVs);

WHEREAS, LTFRB MC-99-011 required PUVs to secure PPAI cover to compensate passenger-victims of accidents. PUV is defined by the LTO as vehicles designated for public use, made up of a diverse range of transportation modes designed to cater to the general public;

¹https://jur.ph/law/revised-guidelines-on-mandatory-insurance-policies-for-motor-vehicles-and-personal-passenger-accident-insurance-for-public-utility-vehicles#_

WHEREAS, even in the absence of a law, the motorcycle taxis are now frequently used as an alternative means of public transportation, exposing both the driver and the passenger to accidental injury and death;

WHEREAS, Section 361 of the Amended Insurance Code states that, "Every non-life rating organization and every non-life insurance company doing business in the Philippines shall file with the Commissioner, except as to risks which by general custom of the business are not written according to manual rates or rating plans, every rate manual, schedule of rates, classification of risks, rating plan, and every other rating rule and every modification of any of the foregoing which it proposes to use";

WHEREAS, the Philippine Insurers and Reinsurers Association, Inc. (PIRA), as the accredited non-life industry Rating Organization, proposed the premium and PPAI coverage for Motorcycle Taxis, pursuant to Section 361 of the Amended Insurance Code;

NOW, THEREFORE, pursuant to the authority vested to the Insurance Commissioner under Section 437 of the Amended Insurance Code, the following Premium Rate and Benefits for PPAI for Motorcycle Taxis are hereby issued and promulgated:

Section 1: Applicability

This Circular shall be applicable to all non-life insurance companies with approved PPAI coverage for Motorcycle Taxi. The PPAI coverage shall only be provided to Motorcycle Taxi Operators or Transportation Network Companies duly accredited by the LTFRB to transport a passenger.

Section 2: Product Approval

The non-life companies shall secure prior approval of the IC prior to the issuance of PPAI for Motorcycle Taxi. The company shall provide an "All-Risk, No Fault" insurance coverage in the policy.

Section 3: Premium Rate

The Annual Premium for a Motorcycle Taxi shall be **Two Thousand Four Hundred Fifty-Seven and 14/100 Pesos (Php2,457.14)**, exclusive of applicable taxes. The rate shall be subject for review after one year upon collection of credible data set forth in Section 5 of this Circular.

Section 4: Benefits

The PPAI for Motorcycle Taxis shall have the following benefits:

Benefits per Passenger	Benefit Amount
Accidental Death and Dismemberment	
a. Accidental death (inclusive of burial and interment)	Php400,000.00
b. Permanent total disability	Php200,000.00
c. Loss of two or more limbs	Php200,000.00
d. Total and irrevocable loss of sight in both eyes	Php200,000.00
e. Dismemberment in one limb	Php80,000.00

Benefits per Passenger	Benefit Amount
f. Total and irrevocable loss of sight in one eye	Php80,000.00
g. Loss of arm at or above elbow	Php100,000.00
h. Loss of both hands or all fingers and both thumbs	Php150,000.00
i. Loss of arm between elbow and wrist	Php100,000.00
j. Loss of hand	Php80,000.00
k. Loss of four fingers	Php60,000.00
l. Loss of one thumb	Php40,000.00
m. Loss of index finger	Php30,000.00
n. Loss of middle finger	Php20,000.00
o. Loss of ring finger	Php12,000.00
p. Loss of little finger	Php12,000.00
q. Loss of metacarpals 1 st or 2 nd	Php6,000.00
Additional 3 rd , 4 th and 5 th	Php6,000.00
r. Loss of leg above the knee	Php90,000.00
s. Loss of leg below the knee	Php80,000.00
t. Loss of one foot	Php80,000.00
u. Loss of big toe	Php10,000.00
v. Loss of all toes in one foot	Php24,000.00
w. Loss of any toe other than the big toe	Php2,000.00
x. Loss of hearing in both ears	Php80,000.00
y. Loss of hearing in one ear	Php30,000.00

For accidental death and dismemberment, the total benefits payable under the policy in respect of any one accident resulting in loss(es) shall be Php400,000.00 per passenger.

