



Republic of the Philippines  
Province of Oriental Mindoro  
**MUNICIPALITY OF PINAMALAYAN**



**OFFICE OF THE MUNICIPAL MAYOR**

Madrid Blvd., Zone III, Pinamalayan, Oriental Mindoro 5208  
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**EXECUTIVE ORDER NO. 044-2025**

**AN ORDER PROVIDING CONDITIONS AND GUIDELINES ON THE GRANT OF MEDICAL ALLOWANCE TO ALL QUALIFIED OFFICIALS AND EMPLOYEES OF THE MUNICIPAL GOVERNMENT OF PINAMALAYAN, ORIENTAL MINDORO**

**WHEREAS**, Section 7 of Executive Order (EO) No. 64 s. 2024 provides for the grant of a Medical Allowance beginning Fiscal Year (FY) 2025;

**WHEREAS**, a Medical Allowance not exceeding Seven Thousand Pesos (Php 7,000) per annum shall be granted to each qualified government civilian personnel as a subsidy for the availment of health maintenance organization (HMO)-type benefits, subject to the conditions and guidelines under Department of Budget and Management (DBM) Budget Circular (BC) No. 2024-6 dated 12 December 2024;

**WHEREAS**, the grant of the Medical Allowance shall be authorized through an appropriation ordinance to be enacted by the Sangguniang Bayan and that the changes in the Annual Budget of the LGUs may be allowed through Supplemental Budgets under the specified circumstances pursuant to Section 321 of the LGC and Article 417 of its Implementing Rules and Regulations (IRR), as amended by Administrative Order No. 47 dated April 12, 1993, or through augmentation pursuant to Section 336 of the LGC and Article 454 of its IRR;

**WHEREAS**, pursuant thereto, the Municipal Government of Pinamalayan through the Local Chief Executive (LCE) had proposed the grant of Medical Allowance to all qualified officials and employees through Appropriation Ordinance No. 01 s. 2025 which the Office of the Sangguniang Bayan had acted favorably and approved the Supplemental Budget No. 01, s. 2025 on January 13, 2025, and submitted the same to the Sangguniang Panlalawigan on 22 January 2025.

**NOW, THEREFORE, I, RODOLFO M. MAGSINO.**, Municipal Mayor of Pinamalayan, Oriental Mindoro, by virtue of the powers vested in me by law, do hereby provide the following conditions and guidelines on the grant of Medical Allowance in the amount of Seven Thousand (P7,000.00) Pesos, to wit:

**Section 1. PURPOSE.** This Executive Order (EO) establishes the internal guidelines on the grant of Medical Allowance to qualified Municipal Government of Pinamalayan (MGOP) officials and employees, pursuant to Section 15.1 of DBM BC No. 2024-6 dated 12 December 2024.

**Section 2. COVERAGE.** This shall apply to all officials and employees of the Municipal Government of Pinamalayan, excluding individuals hired without employer-employee relationship, such as Job order and Contract of Service personnel, among others.

**Section 3. DEFINITION OF TERMS** – As used in this Executive Order, the following terms are hereby defined:

1. **HMO provider** – refers to a juridical entity legally organized to provide or arrange for the provision of pre-agreed or designated health care services to its enrolled members for a fixed pre-paid fee for a specific period of time.
2. **HMO-type product** – refers to an agreement issued on individual/family or group basis approved pursuant to Insurance Commission (IC) Circular Letter No. 2017-19 and issued by duly licensed HMO companies by the IC.





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**Section 4. APPROPRIATIONS** – To implement the purpose of this issuance, a budget allotment shall be provided starting Fiscal Year 2025 and every year thereafter, subject to the agency's financial capability, at a uniform rate not exceeding Seven Thousand Pesos (₱7,000.00) per qualified official/employee per annum, or as may be subsequently adjusted in accordance with the guidelines to be issued by the Department of Budget and Management (DBM).

**Section 5. PRESCRIBED GUIDELINES** – The following guidelines governing the grant of Medical Allowance shall be strictly observed:

**1. FORMS** – the Medical Allowance may be granted in the following forms:

- A. **HMO-type Product Coverage** – The coverage may be purchased through a group arrangement by either the Municipal Government of Pinamalayan (MGOP) or the employees' association. Such an arrangement, however, shall be without prejudice to the preference of employees to opt out from such group purchase and individually avail another HMO product. Employees who enroll with the HMO provider chosen by the agency or association shall have their Medical Allowance automatically applied to the agreed premium/plan.
- B. **Cash Allowance** – For employees who opt to avail themselves of HMO product of their choice or to pay/renew an existing HMO-type benefit;
- C. **Cash Form** - For employees who paid their medical expenses, such as but not limited to hospitalization, emergency care, diagnostic tests, and medicines due to the difficulty in acquiring HMO-product.

**2. IMPLEMENTING GUIDELINES** – the following conditions shall be strictly observed:

**A. GENERAL POLICY**

1. In case an employee opts to continue his/her existing HMO product, the Medical Allowance shall be spent thereto provided that it will cover the fiscal year, in whole or in part, when the allowance was granted.
2. In case where the HMO-type product availed is below the rate of the Medical Allowance granted, the officials and employees shall not be obligated to refund the excess amount to the Municipal Government of Pinamalayan.
3. If the liquidation for medical allowance is lower than the amount granted, the excess shall be deducted from the employee's last salary for the applicable Fiscal Year. If the net take home pay is below the amount to be refunded, the Human Resource Management Office shall cause the deduction of the remaining balance from the employee's other benefits that may be received within the same Fiscal Year.
4. Employees who are enrolled in an HMO provider as dependents of their spouse, parent/s, or child/children shall provide proof of enrollment and other reportorial requirements as prescribed under Section V, Item 1 of this issuance. Upon





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verification, such proof shall be deemed sufficient to serve as liquidation for the Medical Allowance granted.

