



Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila

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CIRCULAR LETTER

TO : All Commercial Insurance Companies, Cooperative Insurance Societies, Mutual Benefit Associations, Health Maintenance Organizations, Agents and Brokers

SUBJECT : Regulations for the Provision of Health Microinsurance (MicroHealth) Products and Services

The Philippine Development Plan 2011-2016 (PDP) outlines the Government's overall policy direction and thrusts on Universal Health Care to ensure "that all Filipinos, especially the poor, have equitable access to quality health care". Chapter 8, "Social Development", Philippine Development Plan 2011-2016 states that "No Filipino will be denied health care, even without the means to pay".

The PDP envisions the National Health Insurance Program (NHIP) as the "prime mover in improving financial risk protection. . ." while likewise stressing that the "NHIP's limited resources shall be augmented through PPPs" (public-private partnerships).

The PDP likewise provides for the promotion of microinsurance products and services, "to expand the delivery of simple and affordable risk protection oriented financial products to the less privileged and the informal sector against financial distress and other unfortunate events", and encourages "public-private partnership on microinsurance product development".

The Implementing Rules and Regulations (IRR) of the National Health Insurance Act of 2013 seeks to "Provide all citizens of the Philippines with the mechanism to gain financial access to health services". It mandates a program that "will prioritize the health care needs of the underprivileged, sick, elderly, persons with disabilities (PWDs), women and children and provide free health care services to indigents".

The Executive Order No. 192, s. 2015 has transferred the regulation and supervision of Health Maintenance Organizations (HMOs) from the Department of Health (DOH) to the Insurance Commission (IC). It provides the jurisdiction to IC to regulate and supervise the establishment, operations and financial activities of HMOs.

This memorandum circular takes reference from the Health Microinsurance Framework developed by the Technical Working Group (TWG) led by the Department of Finance-National Credit Council (DOF-NCC), Insurance Commission (IC) and Department of Health (DOH) including representatives from the Philippine Insurers and Reinsurers Association (PIRA), Philippine Life Insurance Association (PLIA), Association of Health Maintenance Organizations of the Philippines, Inc. (AHMOPI), CLIMBS Life and General Insurance Cooperative (CLIMBS), Cooperative Insurance System of the Philippines (CISP), MicroEnsure Philippines, RIMANSI Organization for Asia and the Pacific, Inc. (RIMANSI) and Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH-Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia (GIZ-RFPI Asia).

The Framework envisions to augment the Government's Universal Health Care program through a viable and sustainable private sector microinsurance industry that provides every Filipino with greater coverage and wider access to simple, affordable, appropriate and effective Health Microinsurance (or MicroHealth) products and services.

The Framework specifically seeks to attain the following objectives:

1. Inclusive health insurance for the general population with particular focus on the low income and informal sectors;
2. Proactive and increased private sector participation;
3. Greater coverage and easier access to a wide range of innovative MicroHealth products and services responsive to the needs of clients; and
4. Enhanced consumer value and client protection.

Section 1. Definition

"Health Microinsurance" or "MicroHealth" refers to an activity providing specific health insurance, health insurance-like¹, and other similar products and services that address the health needs of the general population, particularly the low-income and the informal sectors.

Section 2. General Principles

MicroHealth shall complement and supplement the government's NHIP specifically by:

1. Broadening the insurance coverage of eligible illnesses and accident-related injuries;

¹ Section 2(b) of RA 10607 (Insurance Code, as amended) states that "The term doing an insurance business or transacting an insurance business, within the meaning of this Code, shall include:

(1) Making or proposing to make, as insurer, any insurance contract;

(2) Making or proposing to make, as surety, any contract of suretyship as a vocation and not as merely incidental to any other legitimate business or activity of the surety;

(3) Doing any kind of business, including a reinsurance business, specifically recognized as constituting the doing of an insurance business within the meaning of this Code;

(4) *Doing or proposing to do any business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of this Code.*

In the application of the provisions of this Code, the fact that no profit is derived from the making of insurance contracts, agreements or transactions or that no separate or direct consideration is received therefor, shall not be deemed conclusive to show that the making thereof does not constitute the doing or transacting of an insurance business." (Italics supplied)

2. Increasing access to health financing services to cover appropriate drugs, medical supplies and transportation, etc.;
3. Enhancing the benefit package of the insured; and
4. Reducing out-of-pocket expenses.