The Motorcycle Taxi has an authorized seating capacity of two (2), a passenger and the driver. The aggregate limit of liability of the company for death and/or dismemberment, under the policy for any one accident shall be Php800,000.00.

Additional benefits per passenger may be provided as follows:

Benefits for Driver	Benefit Amount
a. Burial assistance for driver	Php15,000.00
b. One-time educational assistance for one child of deceased driver	Php10,000.00
c. Casket for the driver at the time of accident	Php10,000.00
Benefits per Passenger	Benefit Amount
a. Ambulance assistance	Php7,500.00
Benefits per Passenger	Maximum Benefit
1. Accidental Actual Medical Expenses Reimbursement	Php100,000.00
2. Medical Implant Expenses Reimbursement	Php20,000.00
3. Bail Bond	Php45,000.00
4. Legal Assistance Services	Php15,000.00
5. Family Allowance While in the Hospital During Interment	Php30,000.00 Php7,000.00

The aggregate limit of liability of the company for medical reimbursement, under the policy for any one accident shall be Php200,000.00.

Payment of claims shall be made within five (5) working days upon completion of the required documentation.

Section 5: Submission of Report

All non-life insurance companies duly approved by this Commission to provide PPAI for Motorcycle Taxis shall submit quarterly reports, using the prescribed templates, thru the online uploading portal <https://onlinesubmission.insurance.gov.ph/rating/login>. The quarterly report submission shall be **every 15th day of the month** of the succeeding quarter.

The online users are required to register by submitting an application form together with the supporting documents to **rating@insurance.gov.ph** within two (2) weeks from the approval of the product.

Reporting Templates

a. **Premium and Risk Register Report (Annex A)**

The premium and risk register report shall include the policy number, period of insurance coverage, details of the motorcycle unit, basic premium received, and taxes collected as well as commissions and other underwriting expenses allocated for the issuance of the policy. All policies issued within the quarter shall be reported in the premium and risk register for that quarter.

b. **Claims Register Report (Annex B)**

The claims register report shall include the policy number, pertinent dates of the claim, status of the claim, and benefit amounts as well as other expenses allocated for the processing claims. All claims received as of the end of the quarter, and accumulated claims received from the effective date of the policy, shall be reported in the claims register for that quarter.

Failure to submit the reports on or before the deadline shall be subject to a penalty of Php5,000.00 for each day of delay.

Section 6: Effectivity

This Circular shall take effect immediately.

REYNALDO A. REGALADO
Insurance Commissioner

Definitions Library - Data Risk Register

Data Field	Descriptions	Format	Possible Entry
Policy Number	Policy identifier / code	alphanumeric	P1234567, 99999999
Limit of Liability	Amount of the maximum liability, in Php	number	Positive nominal amount
Date Issued	Date of the transaction being booked/recorded in the system. If transaction is New Business or Renewal, issue date is the policy booking/issuance date.	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Place of Issuance	Location where the policy was issued For NCR – name of city/town Outside NCR – name of province	text	For NCR- City of Manila, Makati City, Quezon City etc. Outside NCR- Cavite, Laguna, Batangas etc.
Period of Coverage-Effectivity date	Date of the effectivity of the policy.	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Period of Coverage-Expiry date	Date of the expiry of the policy.	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Year Model	Year of the motor car make and model	general (yyyy)	1999, 2000, 2014, etc.
Make Model	Motor car make and model / series, based on vehicle registration	text	Suzuki NEX 115, Honda TMX 125, Yamaha FZ 150, etc.
Plate Number	Plate Number based on the motor car's registration	alphanumeric	ABC1234
Premiums and Taxes-Premium Paid	Amount of premium before taxes, in Php	number	Positive nominal amount
Premiums and Taxes-DST	Amount of Documentary Stamp Tax, in Php	number	Positive nominal amount
Premiums and Taxes-VAT	Amount of Value Added Tax, in Php	number	Positive nominal amount
Premiums and Taxes-LGT	Amount of Local Government Tax, in Php	number	Positive nominal amount
Commission Amount	Amount of commission paid to intermediaries, in Php	number	Positive nominal amount
Other Underwriting Expenses	Amount of other underwriting expense, in Php	number	Positive nominal amount

