



NEWS RELEASE
26 November 2010

POEA to OFWs: Report agencies charging insurance cost

Administrator Jennifer Jardin-Manalili asks overseas Filipino workers to report to her office recruitment agencies that require them to pay for cost of insurance as a condition for the release of their exit clearance or overseas employment certificate.

Manalili reiterated that the cost of insurance coverage for agency-hired Filipino workers should be paid by the deploying agency and should not be passed on to the worker.

Under Section 37-A of Republic Act 8042, as amended, any licensed recruitment/manning agency which passes on the cost of insurance coverage to the worker, or uses such insurance coverage as basis to claim any additional fee from the migrant worker shall lose its license and all its directors, partners, proprietors, officers and employees shall be perpetually disqualified from engaging in the overseas recruitment business.

RA 10022 mandates that every newly-hired OFWs deployed by licensed recruitment agencies shall be covered by insurance to answer the following: accidental death; natural death; permanent total disablement; repatriation cost of the worker; subsistence allowance benefit; money claims arising from the employer's liability; compassionate visit; medical evacuation; and medical repatriation.

Direct hires and returning workers or *balik-manggagawa* are not covered by mandatory insurance requirement. ###