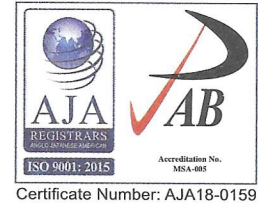




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
1071 United Nations Avenue
Manila



Circular Letter No.:	2020-51
Date:	5 May 2020
Supplements:	CL No. 2020-33; CL No. 2020-40

CIRCULAR LETTER

TO : ALL HEALTH MAINTENANCE ORGANIZATIONS (HMOs) AND LIFE AND NON-LIFE INSURANCE COMPANIES DOING HEALTH INSURANCE BUSINESS IN THE PHILIPPINES

SUBJECT : SUPPLEMENTAL GUIDELINES GOVERNING THE EXEMPTION OF HEALTH INSURANCE PROVIDERS AND HMO PERSONNEL IN THE IMPLEMENTATION OF THE ENHANCED COMMUNITY QUARANTINE (ECQ)

WHEREAS, per a Memorandum from the Executive Secretary dated 16 March 2020, the entirety of Luzon was placed under enhanced community quarantine (ECQ);

WHEREAS, on 03 April 2020, the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (“IATF”) issued IATF Resolution No. 19, series of 2020, providing that “Health Maintenance Organizations (HMOs), the Philippine Health Insurance Corporation (PHIC), and health insurance providers, shall be considered as part of health frontline services, for purposes of exempting their workers in the implementation of the ECQ”;

WHEREAS, the Insurance Commission issued Circular Letter No. 2020-33 dated 07 April 2020, entitled “*Declaration of HMOs and Health Insurance Companies as Health Frontline Services and Exempting them from the Enhanced Community Quarantine (ECQ)*”;

WHEREAS, the Insurance Commission issued Circular Letter No. 2020-39 dated 09 April 2020, entitled “*Classifying Mutual Benefit Associations (MBAs) as Health Insurance Providers under IATF-EID Resolution No. 19, and Supplementing Circular Letter No. 2020-33*”;

WHEREAS, the Insurance Commission issued Circular Letter No. 2020-40 dated 09 April 2020, entitled "*Implementing Guidelines Governing the Exemption of Health Insurance Providers and HMO Personnel in the Implementation of the Enhanced Community Quarantine (ECQ) as Directed under IATF Resolution No. 19*";

WHEREAS, on 30 April 2020, the President issued Executive Order (EO) No. 112 "*Imposing an Enhanced Community Quarantine in High-Risk Geographic Areas of the Philippines and a General Community Quarantine in the Rest of the Country from 01 to 15 May 2020, Adopting the Omnibus Guidelines on the Implementation Thereof, and for Other Purposes*";

WHEREAS, in light of the extension and expanded coverage of the ECQ to include high-risk geographic areas in the Philippines, and in view of the requests received by the Commission seeking the approval of the skeleton workforce of HMOs and health insurance providers in Visayas and Mindanao, this Commission finds the need to provide supplemental guidelines as regards the issuance of Certifications pursuant to CL No. 2020-40;

NOW THEREFORE, pursuant to the authority vested in the Insurance Commissioner under Section 437 of the Insurance Code of the Philippines, as amended by Republic Act No. 10607, and Section 4 of EO No. 192, series of 2015, the following supplemental guidelines are hereby adopted and promulgated:

1. **Issuance of Certification by the Commission.** Health insurance providers and HMOs seeking exemption of their skeleton workforce in the implementation of ECQ in high-risk geographic areas, as determined in EO No. 112, and as may further be determined in succeeding issuances by the Office of the President, IATF and/or other relevant government agencies, must submit to this Commission a certified list of personnel who will comprise their skeleton workforce for claims processing and limited customer/backroom services. The skeleton workforce of each health insurance provider or HMO shall be kept to the barest minimum and must not exceed ten percent (10%) of its total workforce.

The foregoing notwithstanding, the Commission shall have the discretion to limit the number of personnel to be included in the Certification if based on its assessment, the proposed skeleton workforce is excessive for purposes of claims processing and limited customer/backroom services, and/or prejudicial to the requesting Company's compliance with the workplace safety measures enumerated in Item 4 of CL No. 2020-40, as

well as other public health guidelines and workplace safety measures issued by appropriate government agencies.

2. **Request for Certification.** All requests for Certification in areas covered by ECQ in Luzon, Visayas and Mindanao must be emailed to:

bgt.sibuyan@insurance.gov.ph

All requests for Certifications shall submit a list (in Excel format) containing the following information:

- a. Total number of regular workforce;
- b. For branch offices, the number of regular workforce per branch must likewise be indicated. Only two persons per branch or ten percent (10%) of the branch workforce, whichever is higher, shall be allowed;
- c. The names and position of personnel included in the Company's skeleton workforce, which shall not exceed ten percent (10%) of the total workforce. For this purpose, the term "personnel" includes all employees, regular or otherwise, as well as persons engaged on a contractual basis. Alternate or relievers are likewise included in determining the ten percent (10%) threshold.

Contracted services/personnel (e.g., janitorial, security, transportation, technical support) shall be allowed. In the event that such contracted personnel have already been issued IATF IDs, RapidPass, or such other certifications of exemption, or are otherwise exempted from having passes pursuant to existing guidelines issued by relevant government agencies, such contracted personnel shall no longer be included in the computation of the allowable skeleton workforce of the requesting company; and,

- d. Justification for the relevance of the said positions in the processing of health insurance/HMO claims.
3. **Effectivity of Previously Issued Certifications.** Certifications previously issued by the Commission covering areas remaining under ECQ shall remain in effect, without prejudice to the submission of request for certification of additional personnel pursuant to this Circular. All new requests, regardless of whether or not a Certification has been previously issued by the Commission to the requesting company, must strictly comply

with the guidelines set out in CL No. 2020-40, as supplemented by this Circular.

4. **Separability Clause.** If any provision of this Circular shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.
5. **Effectivity.** This Circular letter shall take effect immediately.



DENNIS B. FUNA
Insurance Commissioner

