



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



Circular Letter (CL) No.:	2018-14
Date:	30 January 2018
Supersedes:	CL No. 2015-59

CIRCULAR LETTER

TO : ALL HEALTH MAINTENANCE ORGANIZATIONS (HMOs) DOING BUSINESS IN THE PHILIPPINES AND PLANHOLDERS/ HMO MEMBERS CONCERNED

SUBJECT : GUIDELINES IN THE HANDLING OF COMPLAINTS FILED AGAINST HEALTH MAINTENANCE ORGANIZATIONS

WHEREAS, Executive Order No. 192, Series of 2015 (E.O. No. 192, s. 2015) transferred the regulation and supervision of health maintenance organizations (HMOs) from the Department of Health (DOH) to the Insurance Commission (IC);

WHEREAS, pursuant to E.O. No. 192, s. 2015, the IC was given the authority to formulate, adopt and implement such rules, regulations, and other issuances as may be necessary for the effective implementation of the aforementioned executive order;

WHEREAS, IC Circular Letter (CL) No. 2015-59 dated 22 December 2015 entitled, "Endorsement of all Complaints filed against HMOs with the Grievance Machinery of the Association of Health Maintenance Organizations of the Philippines (AHMOPI) for Mediation during the Transition Period" was issued;

WHEREAS, IC CL No. 2015-59 authorized AHMOPI, being the only association of HMOs at that time, to conduct mediation proceedings on all complaints endorsed by IC against any HMOs;

WHEREAS, the Philippine Association of Health Maintenance Organization Companies, Inc. (PAHMOC) was duly incorporated on 10 July 2017;

WHEREAS, there are now two (2) HMO associations that exist, the AHMOPI and the PAHMOC;

WHEREAS, in recognition of the existence of the two (2) associations, there is a need to set the guidelines in the handling of complaints and conduct of mediation proceedings against HMOs received by IC, regardless of whether such HMO are members of any HMO organization;

NOW THEREFORE, pursuant to the authority vested in the Insurance Commission under E.O. No. 192, s. 2015, the following are hereby promulgated:

1. All complaints filed against an HMO received by the Insurance Commission, including its District Offices, shall be:
 - a. Endorsed to the AHMOPI's grievance machinery involving their members; or
 - b. Endorsed to PAHMOC's grievance machinery involving their members.
2. Complaints against HMOs, which are non-members, shall be handled by the Insurance Commission through Public Assistance and Mediation Division;
3. The AHMOPI and the PAHMOC are hereby authorized to conduct **mediation proceedings** on all complaints referred/endorsed by this Commission;
4. The AHMOPI and the PAHMOC, are hereby enjoined to conclude all mediation proceedings within thirty (30) days from receipt of the endorsement of the complaint from this Commission;
5. Should there be settlement between the parties, the endorsee is directed to file a report, together with the necessary documents, within five (5) days from the settlement of the complaint/case addressed to the Insurance Commission;
6. In the event that the parties fail to reach an amicable settlement, the endorsee shall forward the complaint, including all records pertaining thereto, within five (5) days from termination of the mediation conference, to this Commission for appropriate action in accordance with existing rules and regulations; and
7. The IC, through the PAMD, shall conduct the mediation conference of the cases of failed mediation mentioned in the immediately preceding paragraph forwarded by either AHMOPI or PAHMOC in accordance with existing rules and regulations.

This Circular Letter shall take effect immediately.

For strict compliance.


DENNIS B. FUNA
Insurance Commissioner

