



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



Circular Letter (CL) No:	2020-86
Date:	27 August 2020
Amends / Supplements:	NONE

### CIRCULAR LETTER

**TO : ALL REGULATED ENTITIES OFFERING OR SELLING VARIOUS INSURANCE PRODUCTS**

**SUBJECT : GUIDELINES TO PROTECT PERSONS WITH DISABILITIES (PWDs) FROM ANY FORM OF DISCRIMINATION IN THE INSURANCE INDUSTRY**

**WHEREAS**, the Insurance Commission upholds the different roles of various State Parties, including the Philippines, in the United Nations Convention on the Rights of Persons with Disabilities;

**WHEREAS**, Sections 35(f) and 36 of Republic Act No. 7277, as amended, otherwise known as the "*MAGNA CARTA FOR DISABLED PERSONS*" prohibits the discrimination of PWDs in public accommodations and services as defined therein;

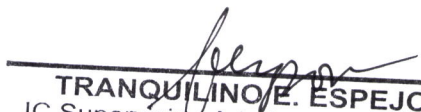
**WHEREAS**, there is a need to issue a guideline that the insurance industry shall adopt and comply with in the treatment of PWDs who intends to buy or avail insurance products or services;

**NOW, THEREFORE**, in view of the foregoing and in accordance with the statutory powers vested to the undersigned by Sections 254, 437 and other pertinent provisions of the Insurance Code of the Philippines, as amended by Republic Act No. 10607, the following are hereby adopted and promulgated:

**Section 1. ADHERENCE TO THE MAGNA CARTA FOR DISABLED PERSONS.** - The Insurance Industry shall comply with and be mindful of the mandates of the pertinent provisions of Republic Act No. 7277, as amended.

**Section 2. TRANSPARENT UNDERWRITING PROCESS.** - For purposes of transparency and the "*utmost good faith*" component of all insurance contracts, the underwriting process shall be disclosed to any applicant, whether a PWD or not, upon request.

**CERTIFIED TRUE / PHOTO COPY**

  
**TRANQUILINO E. ESPEJON**  
IC Supervising Administrative Officer  
Administrative Division  
Insurance Commission

Date: \_\_\_\_\_

**Section 3. NO DISCRIMINATION.** - There shall be no outright declination or refusal of any application to be covered by any insurance contract solely on the ground of disability. A PWD should have the opportunity to either accept or decline the premium that the insurers may offer.

**Section 4. REASONABLE PREMIUMS.** - The assessment of risks and the corresponding formulation of premium for a PWD applicant must be reasonable. For purposes of this circular, a premium is deemed reasonable if there is an information or data relied upon by the insurer that is relevant to the applicant. Insurers should be prepared and must explain to the applicant the basis for their decision.

**Section 5. APPLICABILITY OF INSURANCE CODE.** - All other legal provisions, concepts, principles and allowed practices such as, but not limited to, insurable interests, material concealment, pre-existing conditions, fraud, legal effects in case of non-payment of premiums and other pertinent provisions in Republic Act No. 10607 and other existing laws applicable thereto are not affected by this circular.

**Section 6. PENALTIES.** - Any regulated entity who will violate this circular shall be administratively liable and shall pay a fine in an amount not exceeding two hundred thousand pesos (Php 200,000.00) or shall have its Certificate of Authority or any form of license or authority granted by this Commission revoked or suspended, or both, at the discretion of the Insurance Commissioner, in accordance with existing rules and procedure for administrative cases filed before the Insurance Commission.

**Section 7.** This circular shall take effect immediately.

**CERTIFIED TRUE / PHOTO COPY**

  
\_\_\_\_\_  
**TRANQUILINO E. ESPEJON**  
IC Supervising Administrative Officer  
Administrative Division  
Insurance Commission

Date: \_\_\_\_\_

  
**DENNIS B. FUNA**  
Insurance Commissioner  


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