Section 3. Scope and Coverage

This Circular shall cover:

1. MicroHealth products offered by MicroHealth providers duly authorized and licensed by the Insurance Commission, namely:
 - a. Life Insurance Companies
 - b. Non-life Insurance Companies
 - c. Cooperative Insurance Societies
 - d. Mutual Benefit Associations
 - e. Health Maintenance Organizations (HMOs)
2. MicroHealth services provided by health institutions, professionals and other similar entities duly identified and accredited with the DOH.
3. MicroHealth intermediaries including licensed agents and brokers.

Section 4. MicroHealth Products and Services

1. All MicroHealth products by authorized entities identified herein shall conform to the following:
 - a. Title 6, Section 187 of the Insurance Code, as amended that defines “microinsurance as a financial product or service that meets the risk protection of the poor where the amount of contributions, fees and charges, computed on a daily basis, does not exceed seven and a half percent (7.5%) of the current daily minimum wage rate for non-agricultural workers in Metro Manila; and the maximum sum of guaranteed benefits is not more than one thousand (1,000) times of the current daily minimum wage rate for non-agricultural workers in Metro Manila.”
 - b. Pertinent provisions of IC Insurance Memorandum Circular (IMC) 1-2010, IC Circular Letter 2015-54, and other IC circulars which take reference from the 2010 Regulatory Framework and the National Strategy for Microinsurance and from the 2015 Enhanced Microinsurance Regulatory Framework, specifically the applicable guidelines and features of microinsurance products including, among others, provisions on the use of simplified documents, requirements for claims settlement and market conduct for insurers, agents and brokers.

2. MicroHealth shall be in the form of guaranteed benefits given to clients upon the occurrence of contingent or unforeseen events consistent with the definition of insurance in the Insurance Code, as amended.
3. MicroHealth shall principally cover fully or partially curative care benefits in in-patient and out-patient settings such as treatment of illnesses and injuries, pregnancy-related cases, and medical procedures for therapeutic and rehabilitation purposes
4. Health maintenance products that principally cover preventive health care and maintenance services such as regular executive check-ups, counselling, optical and dental services shall not fall under the definition of MicroHealth.
5. MicroHealth providers may bundle their products and services with preventive health care benefits provided that:
 - a. The MicroHealth shall be the principal product and the major component of the bundled product;
 - b. The responsibility and liability relative to the execution of the bundled preventive care product or service shall be clearly stated in the Policy Contract and understood by the insured; and
 - c. The contract shall specify the lead MicroHealth provider that will fully assume the responsibility and liability for the implementation of the bundled MicroHealth products or services.
6. MicroHealth products, policy contracts and agreements provided by licensed insurance entities whether stand-alone or bundled with another product, such MicroHealth products shall require approval by the IC in accordance with rules and regulations on product approval.
7. Approved MicroHealth products by licensed IC insurance entities shall bear the "MicroHealth Logo" (Annex A) and shall at all times in accordance with the rules and regulations of the IC.

Section 5. Sale and Distribution

1. MicroHealth may be offered to the general public in the following manner:
 - a. Stand-alone product that are duly authorized/approved by the IC;
 - b. Bundled or "riders" to existing insurance/HMO products provided that:

- i. The bundled product shall be clearly identified as a MicroHealth product; and
 - ii. The contract specifies the lead provider that shall assume responsibility for the administration of the bundled microinsurance products or services.
 - c. Supplement or complement to the Government's NHIP implemented by the Philippine Health Corporation (PhilHealth).
2. Either through individual contracts or group policy arrangements, MicroHealth providers may employ, among others, the following modes of distribution mechanisms to provide the general public wider access to MicroHealth products and services:
- a. Licensed agents and brokers;
 - b. Points-of-sale to include medical institutions and suppliers;
 - c. Third-Party Administrators (TPAs);
 - d. Institutional accounts;
 - e. Group accounts (e.g. Community-based organizations); and
 - f. Electronic platforms.

