

How can DSWD's Social Pension Program for Indigent Senior Citizens be improved?

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In the Philippines, senior citizens or those aged 60 years and older, enjoy many legally mandated benefits and privileges.¹ The passage of Republic Act (RA) 9994 or the Expanded Senior Citizen Act of 2010 also provided cash assistance of PHP 500 per month (PHP 6,000 per year) to indigent senior citizens to augment their expenses on food and medicines. RA 9994 (sec. 3, par. H) defines “indigent senior citizens” as “elderly who [are] frail, sickly or with a disability, and without pension or permanent source of income, compensation, or financial assistance from [their] relatives to support [their] basic needs”.

This *Policy Note* provides a discussion of key findings from a process evaluation conducted on the Social Pension (SocPen) program of the Department of Social Welfare and Development (DSWD) (Albert et al. 2021). The evaluation is based on a review of DSWD policy and administrative documents, previous studies on the SocPen, and an analysis of interviews of program implementers and select senior citizens. The interviews were conducted from June to November 2021 in four research locales (National Capital Region [NCR] and Regions IV-A, VIII, and X). The 58 senior

¹ Examples include discounts on food (e.g., grocery items), medicines and other health-related services, transport services, mandatory PhilHealth coverage, tax exemptions for minimum wage earners, use of express lanes, and educational privileges.

Salient Points:

- *Providing a monthly allowance to indigent senior citizens is a good response to improving the plight of seniors among the poor and vulnerable. This is why the Social Pension program is viewed positively by both implementers and beneficiaries.*
- *Inclusion, exclusion, and targeting errors persist, even after the revalidation of lists of program beneficiaries began in 2018.*
- *Strategic policy actions, such as strengthening monitoring and evaluation mechanisms and relinking the definition of indigency to levels of income of senior citizens to prevent gaming of the system, need to be adopted.*

citizens interviewed for this study include (a) SocPen beneficiaries, (b) pensioners who had been delisted, (c) waitlisted applicants, (d) senior citizens whose applications had been rejected, and (e) those that did not intentionally avail of SocPen. Majority of seniors interviewed were females aged 70 years old, on average. Most have no income and are only receiving partial and irregular support from their children. Majority of

seniors interviewed did not finish high school. Over half of them were widows or widowers. Meanwhile, the 36 program implementers interviewed were composed of staff from the DSWD central office and field offices, daycare workers, barangay health workers, and social workers. More than half (54%) of them had been in SocPen for only 5 years and less, while the rest had been with SocPen longer than 5 years. At least 4 have been with the program for over 10 years (i.e., since program inception). Because of the pandemic, only online and telephone interviews, instead of face-to-face focus group discussions, were conducted for the two groups.

What is SocPen and how is it designed?

In 2011, the DSWD began the Socpen, also referred to as the Social Pension for Indigent Senior Citizens (SPISC) program, by giving cash assistance to 138,960 indigent senior citizens who are 77 years and older. In 2015, the age requirement was lowered to 65 years old, and in 2016, lowered further to 60 years old, as mandated by RA 9994. The budget for the SPISC has likewise increased considerably (see Table 1) to PHP 23 billion for fiscal year 2021, given to a total of 3.7 million beneficiaries receiving noncontributory old-age pensions from the government. In 2021, the

total SocPen beneficiaries account for nearly half (46.2%)² of the senior citizen population.

Throughout the country, the DSWD implements the program through the (a) Social Pension Management Office (SPMO) under its Protective Services Bureau (PSB), (b) Regional SocPen Units (RPSU) in its regional offices, and (c) the Office of Senior Citizens Affairs (OSCA) at the city and municipal levels in cooperation with local government units (LGUs). The SPMO is responsible for the overall SPISC implementation, from documentation to program monitoring and evaluation. The RPSU, on the other hand, oversees the field operations, such as managing the payouts with the help of social workers, daycare workers, or barangay health workers. It is also in charge of coordinating with and furnishing reports to the DSWD central office, particularly the SPMO. The local chief executive and the Provincial Social Welfare and Development Office monitor and act as co-implementers of the SocPen through the OSCA and the City or Municipal Social

² This figure has been updated to 50.30 percent or 3,796,791 senior citizens, based on the presentation of the office of DSWD Dir. Wilma Naviamos during the House Committee Hearing of the Special Committee on Senior Citizens streamed live on the official Facebook page of the House of Representatives of the Philippines on July 29, 2021.

