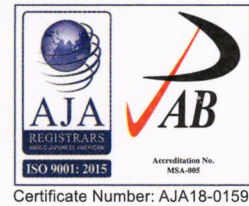




Republic of the Philippines  
Department of Finance  
**INSURANCE COMMISSION**  
1071 United Nations Avenue  
Manila



Circular Letter (CL) No.:	2019-44
Date:	02 September 2019
Supplements:	CL No. 2018-03, d. 8 January 2018

### CIRCULAR LETTER

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

**SUBJECT : GUIDELINES IN THE CONDUCT OF EXAMINATION OF  
AFFAIRS, FINANCIAL CONDITION, AND METHODS OF  
DOING BUSINESS OF HEALTH MAINTENANCE  
ORGANIZATIONS (HMOs)**

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**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**, this Commission has the statutory power to “*regulate, supervise, and monitor the operations and management of HMOs to ensure compliance with [Executive Order No. 192, series of 2015], existing laws, rules, and regulations, and such other directives and circulars issued by the Insurance Commissioner*” under Section 4 (d) of Executive Order No. 192, series of 2015;

**WHEREAS**, in the interest of ensuring HMOs’ continuous compliance with the provisions of this Commission’s Circular Letter No. 2016-41 dated 29 July 2016 on the *Minimum Capitalization and Financial Capacity Requirements for HMOs* and all other prudential rules, regulations, directives, and circulars issued by this Commission, the latter deems it necessary to prescribe a framework for the exercise of its power to conduct examination into the affairs, financial condition, and methods of doing business of said HMOs doing business in the Philippines under Section 4 (l) of Executive Order No. 192, series of 2015;

**NOW, THEREFORE**, pursuant to the powers granted to this Commission under Section 4 of Executive Order No. 192, series of 2015, the following *Guidelines in the Conduct of Examination of Affairs, Financial Condition, and Methods of Doing Business of Health Maintenance Organizations (HMOs)* are hereby adopted and promulgated, to wit: