



Circular Letter No.:	2021-34
Date:	21 April 2021
Supersedes:	None

CIRCULAR LETTER

TO : ALL HEALTH MAINTENANCE ORGANIZATIONS DOING BUSINESS IN THE PHILIPPINES

SUBJECT : SUBMISSION OF FINANCIAL REPORTORIAL REQUIREMENTS

WHEREAS, Section 2.1 of IC Circular Letter (CL) No. 2016-41 requires all Health Maintenance Organizations (HMOs) to submit their Audited Financial Statements (AFS), with the supporting documents, on or before the 31st day of May of each year, while Section 2.2 of the same CL requires the submission of the Interim Financial Statements (IFS) and other requirements for each quarter on or before the following dates:

Quarter Ending	Due Date
March 31	April 15
June 30	July 15
September 30	October 15
December 31	January 15

WHEREAS, Section 2.3 of the same CL states that failure to submit the necessary documents under Section 2.1 within the prescribed deadline shall cause the imposition of penalty of Five Thousand Pesos (P5,000.00) per day of delay, while failure to submit items under Section 2.2 based on the respective deadlines shall be subjected to a basic fine of P5,000.00 and P500.00 for every calendar day of delayed submission;

WHEREAS, per the Memorandum from the Executive Secretary dated 21 March 2021 on the "Additional Measures to Address the Rising Cases of COVID-19 in the Country," the provinces of Bulacan, Cavite, Laguna, and Rizal, with the highly urbanized cities of the National Capital Region, including the municipality of Pateros, shall be treated as one Subject Area and placed under General Community Quarantine, effective 22 March 2021 to 04 April 2021;

WHEREAS, on 27 March 2021, the Inter-Agency Task Force for the Management of Emerging Infectious Diseases (IATF-EID) issued IATF Resolution No. 106-A, series of 2021, placing the Subject Area set forth in the Memorandum of the Executive Secretary dated 21 March 2021 under Enhanced Community Quarantine (ECQ) immediately upon approval until 04 April 2021;

WHEREAS, on 04 April 2021, the IATF-EID issued IATF Resolution No. 108-A, series of 2021, extending the ECQ of the Subject Area until 11 April 2021;

WHEREAS, on 10 April 2021, the IATF-EID issued IATF Resolution No. 109- A, series of 2021, placing the Subject Area under Modified Enhanced Community Quarantine (MECQ) until 30 April 2021;

WHEREAS, these travel restrictions and/or temporary suspension of business operations pose specific challenges on the preparation of the 2020 AFS and/or the 2021 IFS.

WHEREAS, the Securities and Exchange Commission (SEC) issued SEC Memorandum Circular No. 3 Series of 2021, which provides that all stock corporations with fiscal year ending December 31 shall file their Audited Financial Statements (AFS) depending on the last numerical digit of their SEC registration or license number in accordance with a schedule, with the earliest deadline on 30 June 2021.

NOW THEREFORE, in view of all the foregoing and in accordance with the undersigned's powers under Section 4 of Executive Order No. 192 series of 2015, the following guidelines regarding the submission of HMOs' financial reports are hereby promulgated:

- a. AFS, with the supporting documents, for the year 2020, which is due on or before the 31 May 2021, shall be accepted until 31 July 2021 without imposing penalty/ies for late submission; and
- b. IFS for the following quarters shall be accepted until the extended due dates without imposing penalty/ies for late submission:

Quarter Ending	Due Date	Extension
March 31	April 15	May 15
June 30	July 15	August 15
September 30	October 15	November 15
December 31	January 15	February 15

- c. The imposition of penalty for submissions made after the extension mentioned in the two preceding paragraphs may vary depending on the existing law granting relief for penalties imposed by regulatory agencies.

This Circular shall take effect immediately.


DENNIS B. FUNA
Insurance Commissioner

