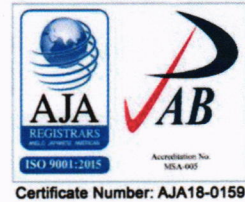




Republic of the Philippines
Department of Finance
INSURANCE COMMISSION
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IC ORDERS INSURERS TO PROVIDE FREE-LOOK PERIOD FOR HEALTH INSURANCE POLICIES

Insurance Commissioner Dennis B. Funa has instructed all insurers to give a 15-day free-look period for health insurance policies with a duration of more than 6 months and a 5-day free-look period if the duration is 6 months or less.

A free-look period refers to the period of time in which a new health insurance policy owner can terminate or cancel the insurance policy.

According to Insurance Commissioner Funa, a free look period allows the policyholder to decide whether or not to continue with the contract, and if he or she decides to cancel it for whatever reason/s, the policyholder can demand the cancellation thereof.

“If the insured for any reason does not want to accept the coverage or cancel the policy, he or she may demand for the cancellation or termination of the contracts,” said Commissioner Funa.

Once a policyholder receives the new health insurance policy or contract, the free look period begins. If an insured decides to cancel or surrender the policy within the free-look period, he or she shall be entitled to the return of all premiums paid.

The free look period is for the benefit of a policyholder and can be used to review the policy to make sure it meets the needs of the insured.

According to Commissioner Funa, “It is that window of time given to policyholders to read the policy provisions, understand the inclusions and exclusions, and if he or she has purchased the right product.”

He added, “A free-look period protects a customer if he/she feels that the policy document is not what he/she signed up for and protects the insuring public from dangers of misselling.”

Insurance Commissioner Funa likewise directed health maintenance organizations (HMOs) to incorporate a similar free-look period in all health maintenance contracts.


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