Provided that the roles and responsibilities of the MicroHealth provider and the distribution channel shall at all times be clear and understood by the consuming public.

3. No MicroHealth policy shall be issued or delivered unless in the form previously approved by the Insurance Commission, and no application form shall be used with, and no rider, clause, warranty or endorsement shall be attached to, printed or stamped upon such policy unless the form of such application, rider, clause, warranty or endorsement has been approved by the Commissioner.

Section 6. Reinsurance

- 1. Insurance entities and reinsurers, both local and foreign, can participate in the MicroHealth reinsurance business subject to the provisions of the Insurance Code, as amended and to the applicable rules and regulations, and guidelines as may be issued by the IC;
- 2. HMOs and MBAs can cede their risks to insurance entities and make use of other risk sharing or transfer mechanisms but are not authorized to assume the risks from other entities; and
- 3. Reinsurance business between MicroHealth providers and foreign reinsurance companies are allowed subject to the appropriate guidelines of the IC.

Section 7. Institutional Arrangement for Partnership – the IC and the DOH shall issue respective guidelines to further clarify MicroHealth underwriting guidelines and market conduct which include, but not limited to the following:

1. Institutional arrangements with existing and new distribution channels;
2. Partnership with health service providers such as hospitals, clinics, laboratories, drugstores, medical suppliers, health professionals, medical transport operators; and
3. Claims payment schemes and procedures involving MicroHealth.

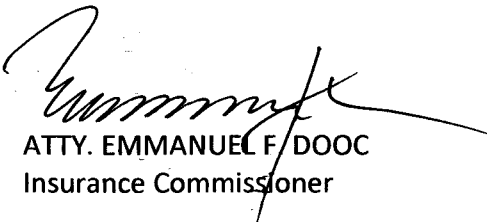
Section 8. Settlement of Disputes

1. All MicroHealth products must clearly define the settlement of any dispute arising thereto. Any dispute related to MicroHealth products and services arising from claims and complaints shall be settled amicably in accordance with the Alternative Dispute Resolution for Microinsurance (ADReM) embodied under IC Circulars Nos. 16-2013, 17-2013 and 18-2013.
2. In cases of complaints filed against HMOs, the same must be endorsed to the grievance machinery of the AHMOPI for mediation during the transition period as embodied under IC Circular Letter No. 59-2015.

Section 9. MicroHealth Awareness – MicroHealth providers shall institutionalize financial advocacy (not just marketing) in their business models.

Section 10. Monitoring and Reporting – Every MicroHealth provider shall submit to the Commissioner an Annual Statement prepared in accordance with the form as may be prescribed by the IC.

This Memorandum Circular shall take effect immediately.



