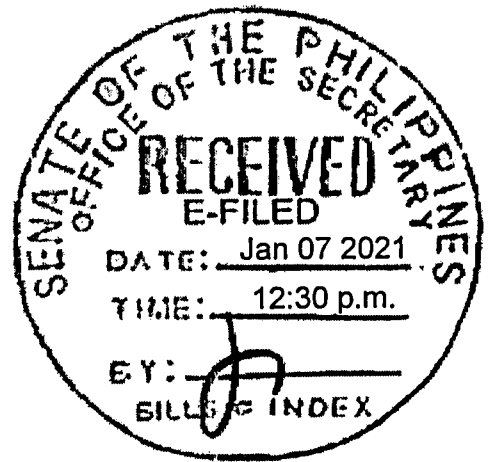


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



SENATE

S. No. **1973**

Introduced by **SENATOR LEILA M. DE LIMA**

AN ACT
EXPANDING THE GRANT OF 20% DISCOUNT AND EXEMPTION FROM
THE VALUE ADDED TAX (VAT) TO SENIOR CITIZENS TO INCLUDE
MEDICINES, SUPPLEMENTS, VITAMINS, HERBAL PRODUCTS AND
FORMULATED MILK MEDICALLY DULY PRESCRIBED OR
RECOMMENDED BY PHYSICIANS

EXPLANATORY NOTE

No less than the Constitution demands the fair treatment of Senior Citizens in the implementation of social justice. Article II thereof is replete with provisions that declare that the promotion of the general welfare is essential for the enjoyment by all people of the blessings of democracy,¹ and mandates the State to promote an improved life for all.² Article XV, Section 4 of the same makes it a shared responsibility between the family and the State to care for the elderly, the latter through “just programs of social security.” Article XIII, Section 11 proclaims that in the fulfillment of the State’s duty to adopt an integrated and comprehensive approach to health development which shall endeavor to make essential goods, health and other social services available to all the people at affordable cost, there shall be priority for the needs of the marginalized sectors, including the elderly.

Our Filipino senior citizens have contributed immensely to the growth and progress of the country. As they reach the twilights of their lives, it is our responsibility as a society to ensure their rights and privileges, and that proper accommodation and care is given to them.

¹ Article II, Section 5

² Article II, Section 9

The enactment of Republic Act No. 7462, otherwise known as “An Act to Maximize the Contribution of Senior Citizens to Nation Building, Grants Benefits and Special Privileges”, underscored the duty of the State to take care of the elderly members of society. It granted privileges to Senior Citizens which would later be expanded by Republic Act No. 9257, otherwise known as the “Expanded Senior Citizens Act of 2003”. R.A. No. 9257 not only expanded the coverage of the benefits of the benefits and privileges for senior citizens, it likewise made it mandatory for business establishments to grant the 20% discount on certain goods and services. In 2010, the said laws were amended anew by Republic Act No. 9994, or the “Expanded Senior Citizens Act of 2010”, which granted not only the 20% discount, but an additional 12% value-added tax exemption.

The current Philippine Health Agenda (2017-2022) ensures inclusive and centralized health services for care in all life stages, with an area of concern ranging from service delivery networks, financial risk protections, and geriatric health. Both RA 9257 and RA 9994 impelled the Department of Health to issue policies to further extend a more substantial promotion of health and wellness among senior citizens, and in extension, to constantly help and improve the conditions of older Filipino Citizens who are diagnosed with degenerative diseases.³

The Senior Citizens Act was enacted primarily to maximize the contribution of senior citizens to nation-building, and to grant benefits and privileges to them for their improvement and well-being as the State considers them an integral part of our society. Glaringly though, while RA 9994, which is the most recent amendment thereto, defined and granted discount on essential medical supplies, accessories, equipment, it failed to define the term “medicines” – thus opening gateway that has since been abused by business who refuse to fully or adequately honor the privileges to which the elderly, for all their contributions to the nation, have earned.

Despite such legislative oversight, the nutritional needs among the elderly continues to grow. There has been an increased demand among Filipino Senior Citizens, as recommended by their physicians, to observe the required nutritional levels through medicines, supplements, vitamins, herbal products and formulated milk for intended for the elderly. These goods have, due to the COVID-19 pandemic

³ Department of Health. (n.d.). *Health and Wellness Program for Senior Citizen*. Retrieved from: <https://www.doh.gov.ph/Health-and-Wellness-Program-for-Senior-Citizen>

which has rendered the elderly extra-vulnerable, become essential to keep senior citizens strong and healthy.

Certain vitamins have proven to reduce morbidity in senior citizens. For instance, just recently, a study of over 11,000 individuals found that regular daily vitamin D supplementation of up to 2000 IU safely reduced the risk of respiratory infections. Considerable experimental evidence demonstrated “the immunomodulatory properties of vitamin D, in particular, its role in regulating and suppressing the inflammatory cytokine response to viral respiratory infections linking the importance of vitamin D sufficiency as a potential protective factor in COVID-19.”⁴ Supplementation was necessitated by the reality that “older adults are at increased risk of vitamin D deficiency as they produce 75% less cutaneous vitamin D than young adults, even with regular sun exposure. Other risk factors for vitamin D deficiency include reduced oral intake, nutritionally deficient diets, liver and kidney impairment, all of which occur more frequently in older people, with residents of care institutions at particular risk.”

As to herbal medicine, clinical trials have begun with promising initial results as to the effectivity of *lagundi* and virgin coconut oil in combatting COVID-19 after they have seen to reduce risk of coronavirus. There is also a local study that seeks FDA approval for trials on the effectivity of another indigenous herbal medicine called “*tawa-tawa*.” A proactive government does not merely wait on these trials to conclude, but learns from the data of research over the years which have proven how effective these herbal medicines are in increasing the immune system. This proposed legislation therefore places its hope not only on the vaccine that protects from one particular virus, but also on herbal medicines whose credible studies show effective in the boosting of one’s immunity.⁵

While formulated milk has been shown to be a good source of energy and high-quality protein, it also includes essential vitamins and minerals to address their nutritional requirements. Specifically, a full cup of serving of formulas like *Ensure* and *Glucerna* is equivalent to a full meal. This kind of formulated milk for the elderly

⁴ O’Shea, P. (29 September 2020) *Vitamin D supplementation to reduce COVID-19 morbidity in older adults*. Retrieved from: <https://www.cambridge.org/core/blog/2020/09/29/vitamin-d-supplementation-to-reduce-covid-19-morbidity-in-older-adults/>

⁵ CNN Philippines. (29 August 2020) *Lagundi trial gets green light, virgin coconut oil seen to reduce risk of coronavirus*. Retrieved from: <https://www.cnnphilippines.com/news/2020/8/29/FDA-clinical-trials-lagundi-supplement-coronavirus-treatment.html>

is recommended by doctors for Senior Citizens, mainly because majority of the elderly are prone to high blood sugar and are incapable of normally digesting and eating regular food; and these kinds of adult milk and mineral supplements are supposed to supply the elderly their body's needed nutrients. However, the 20% percent senior citizen discounts on these items that are expensive and costs an average of ₱800 per can, are not honored by grocery stores and other merchants. Reports from our constituents have uncovered the unfortunate reality that even with a doctor's prescription, our dear senior citizens are prevented from availing the privileges similarly granted to other medicines. In refusing to honor the discounts and exemptions, merchants have cited the lack of specific provisions in the law that identify which privileges can be granted when making such purchases.

As a result of this gap in the law, many senior citizens in the country, who by their age are already immunocompromised, cannot afford to purchase the medicines, supplements, vitamins, herbal medicine and formulated milk that are prescribed by their physicians to provide their nutritional needs and help them in the prevention of diseases, illnesses, and injuries caused by old age.⁶

Given the ambiguity and varied interpretation of the law, this bill seeks to clearly mandate establishments, drug stores and merchants to expand the discounts for the senior citizens to purchase medicines, supplements, vitamins, herbal medicine and formulated milk for the elderly at more affordable prices. It heeds the urgent and persistent demand of our Filipino elderly, especially during this time of the COVID-19 pandemic, that risks the public's health and safety.

This bill seeks to cure the gap in the law that has allowed pharmacies and drug stores to deny the senior citizens of privileges to which they are entitled to by finally defining the term "medicine" for purposes of availing senior citizen discounts. In addition, this bill aims to grant the same privilege granted to medicines to supplements, vitamins, herbal products and formulated milk when prescribed by a physician. These amendments have long been omitted out of the equation, thus depriving the senior citizens of additional nutrition which these goods could provide them.

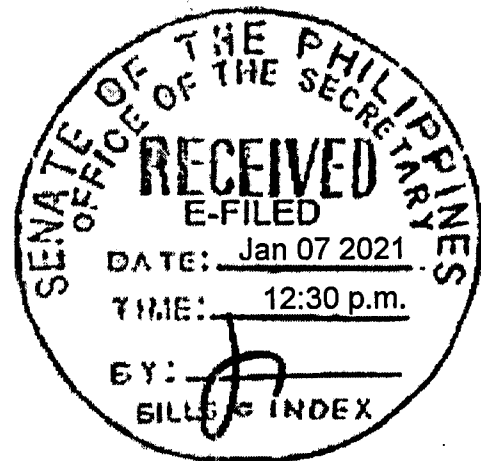
⁶ Cabaero, A.F. (05 July 2013). Senior Citizens discount on mineral supplements. Inquirer.Net. Retrieved from: https://opinion.inquirer.net/55935/senior-citizens-discount-on-mineral-supplements?fbclid=IwAR0F8hRqhO73AtZRorSqDCfTarXwmEOuekdR9L_mVf9QO3gWwncY0Ty1Brk

The COVID-19 pandemic has caused problems that brought many nations to their knees. However, it also exposed what else could be done in order to give protection to one of the most vulnerable sectors of society. It is this representation's humble belief that aside from locking senior citizens in their homes as we wait out the roll-out of a vaccination program in our country, the best and most effective way of protecting them is to strengthen their immune system so that they would not so easily fall prey to viruses, diseases and infections that would harm them. By strengthening their immune system through medicines, supplements, vitamins, herbal products and formulated milk, we will not only be protecting them from a present virus but from all other viruses which could potentially harm them and cost them their life.

The expeditious consideration and approval of this measure is earnestly sought.


HEILA M. DE LIMA

EIGHTEENTH CONGRESS OF THE)
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SENATE
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AN ACT
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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 Section 1. *Short Title.* – This Act shall be known as “Abot-Kayang Gamot,
2 Bitamina at Gatas Para sa Malusog na Senior Citizens Act”.

3 Sec. 2. *Declaration of Policies.* – It is the declared policy of the State to protect
4 and uphold the rights and welfare of senior citizens and promote their good health
5 and well-being. Towards this end, the State shall ensure that medicines, supplements,
6 vitamins, herbal products and formulated milk medically prescribed by physicians
7 that provide necessary and required nutrition to Senior Citizens shall be granted a
8 twenty percent (20%) discount and shall likewise be exempt from Value Added Tax
9 (VAT) so that the senior citizens can avail thereof at reasonable prices.

10 Sec. 3. Section 2 of Republic Act No. 7432, as amended by Republic Act No.
11 9257 otherwise known as the “Expanded Senior Citizens Act of 2003”, and further
12 amended by Republic Act No. 9994, otherwise known as the “Expanded Senior
13 Citizens Act of 2010”, is hereby further amended to read as follows:

14
15 “SEC. 2. Definition of terms. – For purposes of this Act, these
16 terms are defined as follows:

1
2 xxx

3 (D) *MEDICINES* REFER TO PRESCRIPTION AND NON-
4 PRESCRIPTION/OVER-THE-COUNTER DRUGS, BOTH
5 GENERIC AND BRANDED, DULY PRESCRIBED BY
6 PHYSICIANS, AND APPROVED BY THE DEPARTMENT
7 OF HEALTH (DOH) AND THE FOOD AND DRUG
8 ADMINISTRATION (FDA), WHICH ARE INTENDED FOR
9 USE IN THE DIAGNOSIS, CURE, MITIGATION,
10 TREATMENT OR PREVENTION OF HUMAN DISEASE OR
11 SICKNESS;

12 (E) *SUPPLEMENTS* REFER TO PRESCRIPTION AND
13 NON-PRESCRIPTION/OVER-THE-COUNTER MEDICAL
14 AND DIETARY SUPPLEMENTS, BOTH GENERIC AND
15 BRANDED, INCLUDING VITAMINS, HERBAL PRODUCTS
16 AND FORMULATED MILK, DULY PRESCRIBED OR
17 RECOMMENDED BY PHYSICIANS, AND APPROVED BY
18 THE DEPARTMENT OF HEALTH (DOH) AND THE FOOD
19 AND DRUG ADMINISTRATION (FDA), WHICH ARE
20 INTENDED FOR USE IN THE DIAGNOSIS, CURE,
21 MITIGATION, TREATMENT OR PREVENTION OF HUMAN
22 DISEASE OR SICKNESS;

23
24 (F) ~~[(d)]~~ *Medical Services* refer to hospital services,
25 professional services of physicians and other health care
26 professionals and diagnostics and laboratory tests that the
27 necessary for the diagnosis or treatment of an illness or
28 injury;

29 xxx"

30 Sec. 4. Section 4 of Republic Act No. 7432, as amended by Republic Act No.
31 9257 otherwise known as the "Expanded Senior Citizens Act of 2003", and further
32 amended by Republic Act No. 9994, otherwise known as the "Expanded Senior
33 Citizens Act of 2010", is hereby further amended to read as follows:

1 “Sec. 4. Privileges for the Senior Citizens. – The senior citizens
2 shall be entitled to the following:

3 (a) the grant of twenty percent (20%) discount and
4 exemption from the value -added tax (VAT), if
5 applicable, on the sale of the following goods and
6 services from all establishments, for the exclusive use
7 and enjoyment or availment of the senior citizen

8 (1) on the purchase of medicines **AS DEFINED**
9 **IN THIS ACT**, including the purchase of
10 influenza and pnuemococcal vaccines, and
11 such other essential medical supplies,
12 accessories and equipment to be
13 determined by the Department of Health
14 (DOH);

15 **(2) ON THE PURCHASE OF SUPPLEMENTS**
16 **AS DEFINED IN THIS ACT;**

17 **(3) [(2)]** on the professional fees of attending
18 physician/s in all private hospitals, medical
19 facilities, outpatient clinics and home health
20 care services;
21 xxx; and

22 **(10) [(9)]** on funeral and burial services for the
23 death of senior citizens;”

24 Sec. 5. *Repealing Clause.* – All laws, decrees, letters of instruction, resolutions,
25 orders or parts thereof which are inconsistent with the provisions of this Act are
26 hereby repealed, modified or amended accordingly.

27 Sec. 6. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its
28 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,