**B. ELIGIBILITY REQUIREMENTS**

The grant of Medical Allowance shall be subject to the following;

1. Employees who are already in the government service and are to render services for at least a total or an aggregate of six (6) months of service in a particular fiscal year, including leaves of absence with pay, as well those services rendered under any of the alternative work arrangements prescribed by the Civil Service Commission.
2. A newly-hired employee may qualify for the grant of a Medical Allowance after rendering six (6) months of service.
3. For Transferred Employee:
  - a. An employee who transferred to the Municipal Government of Pinamalayan (MGOP) within the Fiscal Year and was not granted Medical Allowance by his/her former agency shall be granted Medical Allowance by the MGOP, subject to the submission of a certification to that effect.
  - b. An employee who transferred to MGOP within the year but was earlier granted Medical Allowance by his/her former agency shall no longer be granted Medical Allowance by the MGOP.
4. A compulsory retiree, whose services have been extended, may be granted the Medical Allowance, subject to the conditions under DBM BC No. 2024-6 dated 12 December 2024.
5. Employees formally charged with administrative and/or criminal cases, which are still pending for resolution, shall be granted Medical Allowance until found guilty by final and executory judgement, provided that:
  - a. Employees found guilty shall not be entitled to Medical Allowance in the year of the finality of decision and shall refund the amount received for that year;
  - b. Employees penalized only with a reprimand shall be entitled to Medical Allowance.
6. For employees on Study Leave or Study/Training/Scholarship Grant:
  - a. An employee on study leave or on study/training/scholarship grant, whether locally or abroad, shall be entitled to the grant of Medical Allowance for the year if he/she renders at least six (6) months of service in the same year,





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including leaves of absence with pay, prior to and/or after the study leave or study/training/scholarship grant.

- b. Employees on study/training/scholarship grant for the entire year, whether locally or abroad, shall not be entitled to Medical Allowance.

**Section 6. REPORTORIAL REQUIREMENTS AND LIQUIDATION PROCESS.** The following guidelines shall be observed in liquidation process:

1. All municipal officials and employees granted with Medical Allowance shall submit proof of enrollment with an HMO provider, such as but not limited to:
  - a. Certified copy of the HMO agreement and identification card issued by the HMO provider;
  - b. Certification of membership issued by the HMO provider; or
  - c. Official receipt for the payment of membership fee for the HMO product acquired;
2. In case the Medical Allowance is granted in cash form, as provided under Item 7.1.3 of DBM Budget Circular No. 6, s. 2024, the concerned personnel shall submit appropriate documents to substantiate the utilization of the allowance for medical expenses. Such documents may include, but are not limited to, official receipts for medical services rendered, laboratory and diagnostic test results, medical certificates, and official receipts for the purchase of medicines accompanied by the corresponding physician's prescription.
3. Receipts and other pertinent documents of medical expenses prior to the release of the Medical Allowance shall be recognized and accepted provided that the same was incurred not earlier than January 01 of the subject Fiscal Year.
4. All reportorial requirements shall be free from any form of alteration or tampering, otherwise, the same shall not be accepted. Said documents shall be submitted to the Municipal Accounting Office on or before November 30 of the subject Fiscal Year.
5. Failure to liquidate the Medical Allowance within the prescribed period shall result in the deduction of the unliquidated amount from the employee's last salary for the year. In cases where the net take-home pay is insufficient to cover the amount due, the Human Resource Management Office shall cause the deduction of the remaining balance from the employee's other benefits that may be received within the same Fiscal Year.

**Section 7. COMPLIANCE WITH RELEVANT LAWS/CONDITIONS** – All existing accounting and auditing laws, rules and regulations as well as those that may be hereafter enacted or issued by competent authority, shall be properly complied with the implementation of this issuance.

**Section 8. RESPONSIBILITY CENTER**

1. **Human Resource Management Office (HRMO)** – shall be responsible for identifying qualified officials and employees for the grant of the Medical Allowance, subject to the provisions of Section IV (B) of this issuance. Upon such identification, the HRMO shall prepare the corresponding payrolls or disbursement vouchers to facilitate the processing and release of the said allowance.





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2. **Municipal Treasury Office (MTO)** – shall be responsible for the disbursement of the medical allowance to all qualified officials and employees.
3. **Municipal Accounting Office (MAccO)** – shall be responsible for receiving, reviewing, and tracking the submission of liquidation reports for the said allowance.
4. **Agency Head** – shall ensure that the said allowance shall be appropriated with fund annually.
5. **Pinamalayan Municipal Employees' Association** – shall be responsible in identifying HMO-provider in cases where employees opt to avail of the benefit under Section IV (A)(1) of this issuance.

**Section 8. EFFECTIVITY.** This **ORDER**, issued in interest of public, shall take effect immediately and shall be in effect until when modified, amended or suspended by other order.

Done this 6<sup>th</sup> day of **October 2025** in the Municipality of Pinamalayan, Oriental Mindoro.

  
**RODOLFO M. MAGSINO**  
Municipal Mayor