ATTY. EMMANUEL F. DOOC
Insurance Commissioner



Health Microinsurance Framework



A. Government Policy

1. The Philippine Development Plan 2011-2016 (PDP) outlines the Government's overall policy direction and thrusts on Universal Health Care to ensure "that all Filipinos, especially the poor, have equitable access to quality health care". It states that "No Filipino will be denied health care, even without the means to pay".¹
2. The PDP envisions the National Health Insurance Program (NHIP) as the "prime mover in improving financial risk protection. . ." while likewise stressing that the "**NHIP's limited resources shall be augmented through PPPs**"² (public-private partnerships).
3. The PDP likewise provides for the promotion of microinsurance products and services, "to expand the delivery of simple and affordable risk protection oriented financial products to the less privileged and the informal sector against financial distress and other unfortunate events", and encourages "**public-private partnership on microinsurance product development**".³
4. To attain the Government's objective, the National Health Insurance Act of 2013 was enacted embodying the government's unwavering commitment to the attainment of Universal Health Care or "Kalusugan Pangkalahatan".
5. The Implementing Rules and Regulations (IRR) of the National Health Insurance Act of 2013 seeks to "**Provide all citizens of the Philippines with the mechanism to gain financial access to health services**". It mandates a program that "will prioritize the health care needs of the underprivileged, sick, elderly, persons with disabilities (PWDS), women and children and provide free health care services to indigents".
6. The Executive Order No. 192, s. 2015 has transferred the regulation and supervision of Health Maintenance Organizations (HMOs) from the Department of Health (DOH) to the Insurance Commission (IC). EO 192 provides the jurisdiction to IC to regulate and supervise the establishment, operations and financial activities of HMOs.
7. Section 10 of EO 192 mandates that "All issues relating to medical matters including, but not limited to, practice of the medical profession, medical procedures and standards, and health programs, policies, services, and facilities, shall be referred to the DOH."

Prepared by the Technical Working Group (TWG) on Health Microinsurance with technical assistance and funding support from Deutsche Gesellschaft fur Internationale Zusammenarbeit - Regulatory Framework Promotion of Pro-poor Insurance Markets in Asia (GIZ - RFPI Asia). The TWG is comprised of representatives from the Department of Finance-National Credit Council (DOF-NCC), Insurance Commission (IC), Department of Health (DOH), Philippine Insurers and Reinsurers Association (PIRA), Philippine Life Insurance Association (PLIA), Association of Health Maintenance Organizations of the Philippines, Inc. (AHMOPI), CLIMBS Life and General Insurance Cooperative (CLIMBS), Cooperative Insurance System of the Philippines (CISP), MicroEnsure Philippines, RIMANSI Organization for Asia and the Pacific, Inc. (RIMANSI) and GIZ-RFPI Asia.

¹ Chapter 8, "Social Development", Philippine Development Plan 2011-2016, p. 260.

² Ibid.

³ Chapter 6, "Towards a Resilient and Inclusive Financial Sector", PDP 2011-2016, p.13.

B. Current Situation

8. Healthcare financial risk protection in the Philippines is currently provided by the Government's NHIP mainly through the Philippine Health Insurance Corporation (PhilHealth), other government agencies that provide health-related benefits and by various private sector individuals or entities (both formal and the informal) particularly by licensed insurance companies and HMOs.
9. PhilHealth covers the following: a) members in the formal economy, b) members in the informal economy, c) indigent members, d) sponsored members, and e) lifetime members.
 - a. **Members in the formal economy**, other than those with formal contracts and fixed terms of employment in the government and private sectors, also include all other workers rendering services in the government and private offices such as job order and project-based contractors, owners of micro, small, medium and large enterprises, household helps and family drivers.
 - b. **Members in the informal economy** include migrant workers (land-based and sea-based) self-earning individuals and the informal sector workers.
 - c. **Indigent members** are those identified as poor by the Department of Social Welfare and Development (DSWD) through specific set of criteria and whose premium contributions are fully subsidized by the government.
 - d. **Sponsored members** on the other hand are those whose premium contributions are being paid by another individual, government agency or private entity.
 - e. **Lifetime members** are those who have reached the age of retirement and have at least completed the required monthly contributions. Though the mechanism may differ from one membership category to the other, coverage is mandatory for all.
10. PhilHealth provides basic benefit packages such as
 - a. **In-patient care** (including room and board, services of health care professionals, diagnostic, laboratory, and other medical examination services, use of surgical or medical equipment and facilities, prescription drugs and biological), and
 - b. **Out-patient medical and surgical services** for all membership categories. Except for indigent and sponsored members who shall not be charged with additional fee or expense when confined in government health care institutions, the health care benefits of all other members are reimbursed through a pre-determined rate, the excess of which shall be personally borne by the member.
11. Out-of-pocket (OOP) expenditures of the total healthcare cost remain high. Except for HMOs, costs related to out-patient cases and after-hospital follow-ups/treatments are seldom covered by other providers.
12. Efficiencies in the payment system, claims servicing and client verification need to be further enhanced. This requires building compatible technology platforms and institutionalizing effective linkages and networks among the various public and private stakeholders in order to facilitate exchange of information and improve turn-around time of financial transfers to health service providers/suppliers.
13. While the coverage of NHIP has reached 87% of Filipinos (as of December 2014), there is room for the private sector to participate in Universal Health Care particularly in the provision of healthcare financial risk protection under the NHIP.
14. The private sector can come up with innovative and responsive products and services to enhance the breadth, depth and efficiency of products and services in the healthcare industry with focus on the low-income and the informal sectors.

