

The SSS Mission endures: Securing lives and providing continuous service even in a pandemic

The year 2020 was when the country saw the worst economic recession in recent decades. Millions of Filipinos lost their jobs, hundreds of businesses suddenly ceased operations, travel restrictions and stay-at-home orders went into effect — all these became familiar across the Philippines, and to the rest of the world.

While the coronavirus disease 2019 (COVID-19) placed the entire nation into a position of inactivity, the state-run pension fund Philippine Social Security System (SSS) assured nothing but efficient delivery of benefits to its members during this time of adversity.

Following the national government's mandate, the SSS complied with the Philippine President Rodrigo R. Duterte's call for national unity and cooperation by ensuring continuity of its services to every member and working Filipino.

Uninterrupted payment of benefits

The SSS disbursed billions worth of social security benefits in 2020. The overall tentative figure covering claims on retirement, death, disability, maternity, sickness, funeral, and unemployment benefits reached ₱194.87 billion.

The said amount covered payouts to more than 3.7 million beneficiaries. This is a decrease of 1.9 percent from the preceding year's data. Despite the reduction, however, the servicing of benefits disbursements continued to be uninterrupted and secured.

SSS President and Chief Executive Officer (PCEO) Aurora C. Ignacio attributed the decrease to the limited mobility of people since March 2020, when the government implemented strict community quarantine throughout the country.

With the health and safety of its transacting members as well as of its employees in mind, the SSS management facilitated the use of the dropbox system, as well as pushed for the shift to the digitalization of all its services and expansion of its electronic disbursement channels to minimize face-to-face transactions and curb the spread of the virus.



SSS data showed that about ₱192.34 billion was electronically disbursed to members using banks, e-wallets, and remittance transfer companies/cash payout outlets. This accounted for a huge 98.7 percentage of the total disbursements during the year.



Assistance to the jobless

In support of members who lost jobs largely because of the economic ripple effects, SSS continuously accepted unemployment insurance or involuntary separation benefit applications. For 2020, ₱1.71 billion worth of unemployment benefits were released to some 136,000 beneficiaries.

From the start of the enhanced community quarantine implemented by the national government on March 17, 2020 to December 2020, the SSS noted the highest amount of unemployment benefits approved by the Luzon branches with ₱515.93 million, followed by the National Capital Region, Mindanao, and Visayas branches with ₱415.97 million, ₱334.34 million, and ₱271.51 million, respectively. The overall approved amount during this period reached ₱1.54 billion.

Steep jump in maternity releases

Female members likewise continued to receive maternity benefits under Republic Act (RA) No. 11210, or the “105-Day Expanded Maternity Leave Law.” In 2020, SSS released

to some 290,000 beneficiaries under its maternity benefits program a total of ₱10.49 billion — higher by 0.8 percent from 2019 and almost double the amount paid by the state pension fund in 2016.

According to PCEO Ignacio, the increase in maternity benefit disbursements was already expected since RA 11210 extended the paid maternity leave from 60 to 105 days. Since its implementation in March 2019, the average annual release has now been pegged at ₱10.45 billion.

Downward trend in other benefits claims

In 2020, the SSS recorded ₱2.01 billion in disbursements for sickness cash allowances, ₱6.43 billion for disability benefits, ₱115.44 billion for retirement benefits, ₱55.70 billion for death claims, and ₱3.07 billion for funeral grants.

These amounts, though similarly represented downward trends from the previous year's figures, still collectively benefitted more than 3.3 million members and claimants. These declines in applications were brought about by quarantine protocols that in turn, affected the volume of over-the-counter transactions in SSS branches.

Loans granted

On loan privileges in 2020, the SSS released calamity loans amounting to ₱31.69 billion to over two million member-borrowers, in support of the government's efforts to mitigate the pandemic's economic shock to wage earners.

A huge increase in the number of borrowers under the Calamity Loan Assistance Program was seen from June to September 2020 when President Duterte declared a nationwide state of calamity in March 2020.

On top of this were the ₱30.47 billion salary loans availed of by close to 1.3 million members, as well as the ₱3.40 billion worth of pension loans extended to nearly 75,000 pensioner-borrowers in the same year.



Small Business Wage Subsidy Program

In April 2020, SSS was tapped by the Philippine Government to administer a ₱51 billion amelioration program called the “Small Business Wage Subsidy (SBWS),” which aimed to provide financial assistance to small business employers and their eligible employees affected by the community quarantines due to the COVID 19 pandemic.



The amount of subsidy ranged from about ₱4,800 to ₱8000 per employee, depending on the regional minimum wage rates, and these were given in two (2) tranches. A total of 113,449 employers submitted their SBWS applications during the implementation period of April to July 2020. From these employers, around 3.1 million beneficiary-employees were granted the wage subsidy.

With its big data and extensive experience in benefit disbursement, the SSS infrastructure and systems were utilized to validate employee beneficiaries, as the SBWS Program required that the employer and employee should first be registered with SSS and should have recent contributions prior to the quarantine period in order to qualify for the subsidy, among other requirements.

The SBWS Program was a tremendous learning experience for SSS that resulted in improvements to its electronic registration and disbursement systems, pushing SSS closer to fulfilling its goal of providing full online transactions.

Throughout 2020, the SSS steadily performed its mandate of providing relevant social security protection to its members and beneficiaries. Whether through benefits or loans, the SSS proved to be a lifeline for millions in times of calamity and tragedy.