

GOVERNMENT SERVICE INSURANCE SYSTEM

CATEGORY	:	INNOVATION RECOGNITION AWARD
ORGANIZATION	:	GOVERNMENT SERVICE INSURANCE SYSTEM
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NAME OF PROJECT	:	The Government Service Insurance System's Electronic Billing and Collection System (eBCS)
OBJECTIVE AND NATURE OF PROJECT	:	In the continuing thrust towards electronic paperless transactions, GSIS launched in July 2014, the enhanced eBCS, a web-based application that enables GSIS to send its billing statements for premium and loan amortisations to government agencies electronically, and accept payments online. eBCS which is used by government personnel in charge of approving and remitting payments to GSIS, allows government agencies to download GSIS billing statement, upload the electronic remittance and review the account history of members. The system ensures the seamless and efficient posting of payments, ultimately resulting in the accurate computation of the benefit proceeds of members. In addition, it saves time and government resources on the part of the remitting officers who can now do all the work, in the comfort of their offices. Prior to eBCS, billing files had to be delivered by GSIS to each of the remitting agencies in printed form. Thereafter, GSIS shifted to the use of a diskette, which contained the premiums and loan amortisations due the government employees. These diskettes also had to be delivered to all of the remitting agencies then viewed and uploaded by remitting officers in their personal computers as basis for payments.
WHY IT SHOULD BE RECOGNISED	:	To date, no government agency has implemented a web-based electronic billing system, GSIS is a pioneer in this area. While GSIS has only 1.6 million members, the volume of transactions of each member (from premium payments, life insurance, various loans) easily generates 10 million lines per month. With such volume of records, it is no wonder that prior to eBCS, the updating and reconciliation of members' records was a painstaking task both for the GSIS and government agencies.

	<u>Impact:</u> The implementation of the eBCS brought substantial benefits to both the GSIS, the Remitting Agencies and its members: 1. <u>Reduced costs.</u> GSIS saved almost Php13Million (in 2013 alone) due to reduced costs in postage as well as computer and office supplies; computer time; manpower costs and courier expenses as files are transferred to and from the GSIS electronically at almost no cost. 2. <u>Improved posting and collection efficiency.</u> As a result of correct members' data generated by the eBCS, collection and posting efficiency for premiums and loan repayments improved from 83% in 2010 to 96.5% by end-2015. The volume of inaccurate accounts of remitting agencies and their members also continue to reflect a downward trend as payments from remitting agencies not posted and distributed declined from a high of Php30 billion (USD640 million – Php1:USD46.84) in 2010 to Php2.7 billion (USD57.6 million) by end of 2015. 3. <u>Receipt of correct amounts of claims and benefits.</u> eBCS contributed to the efficient posting of payments and cleansing of database which resulted in the increase of claims and benefits paid that reached nearly Php86 billion(USD1.8 billion– Php1:USD46.84) in 2015, an 87% increase over the Php46 billion (USD982.1 million) level in 2010. 4. <u>Shortened Processing and Payment Turn-around Time.</u> Processing and Payment turn-around time has been significantly shortened from 19 days, report generation of more than 30 days, and undetermined man-hour, on member's inquiry into a transaction that can be done, outright, online, 24/7. Agencies are also paying in advance and no longer waiting for the grace period before the 10th day of the following month in remitting payments. The advanced payment by agencies provides increased liquidity on the part of GSIS for investment which allows the grant of increased claims and benefits to members and pensioners. 5. <u>Improved Productivity.</u> With eBCS in place, both GSIS and remitting agencies can now re-channel their manpower and resources for service efficiency. Further, the incidence of delayed receipt of billing files, posting of agency payments
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		and dishonoured checks are completely avoided. 6. <u>Actuarial solvency and sustainability of the Fund.</u> eBCS has contributed to longer fund life, which was 2049 (or 35 years) in 2015 from 2042 (or 32 years) in 2010. eBCS plays a pivotal role in maintaining the actuarial solvency and sustainability of the pension fund. This role need not be underscored considering that the lifeblood of any insurance company, for that matter are PREMIUMS, the correct and timely receipt of which is the foremost objective of the eBCS.
SUMMARY OF THE PROJECT *The summary should not be more than 300 words	:	Launched in July 2014, the enhanced eBCS provides the following features: 1. <u>Automated.</u> It enables remitting officers to download billing files and upload remittance files of their employees' premium and loan amortisations through the web. They do not have to wait for the receipt of an Exception Report to determine variances between billing and posting from the GSIS after two months, as they can already correct the errors prior to payment. 2. <u>Streamlined process.</u> Billing files can be downloaded immediately upon receipt of email notification resulting in shorter waiting time. With this streamlined and efficient process and the timely receipt of billing, coupled with prompt remittance of agency payments as well as updated records, <u>members</u> are assured of updated records resulting in accurate computation of their claims and benefits 3. <u>Easier, faster and convenient.</u> Email notifications are sent to Remitting Officers informing them of the availability of their billing files every 1st and 15th day of the due month, after every successful downloading, uploading or re-uploading of ERF. 4. <u>Interactive.</u> eBCS can also generate exception reports, billing and remittance files down to the last twelve months. 5. <u>Secured.</u> Only Authorised Agency Remitting officers are allowed to access and download their own agency's billing and remitting files.

	Likewise with a centralised membership database, eBCS is implementing GSIS-wide, in the Head Office and in all of its 60 branches and satellite offices. Continuing training and re-trainings were conducted nationwide on the use of the facilities provided by the new eBCS to GSIS personnel and the 7,321 Agency Remitting Officers.
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