15. Health care financial risk protection products and services provided by the private sector can complement, supplement, and add value to the government's Universal Health Care program.

C. Vision: Appropriate and Affordable Health Microinsurance

16. The Framework envisions to augment the Government's Universal Health Care program through a viable and sustainable private sector microinsurance industry that provides every Filipino with greater coverage and wider access to simple, affordable, appropriate and effective Health Microinsurance (or MicroHealth) products and services.

17. For purposes of this Framework, the term "Health Microinsurance" or "MicroHealth" refers to an activity providing specific health insurance, health insurance-like⁴, and other similar products and services that address the health needs of the general population, particularly the low-income and the informal sectors.

D. Objectives of the Framework

18. To enhance the quality of life and promote human dignity of Filipinos and, in pursuit and in support of the Government's Universal Health Care program, the Framework specifically seeks to attain the following objectives:

- a. Inclusive health insurance for the general population with particular focus on the low-income and the informal sectors;

- b. Proactive and increased private sector participation;
- c. Greater coverage and easier access to a wide range of innovative MicroHealth products and services responsive to the needs of clients; and
- d. Enhanced consumer value and client protection.

E. Strategies to be Pursued

19. To ensure that both the vision and objectives of the Framework are met, the following major strategies will have to be undertaken:
- a. Establishment of an appropriate policy and regulatory environment for the safe and sound provision of MicroHealth by the private sector;
 - b. Complementation, cooperation, collaboration and coordination among various government agencies and private sector entities in providing MicroHealth and health care services;
 - c. Formulation of applicable prudential rules and regulations;
 - d. Enhancement of delivery channels and payment systems;
 - e. Promotion of MicroHealth product development and research;
 - f. Formulation of Guidelines on the duties and responsibilities of the providers, and the rights and privileges of the insured; and
 - g. Institutionalization of a financial literacy program on MicroHealth.

⁴ Section 2(b) of RA 10607 (Insurance Code, as amended) states that "The term doing an insurance business or transacting an insurance business, within the meaning of this Code, shall include:

- (1) Making or proposing to make, as insurer, any insurance contract;
- (2) Making or proposing to make, as surety, any contract of suretyship as a vocation and not as merely incidental to any other legitimate business or activity of the surety;
- (3) Doing any kind of business, including a reinsurance business, specifically recognized as constituting the doing of an insurance business within the meaning of this Code;

(4) Doing or proposing to do any business in substance equivalent to any of the foregoing in a manner designed to evade the provisions of this Code.

In the application of the provisions of this Code, the fact that no profit is derived from the making of insurance contracts, agreements or transactions or that no separate or direct consideration is received therefor, shall not be deemed conclusive to show that the making thereof does not constitute the doing or transacting of an insurance business." (Italics supplied)

F. Scope of the Framework

20. This Regulatory Framework covers the provision of MicroHealth by private insurance companies, Mutual Benefit Associations (MBAs) and HMOs, including institutional arrangements for partnerships and tie ups with health service providers, health professionals and other entities that will participate in the provision and distribution of MicroHealth, as may be defined by the concerned government regulatory bodies.

