



Republic of the Philippines
SOCIAL SECURITY SYSTEM

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CIRCULAR NO. 2019-011

TO : ALL COVERED EMPLOYEES, KASAMBAHAYs AND OFWs

SUBJECT : GUIDELINES ON THE PAYMENT OF UNEMPLOYMENT INSURANCE OR INVOLUNTARY SEPARATION BENEFIT

Pursuant to Section 14-B of Republic Act (RA) No. 11199 otherwise known as the "Social Security Act of 2018" and Rule 27 of the Implementing Rules and Regulations of RA 11199 providing for the implementation of the Unemployment Insurance or Involuntary Separation Benefit to assist members who are involuntarily separated from employment, the implementing guidelines are hereby issued:

SECTION 1. DEFINITION. – The unemployment insurance or involuntary separation benefit is a cash benefit granted to covered employees, including *Kasambahays*, and Overseas Filipino Workers (OFWs) who are involuntarily separated from employment.

SECTION 2. ELIGIBILITY. – To qualify for the grant of unemployment insurance or involuntary separation benefit, the employee, including *Kasambahay*, and OFW:

- (a) Should not be over sixty (60) years of age at the time of involuntary separation, except:
 - i. In the case of an underground or surface mineworker, not over fifty (50) years old; or
 - ii. In the case of a racehorse jockey, not over fifty-five (55) years old.
- (b) Has paid at least thirty-six (36) monthly contributions, twelve months (12) of which should be in the eighteen-month (18-month) period immediately preceding the month of involuntary separation.
- (c) Has no settled unemployment insurance or involuntary separation benefit within the last three (3) years prior to the date of involuntary separation.
- (d) Has been involuntarily separated provided that the reason for involuntary separation was due to any of, but not limited to:
 - i. Any of the following authorized causes for termination of employee under Articles 298 (283) and 299 (284) of P.D. No. 442 or the Labor Code of the Philippines, as amended:
 - Installation of labor-saving devices;
 - Redundancy;

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- Retrenchment or downsizing;
 - Closure or cessation of operation; or
 - Disease/illness of the employee whose continued employment is prohibited by law or is prejudicial to his or his co-employees' health.
- ii. Any of the following just causes stated under Article 300 (285) of P.D. No. 442 or the Labor Code of the Philippines, as amended, for which an employee may put an end to the employment relationship without notice to employer:
- Serious insult by the employer or his representative on the honor and person of the employee;
 - Inhuman and unbearable treatment accorded the employee by the employer or his representative;
 - Commission of a crime or offense by the employer or his representative against the person of the employee or any of the immediate members of his/her family; and
 - Other causes analogous to any of the foregoing.
- iii. Economic downturn
- iv. Natural or human-induced calamities/disasters
- v. Other analogous cases as may be determined by the Department of Labor and Employment (DOLE) and SSS.

However, an employee shall not be qualified to receive unemployment benefit if he/she has been involuntarily separated from employment due to just causes under Article 297 (282) of P.D. No. 442 or the Labor Code of the Philippines, as amended, covering any of the following act/s by the employee:

- Serious misconduct;
- Willful disobedience to lawful orders;
- Gross and habitual neglect of duties;
- Fraud or willful breach of trust/loss of confidence;
- Commission of a crime or offense; or
- Analogous cases like abandonment, gross inefficiency, disloyalty/conflict of interest/dishonesty.

The reasons for involuntary separation of OFWs shall be determined by DOLE.

SECTION 3. PRESCRIPTIVE PERIOD OF FILING. – Claims for unemployment insurance or involuntary separation benefit shall be filed within one (1) year from the date of involuntary separation.

