

3.02 CHEMPHIL HOSPITALIZATION BENEFIT PLAN (HBP)

3.02.01 **Rationale of the HBP** – The HBP is a financial assistance that the Company provides to qualified employees to subsidize certain ailment-specific hospitalization expenses incurred by the qualified employee for himself or for his/her legal qualified dependents.

3.02.02 **Policy Statement**

The Company, within a reasonable and affordable degree and subject to its financial capability, shall share in the hospitalization expenses of the employee and his legal qualified dependents who are not covered by his personal medical or his hospitalization insurance. Such sharing of hospitalization expenses *is strictly a management prerogative*, which shall be governed by policies, rules and procedures, subject to limitations herein stated.

3.02.03 **Availment of the HBP**

Refer to the HBP Primer for detailed information on the eligibilities expenses covered and excluded from the HBP, sharing scheme, ceiling, illustrative examples of HBP computation, and other related information.

3.02.04 **Accredited Hospitals**

- a. Pasig and Makati Stations
 - 1. The Medical City
 - 2. Victor R. Potenciano Memorial Center (formerly Polymedic)
 - 3. Cruz-Rabe General and Maternity Hospital
 - 4. Sabater Medical Clinic
 - 5. St. Martin de Porres Charity Hospital
 - 6. Makati Medical Center (for Makati Employees Only)

3.02.05 **Procedures for HBP availment in accredited hospitals**

- a. The qualified employee or his / her representative shall report the hospital confinement to respective HR Department within 24 hours after admission. He/she shall secure and accomplish the HBP application form (see Appendix II Exhibit 21 and also the Philhealth form (see Appendix II Exhibit 20)

- b. HR - Makati or HR - Pasig shall verify if the confined qualified employee or his/her qualified dependent is entitled to HBP benefits. This is to authenticate the status of the qualified employee or his/her legal dependent.
- c. HR - Makati or HR - Pasig shall release the HBP application form to be accomplished by the qualified employee who presents this to his/her Department Head for information and approval.
- d. The qualified employee presents the approved HBP application form to the Medical Services Department at Pasig Station. This will be used for reference and as an attachment to the accredited hospital's billing statement for computation of the sharing of charges.
- e. The Medical Services Department shall then prepare a Letter of Authorization (LOA) and issue this to the qualified employee or his/her representative. (see Appendix II Exhibit 19)
- f. The qualified employee or his/her representative shall submit the LOA and the Philhealth forms to the Admitting and Philhealth sections of the accredited hospital.
- g. For emergency cases, the qualified employee/patient or his/her dependent/patient may be brought to the accredited hospital for admission even without the LOA. For identification and record purposes, a valid ID shall be presented to the Hospital Emergency Room staff. All other procedures as per a to f above shall be followed by the qualified employee or his/her representative.

Note: Changes in the policy of HBP Coverage:

- 1.1 **EFFECTIVE JULY 1, 2005, THE HOSPITALIZATION BENEFIT PLAN SHALL APPLY ONLY TO THE NEWLY HIRED EMPLOYEE HIMSELF / HERSELF BUT NOT TO HIS/HER DEPENDENTS.**
- 1.2 **ALL EMPLOYEES HIRED PRIOR TO JULY 1, 2005 & THEIR DEPENDENTS SHALL CONTINUE TO BE COVERED BY THE HBP.**
- 1.3 **The Basis for the move is to rationalize benefits that are open-ended. This is so since none of the Companies in the Chemphil Group are in no financial condition to afford these benefits.**
- 1.4 **A written agreement between the company and the new hire is contracted such that the person (i.e. the newly hired employee) would not be entitled to such benefit being enjoyed by the existing employees.**