G. The Framework

21. **MicroHealth Providers.** Only authorized entities duly registered and/or licensed by the appropriate government policy and regulatory agencies shall be allowed to provide MicroHealth products and services. These entities shall include, but are not limited to, any of the following:

- a. Health Maintenance Organizations
- b. Commercial Life Insurance Companies
- c. Commercial Non-life Insurance Companies
- d. Mutual Benefit Associations
- e. Cooperative Insurance Societies

22. Private insurance entities and HMOs shall be encouraged to develop MicroHealth products that would complement and supplement the government's NHIP specifically by increasing the value of benefits and broadening the scope of coverage to include other expenditures outside the scope of NHIP's eligible expenditures. These may be in the form of:

- a. Broadening the insurance coverage of eligible illnesses and accident-related injuries;
- b. Increasing access to health financing services to cover appropriate drugs, medical supplies and transportation, etc.;
- c. Enhancing the benefit package of the insured; and
- d. Reducing out-of-pocket expenses.

23. MicroHealth Products and Services.

a. All MicroHealth products and services by authorized entities identified herein shall be considered as Microinsurance products and services, and shall conform to the following:

i. Title 6, section 187 of the **Insurance Code, as amended** that defines "microinsurance as a financial product or service that meets the risk protection of the poor where the amount of contributions, fees and charges, computed on a daily basis, does not exceed seven and a half percent (7.5%) of the current daily minimum wage rate for non-agricultural workers in Metro Manila; and the maximum sum of guaranteed benefits is not more than one thousand (1,000) times of the current daily minimum wage rate for non-agricultural workers in Metro Manila."

ii. Pertinent provisions of **IC Insurance Memorandum Circular (IMC) 1-2010, IC Circular Letter 2015-54** and other IC circulars which take reference from the 2010 Regulatory Framework and the National Strategy for Microinsurance and from the 2015 Enhanced Microinsurance Regulatory Framework, specifically the applicable guidelines and features of microinsurance products including, among others, provisions on the use of simplified documents, requirements for claims settlement and market conduct for insurers, agents and brokers.

b. MicroHealth shall be in the form of guaranteed benefits, whether cash or in-kind, given to clients upon the occurrence of contingent or unforeseen events consistent with the definition of insurance in the Insurance Code, as amended.

c. MicroHealth shall principally cover fully or partially curative care benefits in in-patient and out-patient settings.

- d. Health maintenance products that principally cover preventive health care and maintenance services such as regular executive check-ups, counselling, optical and dental services shall not fall under the definition of MicroHealth.
 - e. MicroHealth providers may bundle their products and services with preventive health care benefits provided that:
 - i. The MicroHealth shall be the principal product and the major component of the bundled product; and
 - ii. The responsibility and liability relative to the execution of the bundled preventive care product or service shall be clearly stated in the Policy Contract and understood by the insured.
 - f. Policy Contracts or agreements covering approved MicroHealth products and services shall bear the "Microinsurance Logo" as required under current rules and regulations of the Insurance Commission.
 - b. Either through individual contracts or group policy arrangements, MicroHealth providers may employ, among others, the following modes of distribution mechanisms to provide the general public wider access to MicroHealth products and services:
 - i. Licensed agents and brokers;
 - ii. Points-of-sale to include medical institutions and suppliers;
 - iii. Third-Party Administrators (TPAs);
 - iv. Institutional accounts;
 - v. Group accounts (e.g. Community-based organizations); and
 - vi. Electronic platforms.
- Provided that the roles and responsibilities of the MicroHealth provider and the distribution channel shall at all times be clear and understood by the consuming public.

24. Sale and Distribution.

- a. MicroHealth may be offered to the general public in the following manner:
 - i. Stand-alone products that are duly authorized/approved by relevant policy/regulatory government agencies;
 - ii. Bundled or riders to existing insurance products provided that:
 - a. The bundled product shall be clearly identified as a MicroHealth product; and
 - b. The contract specifies the lead provider that shall assume responsibility for the administration of the bundled microinsurance products or services.
 - iii. Supplement to the Government's NHIP.

25. Reinsurance

- a. Insurance entities and reinsurers, both local and foreign, can participate in the MicroHealth reinsurance business subject to the provisions of the Insurance Code, as amended and to the applicable rules and regulations, and guidelines as may be issued by the Insurance Commission (IC);
- b. HMOs and MBAs can cede their risks to insurance entities and make use of other risk sharing or transfer mechanisms but are not authorized to assume the risks from other entities; and
- c. Reinsurance business between MicroHealth providers and overseas reinsurance companies are allowed subject to the appropriate guidelines of the IC.

26. **Settlement of Disputes.** Any claims dispute involving MicroHealth products and services shall be settled in conformity with the Alternative Dispute Resolution for Microinsurance (ADReM) mechanism as embodied under IC Circulars No. 15 to 18 of 2013.

H. Complementmentation, Cooperation, Collaboration, Coordination (4Cs principle) of public and private sector stakeholders

27. The development of a functioning and sustainable market in the provision of MicroHealth by the private sector requires a clear definition of the roles of the DOH and the IC. To ensure that the objective of increased access of the low-income and the informal sectors to health risk protection is attained, it is imperative for the DOH and IC to focus on its respective roles where they have distinct and comparative advantage. Their respective roles are as follows:

a. Department of Health

- i. Provide the enabling policy and regulatory environment to encourage private sector participation in the delivery of MicroHealth products and services.
- ii. Ensure the delivery of quality and competitive health care, facilities and services by collaborating with Local Government Units, other concerned government agencies and the private sector in the provision of quality and competitive health care services.
- iii. Allow the MicroHealth providers to use the accreditation system of the DOH for identifying public and private health facilities, health care service providers and health service intermediaries that may be tapped in the delivery of health care services to the clients.

b. Insurance Commission

- i. Establish appropriate policy and regulatory environment that encourage insurance entities including intermediaries in the provision of MicroHealth insurance products and services.
- ii. Develop and implement prudential standards and sound market conduct guidelines that would enhance client value, financial stability and consumer protection.
- iii. Develop policies and guidelines for the private sector to provide complementary and supplemental MicroHealth products and services supportive of the NHIP.

28. The DOH and IC shall issue circulars to its respective regulated entities describing the guidelines on the following:

- a. Licensing and/or accrediting financial intermediaries, institutional health facilities, health care professionals and intermediaries and other entities that will participate in the provision of MicroHealth;(for clarification with DOH)
- b. Sharing of appropriate data base and information to enable providers to design, innovate and develop MicroHealth in order to address the issues of breadth, depth and efficiency;
- c. Reporting and monitoring of outreach and quality of MicroHealth implementation; and
- d. Institutionalizing financial literacy on MicroHealth.

29. Regulatory requirements by DOH and IC for product and services approval shall be complied with by all entities providing MicroHealth.

30. The DOH and IC may issue guidelines to further clarify MicroHealth underwriting guidelines and market conduct which include, but not limited to, the following:

- a. Institutional arrangements with existing and new distribution channels;
- b. Partnership with health service providers such as hospitals, clinics, diagnostic laboratories, drugstores, medical suppliers, health professionals, medical transport operators, etc.; and
- c. Claims payment schemes and procedures involving MicroHealth.

I. MicroHealth Awareness

31. To ensure that both the MicroHealth provider and the client understand their roles and responsibilities in risk protection, the concerned regulatory authorities shall integrate in their current and future programs the financial literacy on health risk protection and MicroHealth.
32. Private MicroHealth providers shall be encouraged to institutionalize financial literacy (not just marketing) in their business models.

J. Monitoring

33. The DOH and IC shall agree on a monitoring and reporting system that shall inform each other and the public on the progress of implementation of this Framework.



For further information please contact

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