


NINETEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'22 AUG -4 A9 :39

SENATE
S. No. 1029

RECEIVED BY: _____



Introduced by Senator Jinggoy Ejercito Estrada

AN ACT
REQUIRING LOCAL GOVERNMENT UNITS TO EARMARK PORTION OF
THEIR NATIONAL TAX ALLOTMENTS FOR FREE MEDICINES TO INDIGENT
PATIENTS IN THEIR LOCALITIES, AND FOR OTHER PURPOSES

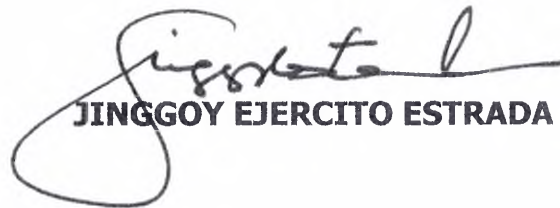
EXPLANATORY NOTE

Studies have indicated that medicines in the Philippines are 5 to 30% higher in prices compared to other countries in Asia. This fact makes it more difficult for indigent patients to have access to needed medicines. There are many indigent patients who benefited in free hospitalization or consultation for their various ailments, but they were left on their own when it comes to procuring their prescribed medicine. Consequently, many failed to buy their medicines as prescribed and were left not cured of their illnesses.

Under Section 284 of Republic Act No. 7160, otherwise known as the Local Government Code, local government units are entitled to a 40% share of the national revenue taxes, also known as the Internal Revenue Allotment (IRA), which is now referred to as National Tax Allotment (NTA). The NTA of local government units is the quick source of funding for free medicines for the benefit of indigent patients in their own localities.

their respective localities. This proposed measure is a poverty alleviation program to increase the access of indigent patients to unrestricted distribution of medicines.

In this light, the immediate passage of this bill is earnestly sought.



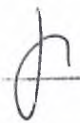
JINGGOY EJERCITO ESTRADA

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Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

1 Section 1. *Local Government to Earmark a Portion of IRA for Free Medicines.*
2 – It shall be the obligation of all local governments to set aside and earmark a
3 portion of their National Tax Allotments (NTA) for appropriation for free medicines to
4 be distributed to the public hospitals, clinics, dispensaries or other outlets to indigent
5 patients for free in their localities.

6 *Sec. 2. Indigent Patients, defined; How dispensed.* - Indigent patients are
7 those who have no visible means of income or whose income is insufficient for the
8 subsistence of his or her family as identified by the local social welfare department;
9 *Provided, however,* That the local government shall maintain a list confirmed by the
10 barangay officials concerned where the indigent patient resides and to issue an
11 identifying document to insure that the free medicines are properly dispensed to
12 deserving recipients; *Provided, further,* that said hospitals, clinics or dispensaries
13 shall, as far as practicable, establish their own pharmacy or outlets within their
14 premises and maintain sufficient stock or quantity of the most common prescribed
15 medicines in order to immediately provide the free medicines to the indigent
16 patients.

1 Sec. 3. *Regular Accounting.* - All pharmacies or outlets distributing or
2 dispensing free medicines shall render periodic accounting of such disbursement
3 duly posted in at least three (3) public bulletin boards specifying the patient's name,
4 address, doctor prescribing the medicine and the amount or cost of the medicine.

5 Sec. 4. *Acts Constituting Violations of this Act; Penalty.* – In addition to the
6 criminal liability incurred by persons for violating pertinent provisions of the Revised
7 Penal Code or other special laws, the following acts shall constitute a crime under
8 this Act.

- 9 a. Preparing a list or certification that a patient is indigent when he is not;
10 b. Submitting, preparing or altering any document to make it appear that
11 any legitimate acquisition, purchase, disbursement or distribution had
12 been made for free medicines when in fact there is none;
13 c. Diverting, concealing or using for other use or purpose, the funds for
14 free medicines;
15 d. Dispensing or distributing the free medicines under this Act other than
16 to indigent patients;
17 e. Selling or disposing of the free medicines; and
18 f. Marking up or padding the purchase cost of medicines acquired under
19 this Act; and,
20 g. Knowingly purchasing expired medicines or those expiring within one
21 (1) year from date of purchase.

22 Those found guilty of committing any of the acts above defined shall be
23 sentenced to an imprisonment of not less than two (2) years nor more than seven
24 (7) years.

25 Sec. 5. *Separability Clause.* – If any of the sections or provisions of this Act is
26 held invalid, all other provisions not affected thereby shall remain valid.

27 Sec. 6. *Effectivity Clause.* - This Act shall take effect within fifteen (15) days
28 after its complete publication in at least two (2) newspapers of general circulation.

Approved,