

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila
SEVENTEENTH CONGRESS
First Regular Session
H.B. No. **4757**



Introduced by Representative H. Harry L. Roque Jr.

**AN ACT PROVIDING FOR AT LEAST TWELVE PERCENT OF ANNUAL
INTERNAL REVENUE ALLOTMENTS FOR LOCAL HEALTH PROGRAMS,
AMENDING THE PURPOSE SECTION 287 OF REPUBLIC ACT NO. 7160**

EXPLANATORY NOTE

While the latest estimate of total health expenditure on health as a percentage of GDP has climbed to 4.71% in 2014, sensitive indicators for health such as maternal mortality and infant mortality have lagged far behind our neighbors in the region. Middle income governments' expenditure on health as a percentage of the total is 58.5%. In our country, however, government spending comprises only one-third. Of the two-thirds that is shouldered by private spending, 80% comes out-of-pocket, which risks impoverishing families.

Government spending has not kept up with the increasing demands in all levels of healthcare. Majority of nearly 19,000 barangay health stations are setup to fall short in ambitious primary health programs from lack of medicine, equipment, and personnel. The resulting increase in disease burden compounds the problem of declining ratios of hospital bed capacity per ten thousand population for secondary and tertiary healthcare centers.

Healthcare services are functions devolved to the Local Government Units (LGUs) pursuant to the enactment of Republic Act No. 7160, the “Local Government Code of 1991”. This bill seeks to amend section 287 of this Republic Act to provide for twelve percent (12%) of the annual Internal Revenue Allotments (IRA) for health programs of local government units.



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

Section 1. Section 287 of Republic Act No. 7160, as amended, is hereby further
amended to read as follows:

“Sec. 287. Local Development Projects and HEALTH PROGRAMS. – Each local
government unit shall appropriate in its annual budget no less than twenty percent (20%)
AND TWELVE PERCENT (12%) of its annual internal revenue allotment for development
projects AND HEALTH PROGRAMS, RESPECTIVELY. Copies of the development plans
AND HEALTH PROGRAMS of local government units shall be furnished by the
Department of Interior and Local Government AND DEPARTMENT OF HEALTH,
RESPECTIVELY.”

Sec. 2. The Departments of Finance (DOF), Budget and Management (DBM) and Health (DOH) shall jointly issue the necessary rules and regulations to implement the provisions of this Act.

Sec. 3. Separability Clause. – If any provision or part hereof is held invalid or unconstitutional, the remainder of the law or the provision not otherwise affected thereby shall remain valid and subsisting.

Sec. 4. Repealing Clause. – Any law, presidential decree or issuance, executive order, letter of instruction, administrative order, rule or regulation contrary to or inconsistent with the provisions of this Act is hereby repealed, modified or amended accordingly.

Sec. 5. Effectivity Clause. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette.

Approved,