Table 1. Average budget allocation and disbursement and average number of indigent elderly served based on age requirement (2011–2020)

Age Requirement	Inclusive Years	Average Number of Indigent Seniors Served	Average Budget Allocation (in million PHP)	Average Funds Disbursed (in million PHP)
77 and older	2011–2014	280,802	1,685.08	1,640.81
65 and older	2015	930,222	5,962.63	5,946.97
60 and older	2016–2020	2,960,816*	18,294.01	16,064.95**

*This figure is based on data provided by the Social Pension Program, Unit of the Sectoral Programs Division of the Program Management Bureau (PMB) of the DSWD through e-mail on August 26, 2021.

**The discrepancy reflected in the allocated budget and actual disbursed funds may be attributed to funds that have not yet been liquidated due to the pandemic and the validation process undertaken from 2018 to 2020 that led to the suspension of cash payouts in some areas.

Source: Author's compilation

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Welfare and Development Office (C/MSWDO), which provides financial and political support (Velarde and Albert 2018).

From 2011 to 2014, SocPen had used the list of poor senior citizens in *Listahanan*, the government's poverty targeting system. Subsequently, OSCA dropped the *Listahanan* and changed the beneficiary selection process (Velarde and Albert 2018). Hence, seniors applying for SocPen must submit to the OSCA or C/MSWDO an application together with the following documents: (a) birth certificate or other valid government identification that has the senior's photo and date of birth and (b) certificate of indigency from the barangay. SocPen applicants can submit these requirements to OSCA or C/MSWDO in person or through their designated representative. The OSCA and the C/MSWDO then assess the eligibility of program applicants using age, health, and economic status as criteria. If the applicant is receiving pension (from Government Service Insurance System [GSIS], Social Security System [SSS], Philippine Veterans Affairs Office, Armed Forces and Police Mutual Benefit Association Inc., or other insurance companies) or obtaining regular income or regular support from family, then the applicant is deemed ineligible. Furthermore, program applicants are evaluated on their health (whether they are frail, sickly, or have disabilities).

After being deemed eligible for SocPen, the OSCA makes home visits to the prospective social pensioner. These seniors, however, are waitlisted for SocPen slots (i.e., they have to wait for the next fiscal year before getting their pension since budgets have already been prepared for the current fiscal year). OSCA and C/MSWDO then submit the names of eligible SocPen applicants and the corresponding General Intake Sheet to DSWD through the RSPU. New applicants may replace beneficiary slots³ within the year if some beneficiaries die or get delisted.

All study respondents agreed that the SocPen is a means of providing social protection to a vulnerable group; it

is seen as the fulfillment of the government's obligation to provide social protection to poor and sickly elderly. According to implementers, its intent—to augment the cash needs of indigent elderly for food and medicine—has been realized. When asked where the cash support goes, senior citizen respondents to a DSWD (2012) study and this study were unanimous in claiming that it is spent to buy food and medicines. Senior citizens expressed their gratitude for the program. While they admit that PHP 500 per month is inadequate for food and medicines, they note that it is better than nothing (*"mabuti na kaysa sa wala"*). They also look forward to pending legislation⁴ seeking to double the pensions.

How is the cash support given?

Over the years, there have been changes in the way SocPen assistance is provided to beneficiaries. Previously, direct payments were made through DSWD's special disbursing officers (SDOs), fund transfers to LGUs, or use of service providers. Currently, the DSWD centralizes all payouts, but some hybrid arrangements continue in select LGUs having good track records of liquidation.

How efficient are the service delivery and implementation of SocPen?

Program implementers recognize that inclusion, exclusion, and targeting errors persist to this day, despite the nationwide revalidation that started in 2018. They are aware that the inclusion of senior citizens who receive pensions (when they should not) inflates the program budget. Senior citizens interviewed claimed that the application process is confusing and accounted for "leakage". One senior citizen claimed that some beneficiaries do not meet the criteria of indigency as prescribed by law, but become recipients either because these pensioners exert clout in the community or are relatives of those who work in the barangay (see also COSE/HAI 2016). In addition, some seniors claimed that they were "invited" to apply to the program, and their applications were facilitated by daycare workers who also double as SDOs during payouts.