SECTION 4. LIMITATIONS. –

- (a) A covered employee who is involuntarily separated can only claim unemployment insurance or involuntary separation benefit once every three (3) years starting from the date of involuntary separation.
- (b) In case of concurrence of two (2) or more compensable contingencies within the same compensable period, only the highest benefit shall be paid.
- (c) For the following cases, the settled unemployment insurance or involuntary separation benefit shall be deducted, either in partial or full, from the future benefit/s of the member:
 - i. Overlapping benefit/s;
 - ii. When the involuntarily separated employee files a case/complaint against his/her employer and the resolution thereof showed:
 - that the reason for termination was due to just cause/s under Article 297 (282) of P.D. No. 442 or the Labor Code of the Philippines, as amended;
 - that the case/complaint resulted in re-instatement of the involuntarily separated employee with payment of backwages;
 - iii. When the filing, processing or payment involves misrepresentation, fraud or false claims; and
 - iv. When the employee is rehired or re-employed within the compensable period.

The authority to deduct shall be affirmed by the member in the system-generated Unemployment Benefit Form.

SECTION 5. PAYMENT. – There shall be no payment of unemployment insurance or involuntary separation benefit thru cash or check. The benefit shall be credited to the member's SSS UMID card enrolled as ATM (UMID-ATM card) or Union Bank of the Philippines (UBP) Quick Card Account.

If member has no UMID-ATM card account registered per database, he/she has the following options:

1. Apply for initial UMID-ATM card; or if with UMID card without ATM functionality, apply for UMID-ATM card, as replacement.
2. Apply for UBP Quick Card at the UBP Kiosk stationed at selected SSS branches.

Upon implementation of the following payment channels, payment of unemployment benefit may be thru the following:

1. Thru the banks under PESONet; and
2. Non-bank Cash Pick-up.

SECTION 6. DOCUMENTARY REQUIREMENTS. – The following are the documents required in filing for unemployment insurance or involuntary separation benefits:

- (a) Original copy and photocopy of any one (1) of the following primary ID cards/documents (to be authenticated against original copy):
 - i. Unified Multi-Purpose ID (UMID) Card (SSS/GSIS);
 - ii. SS card;
 - iii. Alien Certificate of Registration;
 - iv. Driver's License;
 - v. Firearm Registration;
 - vi. License to Own and Possess Firearms;
 - vii. National Bureau of Investigation (NBI) Clearance;
 - viii. Passport;
 - ix. Permit to Carry Firearms Outside of Residence;
 - x. Postal Identity Card;
 - xi. Seafarer's Identification & Record Book; or
 - xii. Voter's ID Card.

In the absence of any of the above, original and photocopy of any two (2) ID cards/documents, both with signature and at least one (1) with photo.

- (b) Certification establishing the nature and date of involuntary separation from DOLE thru its Regional Offices and Philippine Overseas Labor Offices (POLO) with any of the following attachments, whichever is applicable:
 - i. Notice of Termination from Employer; or
 - ii. Affidavit of Termination of Employment.

Where to File Application for DOLE Certification

Employees who are involuntarily separated may file their application for DOLE certification at the following:

- i. DOLE Field or Provincial Office where their company or employer is located, for local employees/kasambahays
- ii. Philippine Overseas Labor Office (POLO) where their employer operates or the DOLE Field or Provincial Office where the OFWs reside, for OFWs.

Requirements for Processing of Application for DOLE Certification

Applicants shall be required to bring at least one (1) valid ID and any of the following, as the case may be:

- i. Copy of Notice of Termination of Employment issued by the employer
- ii. Duly notarized Affidavit of Termination of Employment, in the absence of Notice of Termination of Employment.

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- (c) Any of the following:
- i. UMID card enrolled as ATM; or
 - ii. UBP Bank Card or bank statement/certificate with name of member, savings account number, bank branch and address.

SECTION 7. EFFECTIVITY. – These guidelines shall be applicable for compensable contingencies occurring on or after 05 March 2019.

Please be guided accordingly.


AURORA C. IGNACIO
President and CEO

08 JUL 2019

Date

(Policy – Others)
Prepared by: RDF Benefits Administration Department

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