PASSENGER PERSONAL ACCIDENT INSURANCE (PPAI) FOR MOTORCYCLE TAXIS
 RISK AND PREMIUM REGISTERS FOR _____ QUARTER YEAR _____
 NAME OF COMPANY: _____

Policy No.	Limit of Liability	Date Issued (YYYY-MM-DD)	Place of Issuance	Period of Coverage		Year Model	Make Model	Plate No.	Premiums and Taxes				Commission Amount	Other Underwriting Expenses
				Effectivity Date (YYYY-MM-DD)	Expiration Date (YYYY-MM-DD)				Premium Paid	DST	VAT	LGT		
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Certified Correct:

 Name of Authorized Signatory

Definitions Library - Data Claims Register

Data Field	Descriptions	Format	Possible Entry
Policy Number	Policy identifier / code	alphanumeric	P1234567, 99999999
Plate Number	Plate Number based on the motorcycle's registration	alphanumeric	ABC1234
Place of Accident	Location where the accident occurred For NCR – name of city/town Outside NCR – name of province	text	For NCR- City of Manila, Makati City, Quezon City, etc. Outside NCR- Cavite, Laguna, Batangas, etc.
Date of Accident	Date of the accident	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Date Received	Date the company received the notice of claim with complete documentary requirements	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Date of Settlement	Date the claim was settled	general (yyyy-mm-dd)	2019-01-31, 2021-12-01, etc.
Status of Claim	Status of the claim as of reporting period	Text	Open Under Dispute or Litigation Closed with Payment Closed without Payment Re-opened Re-closed with Payment Re-closed without Payment
Death	Total amount of claims paid for death benefit, in Php	number	Positive nominal amount
Dismemberment and Disablement	Total amount of claims paid for Dismemberment and Disablement, in Php Provide breakdown of the claims paid based on type of dismemberment	number	Positive nominal amount
Ambulance Assistance	Total amount of claims paid for ambulance assistance benefit, in Php	number	Positive nominal amount
No. of Claims for Medical Expenses	Number of claims for medical expense	number	1,2
Actual Medical Expenses	Actual amount of medical expense paid by the claimant, in Php	number	Positive nominal amount
Medical Expenses Reimbursement	Total Amount of medical expenses reimbursed by the company, in Php	number	Positive nominal amount
No. of Claims for Medical Implant Expenses	Number of claims for medical implant expense	number	1,2
Actual Medical Implant Expenses	Actual amount of medical implant expense paid by the claimant, in Php	number	Positive nominal amount
Medical Implant Expenses Reimbursement	Total amount of medical implant expense reimbursed by the company, in Php	number	Positive nominal amount
Bail Bond	Total amount of claims paid for bail bond, in Php	number	Positive nominal amount
Legal Assistance Services	Total amount of claims paid for legal assistance services, in Php	number	Positive nominal amount
Family Allowance	Total amount of claims paid for family allowance services, in Php	number	Positive nominal amount
Other Claims Expense	Amount of other claims expense, in Php	number	Positive nominal amount

Definitions Library - Dismemberment-BREAKDOWN

Data Field	Descriptions	Format	Possible Entry
Policy Number	Policy identifier / code If there are two claims with different type of dismemberment, enter the claim details in another row with the same policy number	alphanumeric	P1234567, 99999999
No. of Claims	Number of claims with the same type of dismemberment	number	1,2
Type of Dismemberment	Type of dismemberment	text	Permanent total disability Loss of two or more limbs Total and irrevocable loss of sight in both eyes Dismemberment in one limb Total and irrevocable loss of sight in one eye Loss of arm at or above elbow Loss of both hands or all fingers and both thumbs Loss of arm between elbow and wrist Loss of hand Loss of four fingers Loss of one thumb Loss of index finger Loss of middle finger Loss of ring finger Loss of little finger Loss of metacarpals Loss of leg above the knee Loss of leg below the knee Loss of one foot Loss of big toe Loss of all toes in one foot Loss of any toe other than the big toe Loss of hearing in both ears Loss of hearing in one ear
Amount of Claim	Total amount of claims paid for type of dismemberment, in Php	number	Positive nominal amount

	Policy Number	No. of Claims	Type of Dismemberment	Amount of Claim
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