

No. 27059

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**UNITED STATES OF AMERICA  
and  
PHILIPPINES**

**Agreement on employees' compensation and medical care  
programs (with annex). Signed at Manila on 10 March  
1982**

*Authentic text: English.*

*Registered by the United States of America on 24 January 1990.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
PHILIPPINES**

**Accord concernant les programmes d'indemnisation et de  
soins médicaux des employés (avec annexe). Signé à Ma-  
nille le 10 mars 1982**

*Texte authentique : anglais.*

*Enregistré par les États-Unis d'Amérique le 24 janvier 1990.*

## AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND THE REPUBLIC OF THE PHILIPPINES ON EMPLOYEES' COMPENSATION AND MEDICAL CARE PROGRAMS

With reference to the American Embassy's Diplomatic note No. 560 dated October 9, 1979, concerning a United States proposal that the Government of the United States participate in the Philippine Medical Care Program and the Employees' Compensation Program on behalf of Philippine Nationals employed by the U.S. Forces in the Philippines, and in compliance with the RP-US Joint Labor Committee Agreed Minutes dated April 11, 1979, the Government of the Republic of the Philippines and the Government of the United States agree to the following provisions:

1. The Philippine Medical Care Program and the Employees' Compensation Program shall be extended to all Philippine national direct-hire employees of the U.S. Forces in the Philippines except those employees who are not eligible for coverage because they are not members of the Philippine Social Security System. Until such time as appropriate Philippine amendatory legislation becomes effective, these employees shall, with regard to Employees' Compensation, continue to be covered under the United States Federal Employees' Compensation Act, and, with respect to Medical Care, they will be provided comparable benefits through private insurance, with premiums shared by the employer and the employee.

2. All provisions of the above cited programs shall be applied to the U.S. Forces in a manner identical with their application to all other employers covered by the laws.

3. The Philippine national employees of the U.S. Forces shall have the same benefits and protection and be subject to the same

<sup>1</sup> Came into force on 10 March 1982 by signature, in accordance with paragraph 10.

obligations and penalties under the programs as all other employees covered by the two programs.

4. This agreement will replace coverage for Philippine national employees of the U.S. Forces granted by 5 U.S. Code, Section 8137 (the Federal Employees' Compensation Act). Claims for injuries and occupational diseases contracted prior to the effective date of the agreement may continue to be filed under the Federal Employees' Compensation Act in accordance with its provisions. Claims regarding exposures subsequent to the effective date of this agreement shall be filed under the Philippine Employees' Compensation Program.

5. In order to eliminate reductions in various benefits incurred as a result of the transfer of Philippine employees from coverage under the U.S. Federal Employees' Compensation Act to the Philippine Employees' Compensation Program, and consistent with para 2 of the Base Labor Agreement<sup>1</sup> providing for uniform wages, working conditions and benefits for employees regardless of sources of funds used, the U.S. Forces agree to provide, subject to the authorization and appropriation of funds by the United States Congress, certain supplemental benefits outlined in Annex A, which will be extended uniformly to both appropriated fund employees formerly covered by the Federal Employees' Compensation Act and also to non-appropriated fund employees of the U.S. Forces. These supplemental benefits will be reviewed whenever benefits under the Philippine Employees' Compensation Program are increased and will be adjusted so that supplemental payments, when combined with payments under the Philippine Employees' Compensation Program, do not exceed the scheduled benefits provided under the Federal Employees' Compensation Act existing at the time of the effective date of this agreement. Supplemental benefits shall be granted to appropriated and non-appropriated fund employees only upon a final finding made under

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<sup>1</sup>United Nations, *Treaty Series*, vol. 658, p. 347.

the Philippine Employees' Compensation Program that the subject injury or death is compensable under the program.

6. Compensation paid under or pursuant to this Agreement is in lieu of all other compensation from the United States Government for the same injury or death and is exclusive satisfaction of all liability of the United States Government in respect of the particular injury or death.

7. In addition to Medical Care coverage, the U.S. Forces will provide a new, improved supplemental private group hospitalization insurance. Benefits are established in accordance with prevailing practices in the Philippines as determined by periodic technical wage surveys conducted by the U.S. Armed Forces. Information on supplemental benefits under the group hospitalization program will be provided to employees.

8. It is agreed that any dispute, disagreement, claim or grievance initiated by the Government of the Republic of the Philippines or the United States Government and arising out of or relating to the interpretation or administration of this agreement shall be referred to the RP-US Joint Labor Committee in accordance with Article III (5) of the Base Labor Agreement of 1968. Disputes, disagreements, claims or grievances not settled in the Committee shall be resolved through diplomatic channels in lieu of resort to the courts or tribunals of either government. A dispute, disagreement, claim or grievance initiated by a Philippine employee of the U.S. Forces shall be settled in accordance with procedures established under or in accordance with applicable Philippine law.

