MEMORANDUM

TO: ALL OFFICIALS AND EMPLOYEES

SUBJECT: COA RESOLUTION NO. 2005-001 DATED 03 FEBRUARY 2005 RE: PROHIBITION FROM SECURING HEALTH CARE INSURANCE FROM PRIVATE INSURANCE AGENCIES

DATE: 18 APRIL 2005

Please be informed that the Commission on Audit (COA) has recently issued Resolution No. 2005-001 dated 03 February 2005, which prohibits the securing of health care insurance from private insurance agencies.

Under said COA Resolution, the procurement of another health insurance by government agencies from private health insurance companies is “viewed as a form of additional allowance and compensation”.

Thus, it is ruled in said Resolution that the procurement of private health insurance by any agency or instrumentality of the government is an irregular expenditure and constitutes unnecessary use of public funds that cannot be countenanced by the Commission.

Hence, in view of the above, please be informed that our health maintenance program through the Health Maintenance Incorporated (HMI) which will expire on 31 May 2005, will no longer be renewed.

However, for those employees who are still interested to renew their health maintenance program with HMI at their own expense, you may coordinate the matter with the HRD Division.

Please be guided accordingly.

ROSA LINDA DIMAPILIS-BALDOZ
Administrator

CONTROLLED AND DISSEMINATED
BY CRD ON APR 19 2005