³ DSWD Administrative Order 4, Series of 2012

⁴ House Bill 9459 and Senate Bills 126 and 133

According to some senior citizens, the application process is easily politicized. The experience of senior citizens interviewed regarding the application process, however, was varied: some submitted complete documents but were not interviewed while others were interviewed several times before they got into the program. In NCR, some waitlisted applicants were informed verbally that they had qualified but not told about when they will begin to receive the cash assistance, while some were rejected outright even without the customary visit of LGU staff to their domiciles. Meanwhile, in the Visayas, many found the SocPen application and payout processes efficient.

How can the organization be improved?

Implementers unanimously expressed concern about the persistent staffing problem. Regular DSWD employees don additional hats during payouts by becoming default SDOs. In some areas, daycare workers and healthcare workers are deputized to handle crucial activities, such as facilitating applications of eligible senior citizens,

conducting payouts, and addressing complaints and other issues. An oft-repeated complaint in the DSWD central office is that only seven people are tasked to work on the program despite SocPen becoming the second-largest social protection program of the DSWD in terms of budget and beneficiaries (next to the *Pantawid Pamilyang Pilipino* Program). Very little data analytics is undertaken at the DSWD central office to examine consolidated databases of beneficiaries from the field offices because of the volume of workload. A listing of all activities for the various phases in implementing SocPen suggests that for a semestral disbursement, it would take 175 days to conduct the entire program implementation, equivalent to 8 months' work for what should be done in 6 months.

A few seniors interviewed for this study stated that they were not aware of SocPen and had only recently learned about it through word-of-mouth from SocPen beneficiaries or through barangay officials. In the Visayas, interviewed elderly identified the barangay



DSWD conducts SocPen payout in Region 10 (Cagayan de Oro) in November 2021. (Photo courtesy of Aya Rasuman)

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officials, the LGU-OSCA personnel, and other senior citizens as their main sources of information. One senior mentioned hearing about Socpen from the radio. In NCR, apart from the posting of payout schedules in the barangay halls, bull horns were also used to inform beneficiaries of payout schedules. Nevertheless, the process of dissemination of some crucial information still needs improvement since former beneficiaries reported they had not been informed about being delisted.

Ways forward

Providing the indigent elderly with a monthly allowance is a good response to improving the plight of seniors among the poor and vulnerable. Thus, this program is viewed positively by program implementers and senior citizens alike.

As of 2020, the contributory schemes of SSS and GSIS have covered 25.2 percent of senior citizens. With SocPen's noncontributory pension, an additional 37.9 percent of the elderly have been covered. Hence, SocPen has helped widen the coverage of the country's old-age pension system.

However, the program is not without issues and challenges (COSE/HAI 2016; Velarde and Albert 2018). Some strategic policy actions are urgently needed to address implementation deficits. The following are recommended:

1. Reexamine the operational definition of indigency, which has been delinked from poverty thresholds. As pointed out in Albert et al. (2021), the definition can adopt a less stringent threshold, such as using twice the poverty threshold, to determine indigents on account of senior citizens' vulnerability. However, differentiated cash assistance must be provided based on where the elderly are in the income distribution (see Albert et al. 2018). Monthly assistance of PHP 500 could be given to those low-income but not poor elderly (i.e., those with incomes between the poverty line and twice the poverty line), PHP 750 to poor but not subsistence poor

(i.e., those with incomes between the subsistence poverty threshold and the poverty line); and PHP 1,000 to subsistence poor (Albert et al. 2022).

2. Adopt a hybrid mode of payment for pension payouts by using e-payments and e-wallets for those elderly with access to technology and who live near city centers. For the elderly with mobility issues, door-to-door cash delivery should be used. Issuing Landbank automated teller machine cards to beneficiaries is also helpful. However, tapping other banks, including private banks, which had been done to distribute the Social Amelioration Program cash assistance, must be considered.
3. Standardize the application process into three stages: (i) submission of application forms and other relevant documents, (ii) interviewing of potential pensioners and independently determining the veracity of submitted data, and (iii) providing feedback to applicants. The last step is frequently skipped.
4. Strengthen evaluation and monitoring mechanisms to reduce the possibility of the system being gamed and politicized.
5. Deploy dedicated staff to SocPen, whether in the central office or field offices of the DSWD.
6. Update the SocPen Operations Manual annually, disseminate it far and wide, and conduct data analytics on the SocPen Beneficiary database regularly.

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