



The Lived Experiences of HMO Individual Cardholders on Healthcare Coverage and Services

Hessah Marjonie E. Zapanta, Renaly C. Rosaria, Joshua Albert S. Gabor,
Nathaniel G. Reyes, Lani D. Deada LPT, PhD, Marmelo V. Abante, PhD, DPA, DBA, EdD

Master in Business Administration, World Citi Colleges, Philippines

Email: hessahzapanta@gmail.com

Received: 08 Oct 2025; Received in revised form: 06 Nov 2025; Accepted: 11 Nov 2025; Available online: 15 Nov 2025

Abstract— This qualitative study explored the lived experiences of Health Maintenance Organization (HMO) individual cardholders regarding the adequacy, accessibility, and inclusivity of their healthcare coverage and services. Using a phenomenological research design, ten participants were interviewed to capture their perceptions and experiences in availing HMO benefits. Findings revealed recurring challenges such as long waiting times, delayed billing and approval processes, and limited availability of accredited healthcare providers. These administrative inefficiencies often resulted in inconvenience, out-of-pocket payments, and decreased satisfaction. Despite these issues, participants expressed generally positive perceptions toward HMO plans, highlighting their affordability, practicality, and financial protection during emergencies. Many recognized improvements in accessibility through digitalized approval systems and more responsive service channels. Overall, the study concludes that while gaps remain in coverage inclusivity and benefit awareness, HMO membership continues to serve as a valuable complement to PhilHealth by providing financial security and promoting greater access to private healthcare services.

Keywords— Health Maintenance Organization, Healthcare Coverage, Accessibility

I. INTRODUCTION

Healthcare has long been recognized as a cornerstone of human development, directly influencing life expectancy, productivity, and overall quality of life. Around the world, societies face the challenge of balancing the demand for accessible medical services with the rising costs of treatment, hospitalization, and preventive care. In both developed and developing countries, financial constraints remain one of the most significant barriers to healthcare utilization, often forcing individuals to postpone or forego necessary treatment. As a response, health financing mechanisms such as government insurance schemes, private health insurance, and Health Maintenance Organizations (HMOs) have emerged to bridge the gap between medical needs and financial capacity.

These systems aim not only to reduce the economic burden of healthcare but also to promote proactive health-seeking behaviors by making medical services more affordable and accessible. Among these, HMOs have gained increasing attention due to the structured approach to healthcare delivery, emphasizing preventive care, cost efficiency, and partnerships with accredited healthcare providers. Consequently, understanding the impact, benefits, and limitations of HMOs becomes essential in evaluating the role of HMOs in the healthcare system and in addressing persistent challenges of accessibility and affordability.

Globally, health systems continue to grapple with the dual challenge of providing equitable access to care while managing escalating healthcare costs. In many developed countries, universal health coverage

has reduced out-of-pocket expenditures, but gaps remain, particularly in addressing preventive and long-term care needs. In most developed European countries, the government funds the public healthcare programs through taxes and social insurance contributions. This system provides universal healthcare coverage through low-cost access to care. However, this requires contributing about 5 to 15 percent of an individual's monthly income. While this system ensures access to essential care, it can lead to longer waiting time and limited provider options as public hospitals can only accredit HMO companies approved by the government. In contrast, developing countries often struggle with underfunded public health systems, making private health insurance and HMOs vital alternatives (World Health Organization, 2021). Studies have shown that HMOs play a significant role in enhancing access to healthcare by pooling risks and offering cost-effective service packages (Freundt & Bortoluzzo, 2022). For instance, in the United States, HMOs have been widely adopted to manage healthcare utilization through provider networks, preventive care, and negotiated service costs, helping patients reduce financial exposure (Sarkodie, 2021). Similarly, countries in Europe and Asia have experimented with mixed financing models, combining public insurance with private health plans, to improve efficiency and widen access. Despite their benefits, debates persist regarding the affordability, inclusivity, and long-term sustainability of HMOs, underscoring the importance of contextualized studies that explore their effectiveness in different national settings.

In the Philippine context, access to affordable and quality healthcare continues to be a significant challenge. The country faces a limited hospital capacity, uneven distribution of medical resources, and significant out-of-pocket expenses that prevent many Filipinos from seeking timely health care (Bautista et al., 2023). As of December 2022, the Philippines had fewer than 1,300 hospitals, of which only 403 were government-owned. With a population of over 115 million in 2024, this translates into an overwhelming strain on public health facilities. Although the Philippine Health Insurance Corporation (PhilHealth) was established to provide financial protection and universal healthcare

coverage, its benefits are often insufficient to cover the full cost of medical services, leaving patients with substantial out-of-pocket payments. Aside from PhilHealth benefits, Republic Act No. 11223, or the Universal Health Care (UHC) Act, was enacted in 2019 to provide all Filipinos access to quality health care and financial protection from health-related expenses. The law includes the automatic enrollment of all citizens into the National Health Insurance Program (NHIP), addressing the long-standing disparities in healthcare by expanding beyond those who could afford premiums or employer-sponsored plans. It strengthens the healthcare delivery network by integrating local health systems and ensuring that essential services are available at the primary care level (Lam et al., 2020). Despite having PhilHealth and UHC, individuals still resort to availing prepaid HMOs from private institutions to somehow lessen the unexpected medical expenses.

Additionally, this gap has fueled the steady growth of the HMO industry in the country, as individuals and employers seek more comprehensive healthcare coverage. Depending on the policy, HMOs provide access to accredited hospitals and clinics, cover doctors' professional fees, laboratory services, and hospitalization expenses, and even extend coverage to dependents. Corporate HMOs are often offered by companies as part of employee benefits, while individual or family plans cater to self-employed workers and those without employer-sponsored coverage. More affordable alternatives, such as prepaid health cards, provide short-term or limited coverage but remain attractive to lower-income households. Despite these options, challenges in awareness, affordability, and accessibility hinder the full potential of HMOs. Many Filipinos still view them as an unnecessary expense, prioritizing immediate household needs over long-term health security.

Beyond financial protection, HMOs also shape how individuals perceive and engage with healthcare. Policyholders often develop stronger habits of preventive care, such as regular check-ups and early detection of diseases, which ultimately reduce long-term medical costs and improve overall health outcomes. At the same time, the availability of accredited providers increases confidence in healthcare services, encouraging individuals to seek

medical attention earlier rather than later. Nevertheless, disparities remain, as not all Filipinos can equally access these benefits, raising questions about the inclusivity and effectiveness of HMOs in improving national health outcomes. Moreover, this study seeks to explore the lived experiences of individual HMO cardholders in the Philippines, focusing on how they perceive healthcare coverage and services under their plans. By examining their perspectives, the research aims to shed light on whether HMOs truly ease financial burdens and improve health-seeking behavior or whether gaps in coverage and accessibility limit their effectiveness. This investigation is particularly relevant in shaping discussions on the role of HMOs as a supplement to PhilHealth and as a key player in the broader Philippine healthcare system.

Research Question

1. What are the lived experiences of HMO individual cardholders in relation to healthcare coverage and services?

Interview Guide Questions

1.1 What challenges do HMO individual cardholders encounter in availing healthcare services?

1.2 What are the perceptions of HMO individual cardholders regarding the adequacy and inclusivity of their coverage?

1.3 What are the experiences of availing the HMO services and coverage?

1.4 What impact does HMO have on its unexpected or out-of-pocket healthcare expenses?

1.5 What are the differences in the experiences of having an HMO plan compared to the experiences with the public healthcare system (PhilHealth)?

2. How do HMO individual cardholders cope with the challenges and demands associated with their healthcare coverage?

Interview Guide Questions

2.1 How do these challenges affect the healthcare-seeking behavior of HMO individual cardholders?

2.2 How do these perceptions influence the healthcare utilization patterns of HMO individual cardholders?

2.3 How do these experiences affect the way HMO cardholders use their HMO coverage?

2.4 How do HMO cardholders perceive the affordability of their plans compared to the coverage and benefits received?

2.5 How do these experiences affect their perception of having an HMO aside from PhilHealth?

3. Based on the emerging themes from the study, what practical outputs can be proposed to improve the healthcare coverage and services of HMOs in the Philippines?

II. RELATED LITERATURE

Lived Experiences of HMO Individual Cardholders

Health maintenance organizations (HMOs) and similar managed-care insurance arrangements continue to shape how people access, pay for, and experience healthcare services. A large-scale systematic review analyzed worldwide data on the key determinants of patient satisfaction and experience across various healthcare and insurance settings. According to Ferreira et al. (2023), patient experience is determined by three interdependent dimensions: the quality of clinical care, the nature of provider-patient communication, and system-level factors including efficiency of scheduling, waiting times, and claims management. The authors suggest that patient experience is influenced by three interrelated dimensions: the standard of clinical care, the quality of communication between providers and patients, and organizational factors such as scheduling efficiency, waiting time, and claims processing.

Furthermore, studies examining HMO participation in social health insurance partnerships, such as Nigeria's National Health Insurance Scheme (NHIS) HMO model, reveal that while enrollees often benefit from the financial protection of prepaid coverage, they also encounter administrative challenges, including delays, restricted provider options, and perceived disparities between insured and private-pay patients. These issues influence both trust in the system and the everyday meaning of being covered. Mixed-method research further indicates that enrollees' perceptions of service quality and their lived experiences are largely determined by how effectively HMOs and healthcare facilities

manage referrals, waiting times, and claims or authorization procedures. This suggests that the design of the system and the operational behavior of facilities play a crucial role in shaping cardholders' practical experiences with insurance coverage (Mkperedem et al., 2023; Ngabea & Durotoluwa, 2024).

In addition, a Philippine study conducted among multi-specialty clinic patients examined how HMO membership influenced healthcare-seeking behaviors before and during the COVID-19 pandemic. Bautista et al. (2023) found that HMO cardholders generally increased their use of outpatient services when accessible and perceived their coverage as a motivating factor for seeking timely medical attention, thereby minimizing cost-related delays. However, the study also revealed challenges such as appointment backlogs, tighter authorization procedures, and uncertainty about coverage policies, which shaped mixed experiences of reassurance from financial protection and frustration due to administrative burdens. Overall, the study highlights the dual character of Filipino HMO cardholders' lived experiences: financial relief from healthcare expenses, coupled with stress arising from procedural complexities in accessing care.

Research focused on developing and validating patient-experience measurement tools in the Philippines underscores the necessity of culturally grounded frameworks when examining lived experiences. Filipino-centered models highlight the significance of interpersonal respect, communication in the local language, and smooth administrative interactions as key components of patients' perceptions of care. Consequently, studies validating Filipino-specific instruments and national patient experience initiatives emphasize that understanding the lived experience of HMO cardholders in the Philippines requires contextually adapted measures that assess not only clinical quality but also administrative navigation, provider respect, and clarity of coverage – elements that shape everyday meaning for cardholders. (Doroteo et al., 2020; Judan-Ruiz et al., 2020).

Challenges HMO Individual Cardholder's Encounter

Health Maintenance Organizations (HMOs) were originally designed to provide affordable and accessible health care through prepaid systems and managed care structures. However, research has shown that HMO members often experience significant challenges related to access, affordability, and satisfaction. Frazier et al. (2022) examined the financial barriers experienced by HMO enrollees and concluded that high out-of-pocket expenses continue to be a major obstacle to utilization, especially for low-income individuals. In addition, administrative barriers, such as pre-authorizations and extensive documentation requirements, also hinder timely service delivery.

Moreover, Faiz et al. (2024) found that prior authorization procedures frequently delay diagnostic tests and specialist consultations, negatively affecting continuity of care. Similarly, Frazier et al. (2022) emphasized that financial barriers, including co-payments, package limits, and out-of-network charges, discourage individuals from seeking necessary treatment, even when insured. Additionally, studies in the United States and Europe have shown that HMO members tend to report lower satisfaction levels compared with those under fee-for-service models.

In the Philippine context, a qualitative study by De Guzman and Santos (2022) explored the experiences of Filipino HMO cardholders regarding healthcare accessibility. Participants reported long waiting times, confusion about accredited facilities, and limited communication from their HMO providers. Similarly, Reyes (2021) conducted a survey on satisfaction among HMO users in Metro Manila and found that 68 % of respondents were dissatisfied with reimbursement processes and claim response times. These findings reinforce the conclusion that administrative hurdles and lack of transparency significantly affect cardholders' healthcare experiences.

The Health Maintenance Organization industry is recognized as an important component of private health financing. The Insurance Commission (2023) notes that most HMO memberships are employer-based, with limited uptake among

individual cardholders due to high premiums and narrow benefit coverage. According to the Oxford Business Group (2022), individual HMO plans are typically more expensive and provide fewer accredited hospitals compared to corporate group plans, making them less accessible to average Filipinos. Also, the Philippine Competition Commission (2023) further observed that the local HMO market faces regulatory and competition challenges, which contribute to higher costs and limited consumer options. Additionally, local news reports highlight real-world experiences of individual cardholders who encounter difficulties in claim processing, delayed approvals, and hospitals refusing HMO cards due to unsettled reimbursements (Philippine Daily Inquirer, 2023).

HMO Individual Cardholder Coping Mechanisms

Health Maintenance Organizations (HMOs) and other forms of private health insurance (PHI) are intended to reduce out-of-pocket (OOP) payments and improve access to care. However, empirical evidence from multiple settings shows that enrollment in PHI or HMO plans does not always eliminate financial hardship: many insured households still experience substantial OOP spending and resort to coping mechanisms such as borrowing, using savings, selling assets, delaying care, or substituting cheaper/alternative treatments. These coping responses are critical indicators of underinsurance (coverage exists but is insufficient) and are important to measure when evaluating effective financial protection (Park, 2024).

To mention, a recent study of household out-of-pocket expenditures for non-communicable diseases reported common coping actions: seeking alternative or cheaper treatments (61.0%), borrowing money (39.5%), and using savings (29.0%), illustrating how households—including those with some form of insurance—manage recurring cost burdens from chronic conditions (Magana et al., 2025). National health accounts confirm that household OOP remains a major share of health financing, which sustains conditions that prompt coping strategies (PSA, 2024). Policy analyses and the Health Care Financing Strategy (DOH, 2023) identify OOP reduction as a target and document benefit gaps that leave households vulnerable (DOH, 2024).

Furthermore, research shows that the extent of financial protection provided by Health Maintenance Organizations (HMOs) and private health insurance (PHI) depends more on the depth of coverage than on insurance enrollment itself. Limited benefit packages—such as those that exclude outpatient medicines or impose restrictions on diagnostic services—often leave members underinsured and exposed to substantial out-of-pocket (OOP) payments (Park, 2024). This vulnerability is particularly evident among individuals with chronic conditions, as non-communicable disease (NCD) patients face recurring health expenses that typically fall outside standard HMO coverage, leading to repeated coping behaviors such as borrowing or using personal savings (Magana et al., 2025). While supplementary PHI can reduce some inpatient expenditures, existing studies show mixed evidence on its ability to mitigate overall household debt or prevent financial distress, suggesting that insurance alone may not guarantee economic security (Park, 2024).

Emerging Themes from the Interview

One common theme that has been identified in the interview is the improvement of the network of HMO providers with the accredited hospitals and medical professionals. It was mentioned by all respondents that they have experienced delays in the process, especially with the approval of their Letter of Authority, and the limited accredited medical professionals in the area. As stated by an article of Fair Health Consumer, HMO providers negotiate the price of medical services with certain doctors, hospitals, labs, and other providers. These providers are in the plans' "network". Many insurers offer plans with "narrow" networks because these plans have lower premiums, but as a trade-off, your choice of providers is limited. Plans must meet certain regulations, such as having enough network providers in different specialties and throughout the geographic area. There must be enough providers to deliver the benefits the plan promises its members. An HMO plan holder must consider a wider network if a family member or the plan holder anticipates needing a lot of medical services.

Another theme present is the sense of security in having HMO coverage, especially in the Philippines, since the public health care system is

seen as inadequate. Having an HMO in the Philippines provides a sense of security by offering financial protection against medical expenses, making quality healthcare more accessible, and providing peace of mind during illnesses or accidents. It allows members to seek necessary medical attention, such as check-ups, emergency care, and procedures, without having to worry about large out-of-pocket costs, preventing potential financial crises from health emergencies.

Financial protection and peace of mind, as it mitigates financial stress. An HMO plan helps cover costs for medical expenses, preventing the holder from having to rely on savings or loans for treatment. This gives the holder the peace of mind knowing that a financial safety net is in place for unexpected health events, accidents, or illnesses. It also reduces out-of-pocket spending as it can eliminate the need for an upfront hospital deposit for admissions to accredited hospitals and cover a significant portion of your medical bills. Although there are instances where the HMO holder pays for excluded services or procedures, the coverage provides greater financial protection.

Given both the advantages and disadvantages of having an HMO coverage, respondents are unanimous in recommending securing an HMO plan as the advantages outweigh the disadvantages based on their experiences.

III. METHODOLOGY

This study will employ a phenomenological research design, which will seek to explore and understand individuals' lived experiences regarding a specific phenomenon. As mentioned by Creswell and Poth 2023, in adopting a phenomenological design, the researcher seeks to uncover the essence of participants' lived experiences of a phenomenon and to describe how the phenomenon is understood from the perspective of those who have experienced it. It will aim to uncover how participants perceive and make sense of their experiences, emphasizing their personal meanings and interpretations. In this research, the phenomenological approach will be deemed appropriate because it will allow for an in-depth exploration of the challenges that HMO individual cardholders will encounter in availing

healthcare services. Through this design, the study will seek to capture the essence of these experiences by analyzing participants' narratives and identifying recurring themes that will reflect their shared realities.

The study will be conducted in the Philippines, particularly in Metro Manila, where Health Maintenance Organization (HMO) services are actively utilized. The geography of the study is within two of the three major islands in the Philippine archipelago. The majority of the respondents are from Luzon, mostly in the major cities of Metro Manila, as this is where the capital of the country is and is considered to be the center of commerce in the Philippines. One respondent is in the province of Quezon. A respondent is residing in Bohol, which is in the Visayas, but also works in Metro Manila. The Philippines is an archipelagic area, which greatly affects the connectivity of the provinces or regions. This plays an important factor in the study as the location of the hospitals or medical facilities affects the services needed.

The area hosts a high concentration of multi-specialty clinics, private hospitals, and healthcare facilities accredited by leading HMOs. The chosen locales reflect regions with diverse socioeconomic backgrounds, enabling the researcher to capture a range of experiences among HMO individual cardholders. The Philippines serves as an appropriate setting for this study because it represents a mixed healthcare system where both public health insurance (PhilHealth) and private HMOs play significant roles in providing healthcare access. The geographical coverage allows for an understanding of how regional differences in healthcare infrastructure, provider availability, and administrative practices influence cardholders' lived experiences with their HMO coverage.

The participants of this study consist of individual HMO cardholders who are currently enrolled in private Health Maintenance Organizations (HMOs) in the Philippines. All respondents are working individuals within the range of 20-45 years of age. Most with dependents or beneficiaries provide for a wider experience in utilization of the HMO coverages. We have a total of ten (10) respondents from the major Philippine islands, Luzon and Visayas. Nine (9) respondents are

from Luzon, and one (1) is from the Visayas. The diversity in the age and location provides diverse experiences in the utilization of the HMO coverages. The respondents are also enrolled in various HMO providers, giving different perspectives on services.

This study will use a purposeful sampling design, selecting participants who can provide in-depth and relevant perspectives on the lived experience of HMO cardholders. Purposeful sampling is appropriate for qualitative research as it enables the researchers to concentrate on participants or cases that provide the most relevant and detailed information. Ahmad & Wilkins (2025) emphasize that purposive sampling should align with the study's aims, methodology, and the characteristics of the phenomenon being investigated, to ensure credibility, transferability, and rigour. Participants will be recruited through purposive outreach. A brief explanation of the study's purpose, confidentiality assurances, and voluntary participation terms will be provided prior to obtaining informed consent. This recruitment strategy ensures that participants have firsthand experience with HMO systems, allowing the study to gather meaningful insights into their lived experiences.

This study will employ thematic analysis as the main qualitative tool to interpret participants' responses. As defined by Reyes (2021), thematic analysis involves identifying, analyzing, and reporting patterns or themes within qualitative data, allowing for both detailed description and interpretation. Primary data will be collected through semi-structured interviews using predetermined open-ended questions to encourage participants to share their experiences as HMO individual cardholders. The researcher will ensure a comfortable interview environment and transcribe all responses verbatim. The interview questions, responses, and observations will be organized in a table format to aid systematic analysis. Data cleaning will follow to correct errors, remove irrelevant content, and ensure accuracy and reliability. Finally, data coding and theming will be conducted by grouping significant statements into categories and overarching themes that capture the participants' lived experiences. This process will enable the researcher to interpret and present the core meanings of the participants' shared

realities, aligning with the phenomenological approach.

The researcher will ensure that all ethical standards in conducting qualitative research will be strictly observed throughout the study. Prior to data collection, participants will be informed about the purpose of the research, the procedures involved, and their right to withdraw at any time without penalty. Confidentiality will be maintained by keeping all personal information and responses private and accessible only to the researcher. To uphold anonymity, participants' real names and identifying details will be replaced with pseudonyms in transcripts and reports. The study will also adhere to the provisions of the Data Privacy Act of 2012 (Republic Act No. 10173), ensuring that all data collected will be securely stored, encrypted, and used solely for academic purposes. Informed consent will be obtained from all participants before interviews are conducted.

IV. RESULTS AND DISCUSSION

The experiences of HMO cardholders vary depending on how each individual perceives and utilizes their health maintenance coverage. This chapter presents the results and discussions derived from the participants' narratives, supported by relevant data collected through interviews and analysis. The findings reveal the realities, challenges, and benefits encountered by HMO cardholders as they access and maximize their plan's services and coverages.

The discussion focuses on key aspects such as accessibility, coverage and benefits, service satisfaction, provider performance, and affordability of HMO plans. Each theme captures the participants' lived experiences, reflecting both the positive outcomes and difficulties they face in navigating the healthcare system. These findings are examined in relation to existing literature and theoretical frameworks, highlighting points of convergence and divergence with previous studies. By integrating the participants' insights with scholarly perspectives, this chapter aims to provide a deeper understanding of how HMO systems shape the healthcare experiences of individual members. Ultimately, the analysis seeks to identify areas for improvement that can enhance

service delivery, promote patient satisfaction, and strengthen the overall effectiveness of HMO programs in the Philippine healthcare context.

1. The lived experiences of HMO individual cardholders in relation to healthcare coverage and services

1.1 Challenges do HMO individual cardholders encounter in availing healthcare services

Table 1.1 Systemic Barriers to Efficient Access to HMO Healthcare Services

Participants	Responses	Sub-ordinate Themes			
HMO Cardholder 1	<i>"Delays in approval of billing because sometimes we go to a hospital and the check-up is not long however the approval of billing takes 2-3 hours, that's inconvenient, at the same time the limited accredited hospitals especially if you reside in the province."</i>	Limited Accredited Healthcare Facilities and Providers; Delays in Billing and Approval Processing	HMO Cardholder 4	<i>"Long waiting hours at long approval time kapag wala kang LOA. Nare-resolve naman sya dahil may application si PhilCare na pwede kang mag-generate ng LOA. Minsan kahit may LOA ka na, kung pumunta ka sa oras o araw na maraming pasyente, maghihintay ka pa rin nang matagal bago ma-accommodate."</i>	Delays in Billing and Approval Processing
HMO Cardholder 2	<i>"Yung matagal ma-approve pag inapply mo yung HMO kasi minsan inuuna yung bigating HMO provider, inuuna bago yung aking HMO."</i>	Delays in Billing and Approval Processing	HMO Cardholder 5	<i>"Sa Quezon Province, kaunti lang yung accredited po na clinic so nahirapan kaming i-avail yung benepisyo. Meron namang malapit sa Lucena, kailangan lang magbiyahe."</i>	Limited Accredited Healthcare Facilities and Providers
HMO Cardholder 3	<i>"I think personally my HMO provide good coverage interestingly enough my coverage is different from my dependents so one of the challenges we have, they have more limited option in terms of hospitals and clinics that is available to them which are accredited by the HMO. The main challenge is looking for the best and</i>	Limited Accredited Healthcare Facilities and Providers	HMO Cardholder 6	<i>"First-hand, nung hindi ako aware sa mga process, parang ang tagal niya. Kasi pag pinapasa ako dun sa mga clinic or diagnostic centers sa hospital, it takes 1-2 hours bago ma-approve. So maghihintay kami doon. Pero nung later on, pwede naman pala yung pre-approval, so tumatawag muna ako dun sa clinic, and then kapagka-credited nila yung HMO card, medyo nagiging mas madali</i>	Delays in Billing and Approval Processing

	<p>yung process niya.1-2 hours talaga [waiting time] nung mga unang year na inavail ko yung HMO card."</p>		<p>doctor/clinic, especially from where I live, but the availability is the main challenge."</p>						
HMO Cardholder 7	<p>"Kadalasan na na-experience is matagal yung approval, depende rin sa medical facilities kung saan kami pupunta, tapos hindi pala pwede yung HMO. Pero yung time in approving yung main challenge."</p>	Delays in Billing and Approval Processing	<p>The most frequently reported challenges among HMO cardholders include delays in billing and approval processing, as well as limited availability of accredited healthcare facilities. Participants commonly described experiencing long waiting periods for billing approvals before they could proceed with consultations or medical procedures. These administrative inefficiencies disrupt the smooth delivery of healthcare services and often lead to patient dissatisfaction. Consistent with these findings, Montemayor et al. (2025) observed that such procedural delays and restricted provider networks are key factors discouraging private health insurance utilization in the Philippines, as the perceived inconvenience diminishes the overall value of HMO membership.</p>						
HMO Cardholder 8	<p>"1st is finding a nearby doctor that is partnered or accredited with PhilCare. For example, in Chinese General Hospital, there's only 1 PhilCare accredited doctor so we have to go to Manila Medical since there's more accredited doctors there. 2nd is it takes time for the approval for check-ups. You have to get the HMO approval before proceeding with the laboratories requested by the doctor."</p>	Limited Accredited Healthcare Facilities and Providers; Delays in Billing and Approval Processing	<p>Participants revealed that while HMOs provide convenience and financial protection, disparities remain in coverage between principal members and their dependents, reflecting inconsistencies in benefit design that lead to uneven healthcare affordability. Fragmented coverage structures in private health plans result in unequal access to services, limiting the broader goal of financial equity. Nonetheless, many participants noted that HMO processes have improved through digital tools such as mobile applications and the PhilCare LOA generator, which streamline approvals and reduce waiting times. According to Reyes (2021), technology-driven systems in healthcare financing not only enhance efficiency but also help reduce administrative barriers, thereby supporting affordability and improving the overall HMO experience.</p>						
HMO Cardholder 10	<p>"For outpatient care, it's difficult to schedule. Back in IntelliCare, green forms needed to be filled out aside from going to satellite clinics instead of hospitals, but for Maxicare, you can call and schedule, but the availability will be the challenge, and location of the accredited</p>	Limited Accredited Healthcare Facilities and Providers	<p>1.2 The perceptions of HMO individual cardholders regarding the adequacy and inclusivity of their coverage.</p> <p><i>Table 1.2 Perceived Adequacy and Limitations of HMO Coverage</i></p> <table><tr><th>Participants</th><th>Responses</th><th>Sub-ordinate Themes</th></tr><tr><td>HMO</td><td>"No (it doesn't cover the</td><td>Perceived</td></tr></table>	Participants	Responses	Sub-ordinate Themes	HMO	"No (it doesn't cover the	Perceived
Participants	Responses	Sub-ordinate Themes							
HMO	"No (it doesn't cover the	Perceived							

Cardholder 1	<i>medical bills) it's just a small help but if you encounter, for example you're sick, you stayed long in the hospital, the bill is piling up even it (the coverage) is 95,000, it's very less, knowing how the hospital charges the patients here so yes, it can help for check-ups, usually we use it for check-ups but it it's a severe disease, no you can't count on it"</i>	Insufficiency of Coverage for Serious or Prolonged Illnesses		<i>nung na-hospitalize ako."</i>	
HMO Cardholder 2	<i>"May times na inclusive naman sya, pero may iba ng approval kung included sya sa package ng HMO, may mga ganon na scenario"</i>	Conditional or Selective Inclusivity of Services	HMO Cardholder 5	<i>"Sa kung iisipin ko sir, sa 14,000 na kada taon na binabayaran ko, sa sarili ko, tapos sa magulang ko din, tapos meron siyang 105,000 na medical coverage, ang iisipin mo sir, maganda naman talaga na meron pa ding health card, gawa ng saan ka kukuha eh magkano ho ang check-up ngayon, kung private 800 to 1200 ang check up pa lang. So maganda pa rin talaga na meron silang ginaganyan na offer. Kasi kung wala ka ding health card ang laki din talaga ng epekto lalo na kung sa akin magkano lang naman sahod ko sa isang buwan, so kung magkasakit yung magulang ko sir, or kahit magpa-check up, nawawala ko sa budget kung wala akong health card. Kaya kahit medyo hirap akong magbayad, sinisigurado ko na meron silang health card para kapag kailangan nila, wala na akong iniisip na gastos."</i>	Positive Perception of Affordability and Practical Benefits
HMO Cardholder 3	<i>"Well, it really differs from myself and my family members. To me, I thinks it's adequate, I think we have a good maximum coverage but with my dependents, with the limited hospitalization, in terms of benefits I think there's still some improvements that can be made. I think for me, one of the issues is the limited dental benefits, medical-wise it's enough."</i>	Conditional or Selective Inclusivity of Services; Disparity Between Member and Dependent Coverage			
HMO Cardholder 4	<i>"Yes, dahil 16,000 lang binabayaran ko pero ang consultation ngayon ay 1,000 na. Laboratory ay 2,000 to 4,000. Na-utilize ko ang coverage ko na worth 80,000 lalo na</i>	Positive Perception of Affordability and Practical Benefits	HMO Cardholder 6	<i>"Naco-cover naman [yung kailangan ko] and yung inclusion ng HMO is enough parang, para ma-secure yung annual health natin."</i>	Positive Perception of Affordability and Practical Benefits
			HMO Cardholder	<i>"Sa tingin ko, sa binabayaran ko, adequate</i>	Positive Perception

7

naman, kasi compared of
naman dun sa mga Affordability
magiging health issues and Practical
mo, malaking bagay Benefits
yung may HMO, even if
depende sa sitwasyon
mo."

HMO
Cardholder
9

"Sapat naman ang
benefits na covered ng Positive
HMO ko kaya lagi ko pa Perception
rin syang binabayaran. of
Marami syang accredited Affordability
hospitals at maraming and Practical
services na nagagamit Benefits
ko."

HMO
Cardholder
10

"I think it's sufficient, it
just needs to update with
time, since for example, if
you have a severe illness,
you can easily consume
your coverage within a Perceived
week of being confined, Insufficiency
so even being covered by of Coverage
your HMO, you still for Serious
have to pay out of pocket. or Prolonged
But other than that, for Illnesses
just regular checkups,
it's adequate, but medical
costs in the Philippines
can be expensive for more
serious cases."

Despite concerns about coverage limitations, many participants conveyed a positive perception of their HMO plans, particularly highlighting their affordability and practicality for everyday healthcare needs. Respondents appreciated that their HMO membership reduced the financial burden of routine medical expenses such as consultations, laboratory tests, and basic treatments. This perception of affordability stemmed from the ability to access healthcare services without the need for large, upfront payments, a feature that provided a sense of financial security and convenience. Participants also valued the "cashless" feature of accredited facilities, where payments were handled directly between

providers and the HMO, minimizing out-of-pocket costs and administrative stress during medical visits.

These findings are consistent with the conclusions of Ferreira, Lopes, and Rivera (2023), who found that patient satisfaction in managed healthcare systems is strongly influenced by perceived convenience, cost savings, and ease of service access. Dans, De Leon, and Villaverde (2024) likewise observed that while HMO coverage in the Philippines may not fully eliminate catastrophic spending, it effectively reduces the routine healthcare expenses that are most commonly incurred by working individuals and families.

1.3 The experiences of availing the HMO services and coverage

Table 1.3 Varied Experiences and Evolving Accessibility in Availing HMO Services

Participants	Responses	Sub-ordinate Themes
HMO Cardholder 1	<i>"That's it, it takes long to get approved. The cashier says "No approval yet" so you just keep on waiting and waiting for 3-4 hours and it should not be that way because the health card should be there for emergencies. Actually I experienced this, you go for emergency check-up and it took 3-4 hours to get the approval"</i>	Long Waiting Time and Slow Approval Process
HMO Cardholder 2	<i>"There are times na okay naman sya gamitin depends on the hospital, sa ibang hospital the Philcare is not accredited, dun sa mga nauna kong puntahan na hospitals so I need to find another hospital na kayang i-cover yung mga pangangailangan ko kasi kunware may</i>	Variability of Service Experience Depending on Hospital Accreditation

HMO Cardholder 3	<p><i>mga kailangan tests na hindi pala covered dun sa package ko so mag-aadd ako, magbabayad ako."</i></p> <p><i>"Well, it has gotten better compared to before. Before to get an approval we have to line up for an hour or so but now online portals and SMS are much easier to get an approval."</i></p>	Improvement in HMO System and Service Accessibility	<p><i>sa diperensya sa pagpapa-ospital, parang pareho lang naman, so mas nakabuti pa kung meron kang health card, no? Para at least hindi kayo nag-aalala ng babayaran mo. Parang kasi yun yung purpose niya."</i></p> <p><i>"Naging madali na yung process namin dahil yung HR dun sa company namin, is kukuha muna ng pre-approval, so susulat muna yung HR namin sa Philcare, and kapag may letter of approval na, effective siya for 1 month, so anytime within that 1 month pwede kaming mag-conduct ng aming Annual Physical Exam."</i></p>	Improvement in HMO System and Service Accessibility
HMO Cardholder 4	<p><i>"Nakaka-avail ako ng annual physical examination, check-ups kapag may sakit ako, asawa ko, o anak ko. Kapag may emergency, nagagamit ko ang hospitalization coverage at kung may operation man na gagawin, nacocover din sya ng HMO ko."</i></p>	Positive Experience of Utilizing Coverage and Benefits		
HMO Cardholder 5	<p><i>"Okay naman, sir. Yun lang, kailangan lang talaga itanong muna sa hospital kung itong aking health card ay, ay mac-cover kung anuman yung kailangan kong ipagawa sa ospital. Ang, sa like, kung may diperensya ba kung nag-cash ka or nag-health card ka, wala din namang difference sa service. Yun lang talaga, kailangan mo ipa-check kung accredited para masiguradong hindi ka talaga magbabayad at maaavail mo siya. Pero</i></p>	Variability of Service Experience Depending on Hospital Accreditation; Positive Experience of Utilizing Coverage and Benefits	<p><i>"Mostly naman, smooth naman yung transaction and approval, most of the time naman mabilis silang mag-approve, although may instances na matagal, kumporme na lang sa kung ano yung pinapagawa or kung saan ako pumunta na accredited yung HMO. So far so good naman."</i></p> <p><i>"In the Philippines, having an HMO is a benefit because you don't have to pay for emergency expenses."</i></p>	<p>Long Waiting Time and Slow Approval Process; Variability of Service Experience Depending on Hospital Accreditation</p> <p>Improvement in HMO System and Service Accessibility;</p>

I'm confident to go to the emergency room when I'm not feeling well because I know I have an HMO that can pay my hospital expenses. I can also do annual check-ups to know my health status. You can also access accredited hospitals and doctors online so it's more convenient. There's a lot of services available in my HMO, you just have to know your coverage."

HMO
Cardholder
9

"Nagagamit ko yung annual medical check up. Mas mabilis at madali sakin i-avail to nang walang binabayaran dahil sa HMO ko. Mabilis rin yung process dahil may HMO ako."

Positive Experience of Utilizing Coverage and Benefits

Improvement in HMO System and Service Accessibility; Positive Experience of Utilizing Coverage and Benefits

HMO
Cardholder
10

"The most recent times I've used my HMO were for my psychiatric health, and then an emergency case where my child was bitten by an unvaccinated dog. For the psychiatrist, it wasn't so convenient because he was pretty far, but it was pretty convenient for my son, since we just had to go to the emergency room, and the wait wasn't that long."

Positive Experience of Utilizing Coverage and Benefits

The participants described varied yet generally improving experiences in accessing their HMO services. Several noted persistent issues such

as long waiting times and slow approval processes, particularly during hospital admissions or requests for specialized procedures. Others observed that their experiences often depended on hospital accreditation, with accredited facilities providing faster, smoother transactions, while non-accredited ones required more paperwork or higher out-of-pocket costs. Despite these challenges, many participants recognized noticeable improvements in HMO systems and service accessibility, including the shift to online approval systems, digital membership verification, and more responsive customer service channels. These developments were perceived as signs of progress in the efficiency and modernization of healthcare access through HMOs.

Furthermore, the study found a growing positive experience in utilizing coverage and benefits, especially for routine consultations and laboratory services. Respondents expressed appreciation for the convenience, affordability, and reduced financial burden that HMO membership provides. These results are consistent with Ferreira, Lopes, and Rivera (2023), who emphasized that system efficiency and service accessibility significantly influence members' satisfaction with managed care. Similarly, Dans, De Leon, and Villaverde (2024) highlighted that while systemic delays and accreditation disparities persist, improvements in digital processing and benefit delivery enhance patients' perception of care accessibility. Overall, the findings indicate that although operational challenges remain, HMOs are gradually evolving toward more accessible and user-centered healthcare systems, fostering a more positive experience among individual cardholders.

1.4 Impact of HMO Coverage on Out-of-Pocket Healthcare Expenses

Table 1.4 Financial Implications and Coverage Limitations of HMO Plans

Participants	Responses	Sub-ordinate Themes
HMO Cardholder 1	"Yes (used money from pocket). If you maximized the coverage, for example, you have a 300,000 bill, so it's like comparing	Inadequate Coverage Leading to Significant Out-of-

	HMO to PhilHealth, very minimal, not that impactful."	Pocket Payments		nilalabas na pera."	Services
HMO Cardholder 2	"Yung kunwari kailangan mo ng medical certificate, kailangan mong bayaran out of pocket kasi di kasama ng coverage, though nakakita ka ng doctor na accredited yung kailangan mong documents kailangan mong bayaran kasi di sya kasama, out of pocket yun tapos minsan din yung mga intense na tests so hindi na siya kasama sa coverage so kailangan kong mag out of pocket para magawa yung service o yung health care na kailangan ko"	Exclusion of Certain Services and Procedures from Coverage	HMO Cardholder 5	"Kasi katulad nung tatay ko, nagpa-opera siya sa bato, eh umabot ng 200,000 yung bill niya. Eh 105,000 lang yung coverage. So kailangan pa rin talaga naming maglabas ng pera. Kasi hindi nailalabas yung tatay ko kung hindi bayad."	Inadequate Coverage Leading to Significant Out-of-Pocket Payments
HMO Cardholder 3	"Based on my experience, as long as it's within the maximum amount per illness, then there's really minimal out-of-pocket expense. Thankfully, we haven't really had illnesses or hospitalization where we had to shell out a big sum of money. But for instance, we have to get a medical certificate, we have to pay an extra P200 for the documents, but other than that, the out-of-pocket is minimal."	Exclusion of Certain Services and Procedures from Coverage; Minimal Out-of-Pocket Expenses for Minor Services	HMO Cardholder 6	"Meron naman, kasi around 2024, nagpa-checkup ako sa urologist, and may mga ni-request siya na ipa-test sakín. Hindi pa ako aware at that time sa coverage ng HMO, so nagkamali ako siguro ng sagot doon sa Philcare, so ang sagot ni Philcare is hindi siya covered nung HMO, so naglabas ako roughly ng mga 5000 pesos for the test. So may mga tanong sagot pala doon sa mga tinatanong nila para pumasok siya doon sa inclusion nung HMO."	Exclusion of Certain Services and Procedures from Coverage; Lack of Awareness of Coverage Inclusions Causes Unnecessary Expenses
HMO Cardholder 4	"It lessens my out-of-pocket expenses because aside from my HMO, I also have a Philhealth, so almost wala na akong	Minimal Out-of-Pocket Expenses for Minor	HMO Cardholder 7	"May mga times naman na napilitan akong magbayad kasi hindi covered, pero usually, hindi naman siya ganun kalaki. Usually, mga paraphernalia lang na hindi covered ng HMO, pero nothing major."	Exclusion of Certain Services and Procedures from Coverage; Minimal Out-of-Pocket Expenses for Minor Services

HMO Cardholder 8	<i>"I only pay for the consultation fee of a sub-specialist doctor because my HMO doesn't cover that."</i>	Exclusion of Certain Services and Procedures from Coverage
HMO Cardholder 9	<i>"Meron akong naging out-of-pocket pero maliit lang katulad ng doctor's fee. May ibang doctor naman na accredited ng HMO pero konti lang sila."</i>	Exclusion of Certain Services and Procedures from Coverage; Minimal Out-of-Pocket Expenses for Minor Services
HMO Cardholder 10	<i>"The experiences I've had where I had to pay out of pocket were not necessarily for myself, but for my brother when he got sick and got hospitalized repeatedly, so he had consumed all his contributions, so we had to pay with our own money for his own medical expenses. So even if people are covered by HMOs, it doesn't last with a serious illness."</i>	Inadequate Coverage Leading to Significant Out-of-Pocket Payments

Coverage limitations and out-of-pocket expenses remain common challenges experienced by HMO individual cardholders when availing healthcare services. Although most participants acknowledged that HMO membership helps reduce overall medical costs, many still encounter unexpected personal expenses due to limited benefit coverage and service exclusions. This reveals a clear gap between members' expectations of financial protection and the actual extent of their HMO benefits.

Participants shared that certain medical services, such as the issuance of medical certificates, laboratory tests, and specialist consultations, are often excluded from HMO coverage. Others mentioned that once they reach their maximum coverage limit, they are required to shoulder the remaining medical expenses personally. Despite these limitations, respondents still recognized the value of having an HMO, as it significantly lessens their financial burden, especially when benefits are used alongside PhilHealth coverage.

These findings are consistent with Estacio Jr. et al. (2020), who noted that while HMOs improve healthcare affordability, many Filipinos continue to experience financial strain due to limited benefit packages. Similarly, Montemayor et al. (2025) emphasized that a lack of awareness regarding plan inclusions and benefit limits often results in unnecessary out-of-pocket spending among policyholders. Moreover, the World Health Organization (2020) reported that inadequate health financing protection remains a major obstacle to achieving universal health coverage in developing countries such as the Philippines. Hence, even with the presence of HMOs, individuals remain financially vulnerable when faced with serious illnesses or high-cost treatments, underscoring the need for broader coverage and clearer benefit communication.

1.5 Comparison of Experiences Between HMO and Public Healthcare System (PhilHealth)

Table 1.5 Enhanced Healthcare Accessibility, Financial Security, and Overall Satisfaction through HMO Coverage

Participants	Responses	Sub-ordinate Themes
HMO Cardholder 1	<i>"It does help, aside from the PhilHealth, if you have a health card, it will lessen your bill even if it will not cover all, plus the PhilHealth itself. So, if you have an operation, you have 95,000 if you have a health card, so for that you don't have to shell out that much</i>	Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO

	cash."		4	hospitals compared to Philhealth, which is limited to public hospitals ang coverage. Also, sa doctors, mas maraming accredited sa HMO kesa sa PhilHealth. Mas malaki rin ang monetary coverage ng HMO kesa sa PhilHealth."	Accredited Healthcare Facilities; Perception of PhilHealth as Limited or Supplementary Support
HMO Cardholder 2	<p>"Malaki yung kaibahan nila kasi kunware yung sa HMO magpapa-approve ka, maa-aprubahan naman you just to wait more time para ma-serve yung kailangan mo. Sa Philhealth naman kasi meron certain na sakit na ico-cover nila, hindi abot dun magdadagdag ka pa rin so mas okay na rin yung may HMO kaysa ang aasahan mo lang ay Philhealth"</p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Faster and Easier Access to Healthcare Services under HMO; Perception of PhilHealth as Limited or Supplementary Support</p>		<p>"Iba pa din ho talaga kapag may HMO ka, kasi katulad niyan kung may 105,000 ka na coverage, hindi naman yan covered ho ng Philhealth. Ang alam ko nga ho, parang less 20,000 lang ang cover niyan? Tapos ho, at least kahit papaano, kung gusto makapunta ka sa private na hospital, at accredited naman yung health card mo, pupwede ka ho doon. Hindi mo kailangang pumila sa mga public hospital, kung aasahan mo lang yung Philhealth. Though nakakatulong naman ho yung Philhealth makabawas ng bills, pero, iba pa rin ho kung mayroon kang HMO, kahit papaano, bibigyan ka niyan ng kapanatagan."</p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Broader Access to Private and Accredited Healthcare Facilities; Perception of PhilHealth as Limited or Supplementary Support; Enhanced Peace of Mind and Sense of Security with HMO</p>
HMO Cardholder 3	<p>"Much different because well it's more of like my perception, Philhealth is more like a supplementary medical coverage, ultimately they can't cover anything that your regular HMO would provide so that means as someone who has a lot of dependents, we rely on HMO coverage then whatever very minimal benefit we could get from Philhealth, we regarded that as just a bonus but as far as I know Philhealth covers very minimal amount in terms of hospitalization."</p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Perception of PhilHealth as Limited or Supplementary Support</p>			
HMO Cardholder	"We have better access to big and private	Broader Access to Private and	HMO Cardholder 6	"Yung sa Philhealth kasi, yung coverage niya lang is sa hospitalization, so kailangan muna ma-	Faster and Easier Access to Healthcare Services under

	<p><i>confine ka muna bago mo magamit yung Philhealth. Hindi nau-utilize yung Philhealth, outside of that, even if maliit lang yung contribution, hindi ko nakikita na easy access siya sa healthcare system, unlike yung HMO health card kapag accredited yung doctor or yung diagnostic center, ambilis ng process, so malaki ang difference, and mas easy access yung HMO."</i></p>	<p>HMO; Perception of PhilHealth as Limited or Supplementary Support</p>	<p><i>emergency room. Maswerte ako na may HMO ako dahil hindi ko kailangan magbayad o maglabas ng pera sa mga emergency hospitalization ko. I had an emergency where my bill was 10,000 but luckily, I have an HMO. If not, I will pay the 10,000 in cash which is an unexpected expense for me that I cannot afford."</i></p>	<p>and Easier Access to Healthcare Services under HMO; Enhanced Peace of Mind and Sense of Security with HMO</p>
HMO Cardholder 7	<p><i>"Malaki yung difference in terms of kung ano yung kayang i-cover ng HMO against Philhealth. Ang pakakaintindi ko, may specific value lang na nilaan ng gobyerno sa specific disease, so yung sa HMO, is for more financial security when seeking medical attention. So mas malaki yung peace of mind sa HMO, since yung Philhealth is maliit lang, and mas malaking chance na mag out of pocket."</i></p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Perception of PhilHealth as Limited or Supplementary Support; Enhanced Peace of Mind and Sense of Security with HMO</p>	<p>HMO Cardholder 9</p> <p><i>"Nung wala pa akong HMO at nagrerey ako sa PhilHealth, ang haba ng pila sa government hospitals. Mura sya pero ang hassle i-avail ang mga services. Pero sa HMO, convenient dahil halos private ang accredited hospitals nila, malinis, maganda ang facilities, at mabilis ang services. Reliable rin ang mga results from these hospitals."</i></p>	<p>Broader Access to Private and Accredited Healthcare Facilities; Faster and Easier Access to Healthcare Services under HMO; Enhanced Peace of Mind and Sense of Security with HMO</p>
HMO Cardholder 8	<p><i>"Nagagamit ko ang HMO sa emergency check-up o confinement unlike sa PhilHealth na sinasabi ng hospital na hindi applicable ang PhilHealth sa</i></p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Faster</p>	<p>HMO Cardholder 10</p> <p><i>"So we do have a law about supposedly, the Universal Health Care, where everything's free, but everything is free for certain government hospitals only, and usually it's not well-equipped, even if there are good doctors, so having a good HMO will give access to</i></p>	<p>Greater Financial Coverage and Reduced Out-of-Pocket Expenses with HMO; Broader Access to Private and Accredited Healthcare Facilities</p>

better medical services in the country, so having an HMO that has good coverage, and that you can rely on, gives better peace of mind."

The findings indicate that HMO coverage offers greater financial protection, faster access to healthcare services, and a wider range of accredited facilities compared to PhilHealth, particularly in private hospitals and clinics. Participants acknowledged that while PhilHealth provides valuable assistance, it remains limited and supplementary, emphasizing the advantage of HMOs in delivering convenience, reliability, and overall satisfaction.

HMO members reported broader coverage and quicker service approvals, with significant reductions in medical expenses, especially when combined with PhilHealth benefits. In contrast, PhilHealth was perceived as providing only partial or disease-specific support, often restricted to public hospitals. Respondents also expressed that HMOs give them peace of mind and a stronger sense of security, as access to quality private healthcare fosters both financial and emotional stability.

These findings support Sales et al. (2020), who found that private insurance enhances access to quality healthcare and minimizes treatment delays. Similarly, Montemayor et al. (2025) noted that PhilHealth’s limited coverage drives individuals to seek private alternatives. The World Health Organization (2025) likewise observed that inadequate public healthcare systems in developing nations push citizens toward private insurance. Overall, participants’ preference for HMOs reflects a practical response to the limitations of public health insurance, underscoring the need for more integrated and equitable healthcare systems in the Philippines.

2. HMO individual cardholders coping strategies with the challenges and demands associated with their healthcare coverage

2.1 Effects of HMO-Related Challenges on Healthcare-Seeking Behavior

Table 2.1 Behavioral and Psychological Responses to HMO System Challenges

Participants	Responses	Sub-ordinate Themes
HMO Cardholder 1	<i>"It really has an effect, especially if my parents reside in the province. Sometimes they have to go to Manila to avail the HMO, or else if it's really an emergency, they can't use it because the nearby hospital is not accredited, they have to pay cash from their pockets."</i>	Delayed or Avoided Healthcare Due to Accessibility and Approval Barriers
HMO Cardholder 2	<i>"Nahihirapan silang i-please yung mga gustong iapply yung HMO, mas kampanante sila sa nauna nilang HMO kasi iyong mga ni-lobby nilang HMO may feedback na ganoon yung nangyayari so yun yung nagiging epekto."</i>	Distrust and reluctance to switch due to negative HMO feedback
HMO Cardholder 3	<i>"It adds another layer or step, for instance, for emergencies. Instead of going straight to the nearest hospital we have, we still need to check first if they're accredited. So behavior-wise, we have to do a bit of research on which one and go straight to that hospital."</i>	Delayed or Avoided Healthcare Due to Accessibility and Approval Barriers; Adaptation and Coping Behavior in Navigating HMO Processes
HMO	<i>"Kailangan lang ng</i>	Adaptation

Cardholder 4	<p><i>mahabang pasensya sa pag-a-avail ng services na covered ng card since mas mura ko syang nakukuha dahil sa HMO at wala na akong out-of-pocket expenses."</i></p> <p><i>"Siguro ang marerequest ko lang, lalo na kapag sa mga probinsya, lawakan nila yung accredited hospitals. Kasi katulad ng mga magulang ko, may edad na. Nahirapan na sila pumunta sa malayo para lang ma-avail yung health card na kinuha ko para sa kanila. So nakakaapekto siya kasi imbis na mabigyan ka ng kaginhawaan, dahil iniisip mo na covered ka, eh kung limitado naman yung hospitals sa probinsya na accredited sila, so medyo nakakalungkot yung ganun. Inconvenient."</i></p>	and Coping Behavior in Navigating HMO Processes	<p><i>pa siya, kung nagb-benefit pa ako dun sa binabayaran ko, or yung from my own pocket na lang. So yun yung nakita ko na challenges dito. Yung mental health, nakakadagdag siya ng isipin, nakakadagdag siya ng stress, lalo na kapag may sakit ka na, and then you want to go home, ma-checkup ka na kaagad, so kailangan muna maghintay ka for approval."</i></p>	
HMO Cardholder 5	<p><i>"In the beginning, ang parang nakikita ko ang naapektuhan, yung mental health. Kasi, you are ill, may sakit ka na nga, and then nagbayad kami, nagbayad ako, and then pag-kukuha ako ng service parang ang tagal magbigay. So kung minsan nagdadalang isip na ako kung itutuloy ko</i></p>	Delayed or Avoided Healthcare Due to Accessibility and Approval Barriers	<p><i>"Mas maganda kung mas mabilis na ma-approve, mas mabilis na matatapos, di na maghihintay nang matagal, and kung mas malawak sana yung network ng accredited hospitals ng HMO."</i></p> <p><i>"Sometimes you have to set a schedule or delay the consultation because you need to wait for the approval and fall in line at the hospital. It takes a few more days to avail the HMO services depending on the doctor's schedule/availability. And sometimes you get better already before you can avail their services."</i></p>	Adaptation and Coping Behavior in Navigating HMO Processes
HMO Cardholder 6	<p><i>"In the beginning, ang parang nakikita ko ang naapektuhan, yung mental health. Kasi, you are ill, may sakit ka na nga, and then nagbayad kami, nagbayad ako, and then pag-kukuha ako ng service parang ang tagal magbigay. So kung minsan nagdadalang isip na ako kung itutuloy ko</i></p>	Increased Stress and Mental Strain from System Inefficiencies	<p><i>"Kahit na parang</i></p>	Continued

Cardholder 9	<i>dagdag bayarin ang HMO, pilit ko syang binabayaran kasi importante na may security ka kapag may emergencies. Priority ko pa rin bayaran ang HMO ko."</i>	Reliance on HMO Despite Inconveniences
HMO Cardholder 10	<i>"For emergency cases, it is pretty convenient since we can just go directly, but the only problem in the ER, is the time for approval, but for outpatient care, it can be discouraging, especially being told that there are limited slots, and the locations aren't convenient, which can also lead to delaying your needed care which can develop into a worse condition."</i>	Delayed or Avoided Healthcare Due to Accessibility and Approval Barriers

According to the interview responses, they reveal the recurring challenges among individual HMO cardholders, particularly concerning delayed approvals, limited accredited networks, and the resulting difficulty in accessing timely healthcare services. Many participants shared that they often have to wait for authorization or travel considerable distances to accredited hospitals, which discourages them from seeking care promptly. A few respondents also described the emotional toll of navigating these administrative barriers, such as feelings of stress and frustration when seeking medical attention. Most of the experiences of the participants highlight a gap between formal insurance coverage and the actual ease of service utilization.

These findings align with earlier literature emphasizing that insurance enrollment alone does not ensure financial or service protection. Park (2024) argues that it is the depth of benefits—rather than mere coverage—that determines the extent of protection against out-of-pocket expenses. In the Philippine context, many HMO plans exclude

outpatient diagnostics or medications, leaving members financially vulnerable despite being insured. This pattern of underinsurance has also been observed in studies of low- and middle-income countries, where limited benefit depth and narrow provider networks diminish the practical value of coverage (Lasco et al., 2025).

The recurring issue of network limitations described by respondents resonates with international research on network adequacy, which shows that restricted provider lists and pre-authorization requirements often delay or deter care. Such administrative hurdles have been linked to poorer patient experiences, delayed treatment, and higher long-term healthcare costs (American Medical Association, 2023). Moreover, participants' accounts of adjusting their behaviour—such as researching accredited hospitals or delaying appointments until approvals are secured—reflect adaptive coping mechanisms noted in prior studies on health-seeking behaviour under constrained insurance conditions. Overall, the lived experiences of HMO individual cardholders highlight that the effectiveness of private health insurance depends not only on coverage existence but also on its operational design and responsiveness. Addressing administrative and network barriers is essential to making HMO membership genuinely protective and responsive to members' healthcare needs.

2.2 The influence of Perceptions on Healthcare Utilization Among HMO Individual Cardholders

Table 2.2 Perceptions Shaping Health-Seeking Motivation and Utilization Behavior of HMO Cardholders

Participan ts	Responses	Sub- ordinate Themes
HMO Cardholde r 1	<i>"Even if you do have a health card, you don't feel secure; there's always this fear that the money you saved will go to the hospital, especially for severe sickness. The health card will not really give you security because of the coverage, it's not that big. It's not giving them the</i>	Reduced Confidence and Hesitation in Utilizing HMO Services; Utilization Affected by Financial Limitations

	<i>confidence that if you have a health card, you feel secure, you don't feel that way. Is it the health card? Or is it the logo that, if you have a health card, you feel secure. It's good that you have a health card because it can help with things like check-ups, minimal check-ups from a doctor, but I don't think it's really that big of a help, especially if you're just paying the minimum."</i>	Beyond Coverage	Cardholder 4	<i>ka ng HMO lalo na sa mga emergency situations. Kahit sa mamahaling ospital ka maconfine, basta covered sya ng HMO mo, wala kang magiging isipin sa babayaran."</i>	Reinforcement of Utilization During Emergencies and Practical Needs
HMO Cardholder 2	<i>"Sometimes nagkakaroon ng doubt kung covered ba siya, kailangan mo pang tanungin, research ka if covered ng HMO. Tanong muna bago gamitin yung HMO."</i>	Reduced Confidence and Hesitation in Utilizing HMO Services; Increased Awareness and Proactive Information-Seeking Behavior	HMO Cardholder 5	<i>"So maganda pa rin talaga na meron silang ginaganyan na offer. Kasi kung wala ka ding health card ang laki din talaga ng epekto lalo na kung sa akin magkano lang naman sahod ko sa isang buwan, so kung magkasakit yung magulang ko sir, or kahit magpa-check up, nawawala ko sa budget kung wala akong health card. Kaya kahit medyo hirap akong magbayad, sinisigurado ko na meron silang health card para kapag kailangan nila, wala na akong iniisip na gastos."</i>	Positive Reinforcement of Utilization During Emergencies and Practical Needs; Greater Willingness to Maintain and Maximize HMO Membership
HMO Cardholder 3	<i>"It's really for us knowing what accredited hospital and the coverage, in terms of behavior, it's not something that we could make a decision on, we have to do research, we have to call the Maxicare support hotline, so it is not as straightforward or convenient as we would like."</i>	Reduced Confidence and Hesitation in Utilizing HMO Services; Increased Awareness and Proactive Information-Seeking Behavior	HMO Cardholder 6	<i>"In the beginning, mahirap siya gamitin, kasi hindi kami aware sa paggamit nun, pero once na inaral ko na yung process, madali lang pala. Kelangan lang aware dun sa systems nila, sa protocol, and nakita ko naman na smooth yung operations, so mas nagagamit ko na."</i>	Increased Awareness and Proactive Information-Seeking Behavior
HMO	<i>"Importante na magkaroon</i>	Positive	HMO Cardholder 7	<i>"Nam-maximize ko naman yung coverage, like kapag may emergencies, nagagamit ko naman, or sa dental, since binabayaran ko naman, mina-maximize</i>	Positive Reinforcement of Utilization During Emergencies and

	<i>ko na din."</i>	Practical Needs; Greater Willingness to Maintain and Maximize HMO Membershi p	to Maintain and Maximize HMO Membershi p
HMO Cardholder 8	<i>"I have to wait for the availability of funds to avail medical services that's not covered by my HMO."</i>	Utilization Affected by Financial Limitations Beyond Coverage	
HMO Cardholder 9	<i>"Priority ko pa rin syang bayaran for emergency purposes."</i>	Positive Reinforcement of Utilization During Emergencie s and Practical Needs; Greater Willingness to Maintain and Maximize HMO Membershi p	
HMO Cardholder 10	<i>"You want to have that peace of mind that if ever you need it, that it's there, and that you can actually avail of the services, hassle-free, and the convenience is a big thing, even if you don't need to use it yet."</i>	Positive Reinforcement of Utilization During Emergencie s and Practical Needs; Greater Willingness	

The responses of the participants reveal two dominant behavioral patterns in relation to their use of health maintenance coverage: hesitation and reduced confidence in utilization, and positive reinforcement of membership during emergencies and practical needs. Several expressed doubt or uncertainty about whether specific services or hospitals were covered by their plans, which often led them to delaying the utilization of it until they confirmed eligibility or till they researched accredited providers. Others described the initial difficulty of understanding HMO procedures, which improved only after learning the system through personal experience. Conversely, many participants emphasized that having an HMO was vital during emergencies, providing reassurance and financial relief when hospitalization occurred. These patterns illustrate how perceived coverage clarity, convenience, and emergency utility shape members' engagement with their health insurance.

In addition, studies have shown that policyholders often underuse their health insurance because of confusion over coverage terms and limited awareness of accredited facilities (Lasco et al., 2022). Park (2024) similarly argues that insufficient benefit depth and poor communication of coverage details lead to "underinsurance," where insured individuals remain financially exposed and hesitant to seek care. Such uncertainty can translate into delayed treatment or unnecessary out-of-pocket spending, as reflected in participants who expressed the need to "research first" before using their HMO.

Furthermore, the emergence of proactive information-seeking behavior—such as calling hotlines or studying approval protocols—demonstrates adaptive coping. Participants who became familiar with the process reported smoother utilization and greater satisfaction. This supports findings that literacy and engagement with health

insurance systems can mitigate the negative effects of administrative barriers (Savin, 2025).

Taken together, these findings portray a dual reality: while HMOs in the Philippines provide valued financial protection, their effectiveness is tempered by informational and operational challenges. Members’ confidence and utilization depend heavily on how transparent and user-friendly the system is, as well as on whether coverage extends meaningfully to everyday and preventive care—not just hospitalization. Addressing these gaps through simplified communication, wider accredited networks, and member education programs could strengthen both trust and effective use of HMO services.

2.3 Effects of Previous Experiences on the Utilization Behavior of HMO Cardholders

Table 2.3 Experiential Influences on Trust, Adaptation, and Continued Utilization of HMO Coverage

Participants	Responses	Sub-ordinate Themes			
HMO Cardholder 1	"Sometimes you think that even the coverage is 95,000, last time my bill was 8,000, and I still felt stressed because I kept on waiting for the approval, so it doesn't give me confidence. So I have this perception that if you use a health card, be prepared to get your whole day wasted waiting for their approval, not a good reputation, I guess."	Reduced Confidence and Frustration Due to Delays in Approval Process	HMO Cardholder 3	HMO provider so ayun yung nagiging epekto so tumatagal yung process, tumatagal yung paghahanap mo kasi di katulad nung iba na madaling hanapan ng accredited."	Development of Proactive and Informed Health-Seeking Behavior
HMO Cardholder 2	"Yes, nagkakaroon ng epekto yun dun sa paggamit namin gawa nang gusto mong gamitin o kaya i-avail yung ganoong service nung HMO kailangan mo munang maghanap ng hospital or doctor na accredited ng mismong	Difficulty in Accessing Accredited Hospitals and Providers	HMO Cardholder 4	"Good experience sya dahil may access ka sa private hospital and clinics at nasasave ka ng HMO sa out-of-pocket expenses."	Increased Trust and Willingness to Continue Using HMO
			HMO Cardholder 5	"Nakakaapekto siya kasi halimbawa, kung paano kung emergency, tapos yung malapit na hospital sa bahay mo, like, sa amin, sa Quezon Province, medyo malayo pa kami sa Lucena. So yung malapit na ospital. Paano yun, so, minsan, eto pa yung na-experience ko, matagal sumagot yung health card provider para mag-confirm. So nakakaapekto siya, na imbis na mabilis ang pagpapa-ospital mo, mapapatagal. Ang alam ko nga sir, sa ibang bansa eh, lalo na kung magpapa-ospital ka, and	Reduced Confidence and Frustration Due to Delays in Approval Process; Difficulty in Accessing Accredited Hospitals and Providers

	<i>emergency, hindi na kailangan hanapan ng health card. Dine-diretso ka na sa ospital, at saka na lang yan. Saka na nila hinahanap kapag yung na-attendan na yung needs mo."</i>	
HMO Cardholder 6	<i>"Kapag may kaagad akong nararamdaman, bukod pa dun sa APE, tinitignan ko na kaagad kung merong doctor na accredit na malapit sa amin, so hindi ako naghe-hesitate na magpa-check up kaagad."</i>	Development of Proactive and Informed Health-Seeking Behavior
HMO Cardholder 7	<i>"For the past 11 years, yes, gusto kong ipagpatuloy yung paggamit ko ng HMO, based on my experiences."</i>	Increased Trust and Willingness to Continue Using HMO
HMO Cardholder 8	<i>"I have the peace of mind that if anything happens to me, I can avail medical services under my HMO policy."</i>	Increased Trust and Willingness to Continue Using HMO
HMO Cardholder 9	<i>"Convenient magkaroon ng HMO dahil napapadali yung pag-avail ng services at wala akong binabayaran dahil covered sya ng HMO plan ko."</i>	Increased Trust and Willingness to Continue Using HMO
HMO Cardholder 10	<i>"If you want to avoid inconveniences/long wait, paying upfront with money is much faster compared to the long waiting time for</i>	Reduced Confidence and Frustration Due to

approval, even just for minor injuries."

Delays in Approval Process

The responses highlight three main patterns in HMO utilization: frustration with approval delays, difficulty accessing accredited providers, and growing trust among experienced members. Many participants described long waiting times for approval and the inconvenience of finding accredited hospitals, especially in provincial areas, which weakened their confidence in HMO services. Others, however, expressed satisfaction after successful claims, emphasizing the convenience and financial security HMOs provide.

These findings reflect the persistent issue of administrative barriers in insurance systems. Prior-authorization delays and complex procedures have been shown to reduce patient satisfaction and deter care-seeking (American Medical Association, 2024; Savin, 2025). The geographic difficulty of locating accredited facilities further supports research on network inadequacy and spatial inequity in healthcare access (Lasco et al., 2022; Park, 2024).

Despite these challenges, several participants reported improved experiences once familiar with HMO procedures, demonstrating that information and literacy can mitigate frustration and foster trust. Similar results were noted by Quimbo et al. (2008), who found that awareness of benefits enhances effective insurance use. Overall, these accounts reveal that while HMOs offer valued financial protection, their impact is limited by administrative inefficiencies and network constraints. Streamlining approval processes and expanding accredited providers could strengthen both confidence and accessibility among members.

2.4 Perceptions of Affordability and Value of HMO Plans Relative to Coverage and Benefits

Table 2.4 Perceived Cost–Benefit Relationship and Satisfaction with HMO Coverage

Participants	Responses	Sub-ordinate Themes
HMO Cardholder 1	<i>"It has ups and downs. If you want to go to the hospital for a check-up,</i>	Perceived Balance and Value-for-

	<i>you don't have to worry. If you feel sick, you don't have to worry about the money because you have a health card, so you can go anywhere, even if you don't have cash. (The 95,000 coverage) it helps for the check-ups, but not for major."</i>	Money in HMO Plans; Dissatisfaction Due to Limited Coverage for Major or Severe Illnesses			and Financial Protection
HMO Cardholder 2	<i>"There are times na okay, di naman totally hindi pero kadalasan nakukulangan ka dun sa kailangan na benepisyo versus dun sa binabayaran mo so hindi ka rin ganoon ka-satisfied, dun yung nagkakaroon ng iniisip na baka magpalit na lang kasi kulang yung kailangan mong benefits."</i>	Dissatisfaction Due to Limited Coverage for Major or Severe Illnesses; Perceived Inequity Between Premium Cost and Benefit Limitations	HMO Cardholder 5	<i>"Hindi ho [sufficient yung premium na binabayaran] sir. Kapag meron kang major operation parang wala ding silbi yung health card. Nakakatulong lang siya like pang check-up check-up, pero kung meron kang kailangan major na operasyon, malaki pa din [ang nailalabas]. Alam niyo naman po ang mga ospital dito, pagpasok mo pa lang, pera, pera pera, so mababa talaga siya? Mukha lang siyang malaki kung wala kang sakit. Pero kapag may sakit ka, barya lang. Parang ganun ho."</i>	Dissatisfaction Due to Limited Coverage for Major or Severe Illnesses; Perceived Inequity Between Premium Cost and Benefit Limitations
HMO Cardholder 3	<i>"I think long-term it's better to have HMO on hand rather than to pay everything upfront, but of course we still have to pay 18,000-20,000 a year. It's something that would give you peace of mind if something happens like an emergency. Ultimately, it's still an affordable investment."</i>	Perceived Balance and Value-for-Money in HMO Plans; Cost-Justified Peace of Mind and Financial Protection	HMO Cardholder 6	<i>"Sa tingin ko po, win-win situation po sa akin on my side, kung meron po akong health care provider based sa binabayaran ko annually."</i>	Perceived Balance and Value-for-Money in HMO Plans
HMO Cardholder 4	<i>"Yes, affordable sya dahil 16k lang binabayaran ko pero ang coverage ng HMO ko ay 80k."</i>	Perceived Balance and Value-for-Money in HMO Plans; Cost-Justified Peace of Mind	HMO Cardholder 7	<i>"I think may value naman, maayos naman yung benefits na nakukuha ko based dun sa binabayaran ko. Most of the time naman kasi, mabilis yung approval and maayos yung services."</i>	Perceived Balance and Value-for-Money in HMO Plans; Cost-Justified Peace of Mind and Financial Protection
			HMO	<i>"Yes, because as a</i>	Perceived

Cardholder 8	<i>bread-winner, I cannot afford unexpected expenses, although I have savings. I can provide my dependents' medical consultations under my HMO without shelling out money."</i>	Balance and Value-for-Money in HMO Plans; Cost-Justified Peace of Mind and Financial Protection
HMO Cardholder 9	<i>"Yes, very helpful magkaroon ng HMO dahil kung iko-compute mo ang expenses ng annual check-up, emergency, at dental, sulit ang binibayad ko sa HMO."</i>	Perceived Balance and Value-for-Money in HMO Plans; Cost-Justified Peace of Mind and Financial Protection
HMO Cardholder 10	<i>"Yes, I think my premium provides additional value, because comparing other coverage premiums compared to private ones with bigger premiums, the ones with bigger premiums provide the services I need."</i>	Perceived Balance and Value-for-Money in HMO Plans; Perceived Inequity Between Premium Cost and Benefit Limitations

Based on the responses provided by the participants, they have felt that the premium they are paying for their HMO coverage gives them an added value for their money. With their experience in using their HMO coverage, they have perceived the balance and value for money in HMO plans. The annual premium offsets the expenses that are incurred when they are hospitalized or require other medical services. Despite this, there are still whose insights show the contrary. There is still a perception that the premium being paid is not not equitable as compared to the benefits being offered. There is a perceived inequity between premium cost and benefit limitations.

This perception is aligned with an article reissued in 2025 by the Public Medicine of the National Library of Medicine: Impact of HMO ownership on Management Processes and utilization outcomes by M. Ahern and C. Molinari stated that national managed care organization-owned HMOs are less likely to use provider capitalization, out-of-pocket payments for hospital use, catastrophic case managements, and hospital risk sharing to lessen use of the national funds.

2.5 Perceptions of the Importance and Advantages of Having an HMO in Addition to PhilHealth

Table 2.5 Perceived Value and Complementary Role of HMO in Strengthening Healthcare Security Beyond PhilHealth

Participants	Responses	Sub-ordinate Themes
		HMO as a Source of Financial Security and Peace of Mind; Endorsement and Recommendation of HMO to Others
HMO Cardholder 1	<i>"I do recommend having HMO. That's why I pay for my parents'."</i>	
HMO Cardholder 2	<i>"Mas okay kung mayroon kang HMO kasi minsan di covered ng Philhealth pero covered ng HMO, pero minsan covered ng Philhealth pero hindi covered ng HMO, yung ang kagandahan ng mayroong HMO at saka mayroon ka ring Philhealth."</i>	Recognition of HMO as Essential and Complementary to PhilHealth
HMO Cardholder 3	<i>"Absolutely (recommend HMO), I think it's a necessity especially with the</i>	HMO as a Source of Financial Security and Peace of Mind; Endorsement

	<p>hospitalization and being quite expensive especially in the Philippines even you have to pay a premium ultimately having HMO not only give you peace of mind but some sort of financial flexibility as well."</p>	<p>Recommendation of HMO to Others</p>		<p>benepisyo."</p> <p>"Even though mandatory yung Philhealth, and minimal lang yung amount, so if ever na later, mahospital tayo, with the help of Philhealth and HMO, magtutulong din sila. We are more on security and insurance, kaysa pagdating ng panahon na mahospitalize tayo, kung wala tayong nitong mga healthcare na ito, medyo struggle pa tayo, pero once lang ma-ospital yung member, doon lang magagamit yung Philhealth."</p>	<p>Recognition of HMO as Essential and Complementary to PhilHealth; HMO as a Source of Financial Security and Peace of Mind</p>
HMO Cardholder 4	<p>"Yes, maganda na mayroon kang HMO dahil madalas ng hospital at clinics tumatanggap ng HMO. Makakapag-avail ka rin ng services katulad ng check-ups, laboratory nang walang binabayaran."</p>	<p>Positive Perception of HMO's Wider Coverage and Accessibility</p>	HMO Cardholder 6		
HMO Cardholder 5	<p>"Oho. Kasi katulad nga nung nabanggit ko, iba pa din na mayroon kang HMO aside sa Philhealth, kasi mas nagagamit actually yung HMO kaysa sa Philhealth. Hindi ko pa ho nasubok gamit ang Philhealth, eh. Parang hindi ko alam kung paano. Ang naaalala ko lang po is yung sa lola ko, binawasan yung total bill niya ng Philhealth. Parang 18k ata yun, pero iba pa rin talaga kapag may HMO ka. Mas may</p>	<p>Recognition of HMO as Essential and Complementary to PhilHealth; Positive Perception of HMO's Wider Coverage and Accessibility</p>	HMO Cardholder 7	<p>"Mas malaking bagay na magkaroon ng HMO compared to Philhealth, kasi kahit papaano may certain amount na malaki kung may HMO ka, compared sa Philhealth, na for certain diseases lang. So mas maganda na may HMO ka aside sa Philhealth."</p>	<p>Recognition of HMO as Essential and Complementary to PhilHealth</p>
			HMO Cardholder 8	<p>"Yes, it's very important to have an HMO because Philhealth coverage is limited compared to my HMO plan.</p>	<p>Positive Perception of HMO's Wider Coverage and Accessibility</p>

You can easily avail medical services with an HMO compared to PhilHealth services. Like sa mental health services, sa PhilHealth hindi sya covered pero sa HMO, included sya sa coverage."

services needed, but with an HMO, when you need one, regardless of reason, it can help save money."

HMO
Cardholder
9

"Sulit yung pagkakaroon ng HMO dahil marami kang pagpipilian na hospitals na less hassle. Challenging lang magbayad ng HMO pero I encourage everyone to get one for emergency purposes, convenience, peace of mind. Maganda rin ang services at benefits ng HMO kesa sa PhilHealth."

HMO as a Source of Financial Security and Peace of Mind; Positive Perception of HMO's Wider Coverage and Accessibility; Endorsement and Recommendation of HMO to Others

HMO
Cardholder
10

"Yes, I recommend it, because Philhealth does not cover it all. I believe it only covers 30 or 40% of your total medical bills? And I'm not even sure if it covers the professional fee. With only Philhealth, you'll still have to pay a big chunk out of pocket, depending on your medical

Recognition of HMO as Essential and Complementary to PhilHealth; HMO as a Source of Financial Security and Peace of Mind; Endorsement and Recommendation of HMO to Others

All respondents who have experienced utilizing their HMO coverage have unanimously recommended securing an HMO coverage, not only for themselves, but also for their beneficiaries. Their experiences has provided them an insight that the security of having an HMO coverage (despite its flaws in their system) still gives the financial security that they may need when a medical emergency arises. HMO is seen as a source of financial security and peace of mind. It reduces the financial risk that the insured is exposed to especially when you look at it in the local setting wherein a universal healthcare system (Philhealth) is not yet fully established as compared to the other universal healthcare system in other parts of the world. There is the recognition of HMO as essential and complementary to Philhealth. For all respondents, they have unanimously provided recommendation of HMO to others because of the benefits it provides as compared to the annual premium it costs.

This positive perception is aligned with an article in reissued in 2025 by the Public Medicine of the National Library of Medicine : Growth of HMOs challenges traditional health care by Atkinson S. stating that Health Maintenance organizations (HMOs) - a method of prepaid delivery health care delivery guaranteeing all medical care for a fixed annual premium - are growing rapidly and presenting traditional medical institutions with increased competition. Hospitals in response are accrediting these HMO companies for them to retain a percentage of the patient population, as less HMO accreditations means less incoming patients for these traditional medical institutions.

Proposed Action Plan to Address the Challenges Encountered by HMO Individual Cardholder

Key Results Area	Objectives	Strategies / Activity	Persons Involved	Resources	Estimated Budget	Time Frame	Success Indicator
EFFICIENT AND FASTER APPROVAL AND BILLING PROCESSES	To reduce processing time for billing and approvals	Implement a digitalized billing and approval system with automated verification and real-time tracking	HMO management, IT department, partner hospitals	Computers, software systems, training materials, internet connection	₱150,000	6 months	Reduced waiting time; improved transaction efficiency
WIDER AND MORE ACCESSIBLE ACCREDITED HEALTHCARE NETWORK	To expand the number of accredited hospitals and clinics, especially in underserved areas	Establish partnerships and accreditation agreements with additional healthcare providers nationwide	HMO network coordinators, hospital administrators, regional representatives	Communication tools, contracts, marketing materials	₱50,000	4 months	20% increase in accredited facilities; improved service coverage
TRANSPARENT AND RESPONSIVE HMO SERVICE SYSTEM	To enhance communication and transparency in procedures and reimbursements	Develop an online member portal and 24/7 customer hotline for tracking claims and inquiries	HMO management, customer service team, IT support	Website and hotline setup, training sessions	₱80,000	3 months	Higher member satisfaction and reduced unresolved inquiries
INFORMED AND EMPOWERED HMO MEMBERS	To increase member awareness of coverage inclusions, exclusions, and benefits	Conduct awareness campaigns, webinars, and distribute informative brochures and FAQs	HMO marketing team, researchers, healthcare providers	Printed materials, online platforms	₱30,000	2 months	80% of members demonstrate improved understanding of their coverage
STRENGTHENED MEMBER CONFIDENCE AND SATISFACTION	To improve overall trust and engagement with HMO services	Launch feedback surveys, service quality assessments, and improvement	HMO management, customer relations officers, data analysts	Survey tools, database software	₱10,000	Quarterly	At least 30% increase in satisfaction ratings

		monitoring					
--	--	------------	--	--	--	--	--

V. CONCLUSION

The findings of this study revealed a complex yet insightful understanding of the lived experiences of HMO individual cardholders in accessing healthcare coverage and services. Participants consistently identified long waiting times, delayed billing approvals, and limited accredited facilities as major challenges that negatively affect their healthcare experience. These administrative inefficiencies not only cause inconvenience but also discourage timely medical consultations and contribute to additional out-of-pocket expenses. The results indicated that procedural delays and restricted provider networks reduce the perceived value and utilization of private health insurance in the Philippines. Such systemic barriers highlight the need for greater efficiency and transparency in the HMO approval and reimbursement processes.

