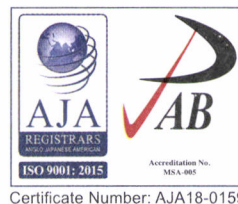




Republic of the Philippines
 Department of Finance
INSURANCE COMMISSION
 1071 United Nations Avenue
 Manila



Circular Letter (CL) No.:	2019-35
Date:	18 July 2019
Supersedes:	NONE

CIRCULAR LETTER

TO : ALL HEALTH MAINTENANCE ORGANIZATIONS (HMOs) DOING BUSINESS IN THE PHILIPPINES AND OTHER CONCERNED PARTIES

SUBJECT : GUIDELINES FOR THE CONSERVATORSHIP OF HEALTH MAINTENANCE ORGANIZATIONS (HMOs) AND APPOINTMENT OF CONSERVATORS

WHEREAS, regulatory jurisdiction over health maintenance organizations (“HMOs”) was transferred from the Department of Health to this Commission by virtue of Executive Order No. 192, series of 2015, *“in order to regulate and supervise the establishment, operations and financial activities of HMOs”*;

WHEREAS, under Section 4 (i) of Executive Order No. 192, Series of 2015, this Commission has the power to *“issue appropriate directives, such as but not limited to the appointment of conservators, receivers or liquidators, to HMOs which fail to comply with [said] Order, related laws, rules, regulations, orders, and circulars issued pursuant thereto”*;

NOW, THEREFORE, pursuant to the powers granted to this Commission under Section 4 (i) of Executive Order No. 192, Series of 2015, the following *Guidelines for the Conservatorship of Health Maintenance Organizations (HMOs) and Appointment of Conservators* are hereby promulgated and adopted, to wit:

- 1. Grounds for Conservatorship.** – If at any time before or after the suspension or revocation of the *Certificate of Authority* or *Clearance to Operate* of an HMO, this Commission finds that such HMO is in a state of continuing inability or unwillingness to comply with the provisions and/or requirements of Executive Order No. 192, Series of 2015, related laws, circulars, rules, regulations, and/or orders of this Commission, said HMO shall be placed under conservatorship; and this Commission shall consequently appoint a conservator.