



PRESS RELEASE

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HMOs mark return to profitability in 2024 with 15.65% increase in healthcare benefits in H1

Healthcare benefits paid out by health maintenance organizations (HMOs) to its members amounted to Php30.33 billion as of the first half of 2024, which is a 15.65% increase from healthcare benefits paid out during the same period last year.

Still, even with the big increase in benefit payouts, the HMO industry continued its return to profitability, registering a total net income of Php636.6 million as of the first half of this year, compared to the total net loss of Php1.19 billion registered at the end of the same period last year.

The return to profitability of the HMO industry amidst the big increase in benefit payouts is brought about by higher total revenues by the industry, which amounted to Php38.75 billion as of the first half. The bulk of this total revenues consists of total membership fees collected by HMOs, which amounted to Php36.56 billion.

For easy reference, the comparative figures on total revenues, total expenses, benefit payouts, and total net income/(loss) of the HMO industry are as follows:

	H1 2024 <i>(In Million Pesos)</i>	H1 2023 <i>(In Million Pesos)</i>	% Increase/ (Decrease)
Total Revenues	Php38,754.30	Php31,783.10	21.93
Total Membership Fees	36,565.20	30,734.30	18.97
Total Expenses	38,117.60	32,969.30	15.62
Total Benefits Paid Out	30,331.70	26,226.80	15.65
Total Net Income/ (Loss)	636.60	(1,186.30)	

The HMO industry has also seen a substantial growth of Php7.51 billion, or 12.16%, in its Total Assets during the 1st half of 2024, which amounted to Php69.26 billion.

Total Invested Assets also increased by 6.45% to Php21.31 billion, due mainly to the 56.98% increase in Cash Equivalents. Consequently, Total Invested Assets now account for 29.15% of the HMO industry’s Total Assets.

Total Liabilities also increased by 13.33% to Php58.32 billion, mainly due to significant increases in Membership Fee Reserves (24.23% increase) and Claims Reserves (26.49% increase).

For easy reference, the comparative figures for total assets, liabilities, equity, capital stock and invested assets of the HMO industry for the first half of 2024 and 2023 are as follows:

	H1 2024 <i>(In Million Pesos)</i>	H1 2023 <i>(In Million Pesos)</i>	% Increase/ (Decrease)
Total Assets	Php69,265.00	Php61,756.40	12.16
Total Liabilities	58,322.00	51,460.30	13.33
Total Equity	10,943.00	10,296.10	6.28
Total Capital Stock	8,447.40	5,657.40	49.32
Total Invested Assets	21,305.30	20,014.20	6.45

The above-mentioned increases in the performance figures of the HMO industry were registered, notwithstanding the decrease in the number of licensed HMOs from twenty-nine (29) in 2023 to only twenty-five (25) in 2024.

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