9. Nothing in this agreement shall imply any waiver by either the Government of the Republic of the Philippines or the United States Government of its immunities under international law.

10. Provisions of this agreement shall become effective upon signing.

11. In witness thereof, the undersigned, being duly authorized by their respective government, have signed this agreement.

DONE at Manila, in duplicate, this tenth day of March, 1982.

For the Government  
of the United States of America:

*[Signed]*

JAMES D. ROSENTHAL  
Chargé d' Affaires, a.i.

For the Government  
of the Republic of the Philippines:

*[Signed]*

BLASS F. OPLE  
Minister of Labor and Employment

Members of the U. S.  
Negotiating Team:

*[Signed]*

LEONARD SANDMAN, Chairman  
American Embassy

Members of the Philippine  
Negotiating Team:

*[Signed]*

CARMELO C. NORIEL, Chairman  
Deputy Minister, Ministry of Labor and  
Employment

(Deceased October 18, 1981)

CHARLES W. HARNER  
CINCPACREPPHIL

*[Signed]*

THOMAS O'BRIEN  
U. S. Air Force

*[Signed]*

RUBEN DE OCAMPO  
Member, Batasang Pambansa

*[Signed]*

JOSE C. DENOGA  
Philippine Medical Care Commission

*[Signed]*

FABIANA PATAG  
Social Security Commission

*[Signed]*

ELEONOR CAYAPAS  
Employees' Compensation Commission

## ANNEX A

SUPPLEMENTAL BENEFITS  
IN ADDITION TO THE PHILIPPINE WORKMEN'S COMPENSATION BENEFITS  
EXTENDED TO BOTH APPROPRIATED AND NON-APPROPRIATED FUND EMPLOYEES  
OF THE U.S. FORCES IN THE PHILIPPINES

(Death or personal injury from any accident arising out of and in the course  
of performing assigned duties and responsibilities of employment)

<u>PERMANENT/PARTIAL DISABILITY</u>	<u>GROUP 1</u>	<u>GROUP 2</u>	<u>GROUP 3</u>	<u>GROUP 4</u>
<u>SCHEDULE OF AWARDS*</u> <u>(MAXIMUM SHOWN)</u>	<u>PG 1 - PG 15</u>	<u>PG 16 - PG 20</u>	<u>PW 1 - PW 20</u>	<u>PWL/PWF/PWP</u>
LOSS OF ARM	P26,600.00	P33,750.00**	P15,450.00	P33,750.00**
LOSS OF LEG	22,700.00	33,750.00**	12,850.00	33,750.00**
LOSS OF HAND	19,600.00	33,750.00**	11,150.00	30,800.00
LOSS OF FOOT	16,400.00	33,750.00**	9,500.00	25,525.00
LOSS OF EYE	13,300.00	33,750.00**	7,725.00	20,700.00
LOSS OF THUMB	4,400.00	12,250.00	2,400.00	7,100.00
LOSS OF FIRST FINGER	1,200.00	5,500.00	100.00	2,675.00
LOSS OF GREAT TOE	1,800.00	5,800.00	775.00	3,200.00
LOSS OF SECOND FINGER	350.00	3,100.00	-	1,300.00
LOSS OF THIRD FINGER	650.00	3,250.00	-	1,550.00
LOSS OF (OTHER THAN GREAT TOE)	-	1,225.00	-	450.00
LOSS OF FOURTH FINGER	200.00	900.00	-	200.00
TRAUMATIC INJURY RESULTING IN LOSS OF HEARING - ONE EAR	4,500.00	12,575.00	2,525.00	7,350.00
TRAUMATIC INJURY RESULTING IN LOSS OF HEARING - TWO EARS	12,000.00	33,750.00**	4,075.00	22,625.00
PERMANENT AND TOTAL PARALYSIS OF THE TRUNK FROM SPINAL/NERVE INJURY	33,750.00**	33,750.00**	33,750.00**	33,750.00**
DEATH OCCURRING WITHIN 1 YEAR OF AND DIRECTLY ATTRIBUTABLE TO ON THE JOB INJURY	33,750.00***	33,750.00***	33,750.00***	33,750.00***

\*All compensation awards will be proportionate to the degree of loss of member as determined by the Philippine Employees' Compensation Program.

\*\*Limited to death benefit. Compensation for a combination of two or more injuries is limited to the sum of the combined benefits or the death benefit, whichever is the lesser.

\*\*\*Includes burial expenses formerly paid under U.S. Federal Employees' Compensation Act.