Despite these concerns, the study also found that participants held generally positive perceptions of affordability, practicality, and financial protection associated with HMO membership. Many respondents emphasized that their coverage significantly reduced the financial strain of medical expenses, particularly for consultations, laboratory tests, and emergency care. The “cashless” transaction system in accredited hospitals was cited as a major convenience, providing both peace of mind and a sense of financial security. Moreover, participants observed that digital innovations such as online approval systems and improved customer service – reflect a gradual modernization of HMO operations, which enhances accessibility and member satisfaction.

ACKNOWLEDGEMENTS

The researchers would like to express their sincerest gratitude to all the individuals who have been part of this research journey, entitled “The Lived Experiences of HMO Individual Cardholders on Healthcare Coverage and Services”.

First and foremost, heartfelt appreciation is extended to Dr. Lani Deada and Dr. Jesus Briones, for their constant guidance, valuable insights, and

encouragement that greatly contributed to the completion of this study.

Sincere gratitude is given to all the HMO individual cardholders who willingly participated and shared their honest experiences. Their cooperation and openness were vital in providing meaningful insights into the study’s findings.

Most importantly, the researchers dedicate this work to their beloved families, whose unconditional love, patience, and support have been the source of strength and inspiration during every stage of this study. Their understanding, motivation, and sacrifices made it possible for the researchers to persevere and accomplish this research.

Lastly, the researchers express their utmost gratitude to Almighty God for His wisdom, guidance, and blessings that made the successful completion of this study possible.

REFERENCES

[1] Acta Medica Philippina. (2025). *Assessing household out-of-pocket expenditures for non-communicable diseases in the Philippines*. <https://actamedicaphilippina.upm.edu.ph/index.php/acta/article/download/10606/6364/196093>

[2] Ahmad, M., & Wilkins, S. (2025). *Purposive sampling in qualitative research: A framework for the entire journey*.https://ideas.repec.org/a/spr/qualqt/v59y2025i2d10.1007_s11135-024-02022-5.html

[3] American Medical Association. (2024). *Fixing prior auth: First, speed up payers’ response times*. <https://www.ama-assn.org/practice-management/prior-authorization/fixing-prior-auth-first-speed-payers-response-times>

[4] American Medical Association. (2024). *Prior authorization delays care – and increases health care costs*.<https://www.ama-assn.org/practice-management/prior-authorization/prior-authorization-delays-care-and-increases-health-care>

[5] Bautista, M. J., Fuentes Jr., J., Tomada, R., Pigao, K. J., & Letrero, B. (2023). New normal: The impact of HMO in the health-seeking behavior of patients of multi-specialty clinics. *Journal of Business and Management Studies*, 5(3), 119–125. <https://doi.org/10.32996/jbms.2023.5.3.13>

- [6] Creswell, J. W., & Poth, C. N. (2018). *Qualitative inquiry and research design: Choosing among five approaches* (4th ed.). SAGE Publications.
- [7] Dans, A., De Leon, A., & Villaverde, M. (2024). Health insurance benefit utilization and out-of-pocket expenditures in the Philippines. *Philippine Journal of Health Policy*, 18(2), 45–58.
- [8] De Guzman, M., & Santos, R. (2022). Lived experiences of Filipino HMO cardholders in availing healthcare services. *Philippine Journal of Health Research*, 12(2), 45–58.
- [9] Department of Health. (2021, January). *Total number of hospitals in the Philippines*. Freedom of Information Philippines. <https://www.foi.gov.ph/requests/total-number-of-hospitals-in-the-philippines/>
- [10] Department of Health (DOH). (2024). *Health Care Financing Strategy – Philippines 2023–2028*. <https://p4h.world/app/uploads/2024/06/Health-Care-Financing-Strategy-the-Philippines-2023-2028.x23411.pdf>
- [11] Doroteo, F., Lorenzo, J., & others. (2020). *A research study on the patient experience (PX) in the Philippines: Journey towards optimal health*. https://www.researchgate.net/publication/343229533_A_Research_Study_on_the_Patient_Experience_PX_in_the_Philippines_Journey_towards_Optimal_Health
- [12] Estacio, L. Jr., Avila, C. M., Zarsuelo, M., Silva, M., Mendoza, M. A., & Padilla, C. (2020). *Policy analysis on financing roles for population- and individual-based health services in light of the Universal Health Care Act*. <https://actamedicaphilippina.upm.edu.ph/index.php/acta/article/view/2605/1900>
- [13] Eurostat. (n.d.). *Healthcare expenditure statistics*. <https://ec.europa.eu/eurostat/>
- [14] Fair Health Consumer. (2025). *Narrow networks: Choosing your healthcare provider*. <https://www.fairhealthconsumer.org/insurance-basics/healthcare/narrow-networks>
- [15] Faiz, J., Patel, R., & Cheng, L. (2024). Frontline perspectives on administrative barriers to healthcare access. *International Journal of Health Systems*, 39(1), 25–37.
- [16] Ferreira, D. C., Machado, L. B., & Silva, R. S. (2023). Patient satisfaction with healthcare services and the factors influencing it: A systematic review. *Healthcare*, 11(5), 639. <https://doi.org/10.3390/healthcare11050639>
- [17] Ferreira, D. C., Reis, C., & Silva, A. (2021). Patient satisfaction with healthcare services and its determinants: A systematic review. *Health Services Research Journal*, 56(4), 512–529.
- [18] Frazier, T. L., Brown, P., & Nunez, J. (2022). Addressing financial barriers to healthcare among insured populations. *Journal of Managed Care*, 31(2), 77–89.
- [19] Freundt, V. L. M. A., & Bortoluzzo, A. B. (2022). A cross-national study investigating the role of country of origin and word of mouth in expatriates' decision process when seeking a healthcare provider. *Journal of International Consumer Marketing*, 34(5), 509–527. <https://doi.org/10.1080/08961530.2022.2045663>
- [20] Global Citizen Solutions. (2025, July). *15 countries with the best healthcare in Europe*. <https://www.globalcitizensolutions.com/best-healthcare-in-europe/>
- [21] Insurance Commission. (2023). *Annual report on the health maintenance organization industry*. Insurance Commission.
- [22] Judan-Ruiz, E. A., et al. (2020). Psychometric properties of the Filipino version of the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS). *International Journal of Health Policy and Management*, 9(6), 297–306. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7786712/>
- [23] Lam, H. Y., Zarsuelo, M. M., Capeding, T. P. J. Z., Silva, M. M., Mendoza, M. A. F., & Padilla, C. D. (2020). *Policy analysis on province-level integration of healthcare system in light of the Universal Health Care Act*. <https://actamedicaphilippina.upm.edu.ph/index.php/acta/article/view/2608/1903>
- [24] Lasco, G., Yu, V. G., & David, C. C. (2022). The lived realities of health financing: A qualitative exploration of catastrophic health expenditure in the Philippines. *Acta Medica Philippina*, 56(4), 412–420. <https://actamedicaphilippina.upm.edu.ph>
- [25] Mkperedem, A. A., Ogunlade, P., Igbolekwu, C., Arisukwu, O., Afolabi, A. O., & Adedayo, R. A. (2023). Healthcare service delivery perception among NHIS-HMO enrollees in Lagos hospitals. <https://doi.org/10.1038/s41599-023-02159-y>
- [26] Montemayor, E. D., Chua, P. A. P., Delos Santos, L. S., et al. (2025). *Factors affecting uptake of private health insurance in the Philippines*. <https://link.springer.com/article/10.1007/s44250-025-00279-7>
- [27] Ngabea, M. A., & Durotoluwa, M. (2024). *The impact of Health Maintenance Organizations in the implementation of the Nigeria National Health Insurance Scheme in the Federal Capital Territory (Abuja), Nigeria*. <https://nigerianmedjournal.org/index.php/nmj/article/view/332>
- [28] Oxford Business Group. (2022). *The Philippines: Improving regulation for HMOs*. Oxford Business Group.
- [29] Park, J. (2024). Insurance benefit depth and financial protection in low- and middle-income

- countries. *Health Policy and Planning*, 39(3), 245–258. <https://doi.org/10.1093/heapol/czae024>
- [30] Park, S. (2024). *Supplementary private health insurance and household financial outcomes*. <https://pmc.ncbi.nlm.nih.gov/articles/PMC11977816/>
- [31] PhilHealth. (n.d.). *About us*. https://www.philhealth.gov.ph/about_us/
- [32] Philippine Competition Commission. (2023). *Market study on the private health insurance and HMO industry in the Philippines*. Philippine Competition Commission.
- [33] Philippine Daily Inquirer. (2023, April 5). *Late doctor's family laments hurdles in accepting HMO cards*. *Philippine Daily Inquirer*.
- [34] Philippine Statistics Authority (PSA). (2024). *Philippine national health accounts (PNHA)*. <https://psa.gov.ph/statistics/pnha>
- [35] Quimbo, S., Florentino, J., Peabody, J. W., Shimkhada, R., Pabelo, C., & Solon, O. (2008). Underutilization of social insurance among the poor: Evidence from the Philippines. *PLoS ONE*, 3(10), e2579. <https://doi.org/10.1371/journal.pone.0002579>
- [36] Reyes, J. (2021). Satisfaction levels of HMO users in Metro Manila: An exploratory study. *Philippine Journal of Business and Management*, 8(1), 60–72.
- [37] Sales, R. K., Reyes, G. K., Ting, T., & Salvador, D. Jr. (2020). *Factors that affect social health insurance enrollment and retention of the informal sector in the Philippines: A qualitative study*. <https://doi.org/10.21203/rs.2.21706/v1>
- [38] Sarkodie, A. O. (2021). Effect of the National Health Insurance Scheme on healthcare utilization and out-of-pocket payment: Evidence from GLSS 7. *Humanities and Social Sciences Communications*, 8(1), 1–10. <https://doi.org/10.1057/s41599-021-00984-7>
- [39] Savin, K. (2025). The human toll of administrative burden in social insurance programs. *Health & Social Work*, 50(2), 87–89. <https://doi.org/10.1093/hsw/hlad019>
- [40] Wong, C. A., Kim, D., & Hernandez, A. (2022). Administrative complexity and patient stress in healthcare utilization: A qualitative synthesis. *Health Services Research*, 57(8), 1341–1352. <https://doi.org/10.1111/1475-6773.14021>
- [41] World Health Organization. (2021). *Global spending on health: Weathering the storm*. <https://www.who.int/publications/i/item/9789240040746>
- [42] World Health Organization. (2025). *Universal health coverage (UHC)*. [https://www.who.int/news-room/fact-sheets/detail/universal-health-coverage-\(uhc\)](https://www.who.int/news-room/fact-sheets/detail/universal-health-coverage-(uhc))