



Advisory No.:	IS-2024-005
Classification:	Regulatory and Supervisory Advisory
Date:	20 March 2024

## INSURANCE COMMISSION ADVISORY

**TO : ALL HEALTH MAINTENANCE ORGANIZATIONS AUTHORIZED TO DO BUSINESS IN THE PHILIPPINES**

**SUBJECT : REQUEST FOR COMMENTS ON THE DRAFT CIRCULAR LETTER ON THE APPLICATION OF PHILIPPINE FINANCIAL REPORTING STANDARD 17 – INSURANCE CONTRACTS TO THE AUDITED FINANCIAL STATEMENTS AND INSURANCE COMMISSION REPORTORIAL REQUIREMENTS OF HEALTH MAINTENANCE ORGANIZATIONS**

Section 4(j) of Executive Order (“EO”) No. 192, s. 2015 grants the Commission the authority over Health Maintenance Organizations (“HMOs”) to prepare, approve, or amend rules, regulations, orders, and circulars, and issue opinions, provide guidance on and supervise compliance with such rules, regulations, orders, and circulars.

Section 2.1 of Circular Letter (“CL”) No. 2016-41<sup>1</sup> requires all HMOs to submit their Audited Financial Statements (“AFS”), together with the supporting documents, on or before the 31<sup>st</sup> of May of each year.

In view of the impending implementation of the Philippine Financial Reporting Standard 17 Insurance Contracts (“PFRS 17”), the Commission drafted a CL on the application of PFRS 17 to the AFS and IC-reportorial requirements of HMOs.

Relative thereto, all HMOs are hereby requested to provide comments/feedback on the below-listed documents using the prescribed format:

1. Draft CL – Application of Philippine Financial Reporting Standard 17 – Insurance Contracts to the Audited Financial Statements and Insurance Commission Reportorial Requirements of Health Maintenance Organizations
2. Annex A – Standard Chart of Accounts for HMOs

### **Prescribed Format**

Document Name	Section/Provision	Comment/s	Recommendation/s

<sup>1</sup> Entitled, “Minimum Capitalization and Financial Capacity Requirements for HMOs.”

Comments/feedback shall be submitted to the IC HMO Division through e-mail to [hmodiv@insurance.gov.ph](mailto:hmodiv@insurance.gov.ph) **within fifteen (15) days after the issuance of this Advisory:**

Comments received after the deadline and not thru e-mail shall not be entertained.

Thank you.

  
**REYNALDO A. REGALADO**  
Insurance Commissioner

