ADVISORY No. 07-2017

TO	:	**ALL HEALTH MAINTENANCE ORGANIZATIONS (HMOs) DOING BUSINESS IN THE PHILIPPINES**
SUBJECT	:	**ACTUARIAL VALUATION REPORT AS OF 31 DECEMBER 2016**
DATE	:	**MAY 3, 2017**

In view of the inquiries received regarding the Reportorial Requirements under Sections 2.1.c and 2.1.d of Circular Letter (CL) No. 2016-41, please be advised that the **Actuarial Valuation Report as of 31 December 2016** to be submitted **on or before 31 May 2017** shall contain at least the following information (see **Annex A** for details):

A. Scope of Report
B. Data Requirements
C. Valuation Methodologies and Assumptions
D. Analysis of Experience
E. Valuation Results and Discussion
F. Certification by the Actuary

Please be guided accordingly.

DENNIS B. FUNA
Insurance Commissioner

Report on Actuarial Valuation of HMO Reserves
Name of Company: _____
For the period ended dd/mmm/yyyy

Section A: Scope of Report

1. Purpose of report
2. Name of Actuary, professional qualifications, and the capacity in which he/she is carrying out the valuation of policy reserves (whether the Actuary is an employee of the HMO or an external consultant)

Section B: Data Requirements

The source of the data and how it was extracted.

Section C: Valuation Methodologies and Assumptions

A brief description of the valuation methods, assumptions, and professional judgment used in the estimation of the following:
1. Membership Fee liabilities
2. Claims liabilities

Section D: Analysis of Experience

In lieu of the Morbidity/Claims Experience required by Section 2.1.c of CL No. 2016-41, the Actuary may submit a Morbidity/Loss Ratio Analysis.

Section E: Valuation Results and Discussion

This shall contain a summary of the valuation results. A short narrative discussing the valuation results shall be provided.

Section F: Certification by the Actuary