



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

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| Circular Letter (CL) No.: | 2018-54-A |
| Date: | 29 October 2018 |
| Amends: | Circular Letter (CL) Nos. 2017-19, d. 31 March 2017; and 2018-20, d. 27 March 2018 |

CIRCULAR LETTER

TO : ALL HEALTH MAINTENANCE ORGANIZATIONS (HMOs) DOING BUSINESS IN THE PHILIPPINES

SUBJECT : AMENDMENTS TO THE TRANSITORY PROVISION UNDER CIRCULAR LETTER NO. 2017-19 AND THE PROVISIONS OF CIRCULAR LETTER NO. 2018-20

WHEREAS, HMOs were given one (1) year from the effectivity of Circular Letter No. 2017-19 dated 31 March 2017, or until 31 March 2018, to amend their existing HMO products and corresponding Agreements and contract forms and submit the same to this Commission for approval; otherwise, the same can no longer be sold after the expiry of said period;

WHEREAS, this period was extended from 31 March 2018 until 30 April 2018 and 30 June 2018 pursuant to Circular Letter No. 2018-20 dated 27 March 2018 *“[in] consideration of the request of the associations of HMOs and to give the Commission more time to evaluate and approve HMO products and corresponding Agreements and contract forms without disadvantaging HMOs x x x”*;

WHEREAS, HMOs submitted their products for IC approval within the said extended periods; however, products submitted pertain only to those with coverage and payment periods not exceeding twelve (12) months. For the purpose of this amendatory circular, such products shall be identified as **“SHORT-TERM”** HMO products. Consequently, those products with coverage and payment periods exceeding twelve (12) months as may be implied from the provisions of Section 3, Circular Letter No. 2017-19 shall be identified as **“LONG-TERM”** HMO products;

WHEREAS, in accordance with the provisions of Circular Letter No. 2018-20 dated 27 March 2018, HMOs have submitted the amended Agreements and contract forms of their **“SHORT-TERM”** HMO Products as of 30 April 2018;