

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2139



Introduced by: Hon. Angelina "Helen" D.L. Tan, M.D.

AN ACT
ESTABLISHING A MEDICAL SCHOLARSHIP AND RETURN SERVICE PROGRAM FOR
DESERVING STUDENTS AND APPROPRIATING FUNDS THEREFOR

EXPLANATORY NOTE

The 1987 Constitution provides that: "The State shall establish and maintain an effective food and drug regulatory system and undertake appropriate health manpower development and research, responsive to the country's health needs and problems" (Article XII, Section 12).

The Philippine Star in its editorial reports that "Several years after some 100 private hospitals across the archipelago were forced to close shop for lack of health professionals particularly physicians, the country continues to suffer from a shortage of doctors (19 July 2013). This is the sad situation of most hospitals especially in rural areas in Visayas and Mindanao. Even prestigious medical institutions find it difficult to attract fresh graduates to fill up slots for doctors. The government has acknowledged the reality that, indeed, the country is facing an alarming shortage of medical doctors and other medical professionals.

Medical studies in the country are too costly that it has become beyond the reach of Filipino families even those belonging to the higher middle-income class. To make this problem even worse is the fact that doctors are already taking up nursing and leaving the country for more lucrative jobs overseas.

This bill seeks to address the shortage of doctors by establishing a medical scholarship and service program. It shall provide the institutional mechanism for the envisioned sustained human resource development for the Philippine public health care system. The scholarship program shall provide the financial and other educational resource support mechanisms for the pursuit of studies in the field of medicine by deserving and qualified young people.

It is envisioned that a scholar shall undergo higher post-graduate internship in a public health and medical institution which shall be considered as part of the mandatory public service. After passing the medical board examination, the scholar shall commence integration into the public health service system and shall accordingly be given the appropriate rank and salary. The integration into the public service system shall be required for a period equivalent to at least two (2) years for each year of scholarship benefits received.

In view of the urgent need to create a steadily expanding pool of medical doctors in order to enable the government to deliver timely, adequate, competent and affordable medical and health care services to the people, especially the poor, immediate passage of this bill is earnestly sought.


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

SECTION 1. *Short Title.* – This Act shall be known as the "Medical Scholarship and Return Service Program Act".

SEC. 2. *Declaration of Policy.* – It is the policy of the State to protect and promote the right to health of the people, and to develop its health human resources to meet the health needs of its citizens and to ensure that the shortage of medical practitioners in the county addressed.

Towards this end, the State shall establish a Medical Scholarship and Return Service Program that will help deserving medical students pursue medical education and training in the field of health and medicine who shall eventually render services in government public health offices or government hospitals in their hometown or in any municipality in their home province or in any underserved municipality in any province, as part of their integration into the public health and medical service system. This shall ensure the availability of doctors who will provide quality basic, promotive, preventive and curative health care services in every municipality in the country, especially the underserved, remote, economically underdeveloped, distressed, conflict-afflicted, and geographically disadvantaged areas.

SEC. 3. *Establishment of the Medical Scholarship and Return Service Program.* – There shall be established a Medical Scholarship and Return Service Program for deserving students in state universities and colleges (SUCs) or in private higher education institutions (PHEIs) in regions where there are no SUCs offering medicine: *Provided*, That the scholarship program shall accept at least one (1) scholar from each municipality of the country: *Provided, further*, That only upon determination that there is no qualified applicant from a certain municipality shall another qualified applicant be considered, irrespective of domicile: *Provided, furthermore*, That the applicant has passed the admission and other qualifying requirements of the SUCs and PHEIs: *Provided, finally*, That the total number of scholars per province or municipality shall depend on the number of government physicians needed for each province or municipality, as determined by the Department of Health (DOH).

SEC. 4. *Coverage of the Medical Scholarship and Return Service Program.* – The Medical Scholarship and Return Service Program established under this Act shall be made available to deserving Filipino students who want to pursue a degree in Doctor of Medicine in SUCs or in PHEIs in regions where there are no SUCs.

The student financial assistance for the Medical Scholarship and Return Service Program shall include the following:

- (a) Free tuition and other school fees;
- (b) Allowance for prescribed books, supplies and equipment;
- (c) Clothing or uniform allowance;
- (d) Allowance for dormitory or boarding house accommodation;
- (e) Transportation allowance;

- (f) Internship fees, including financial assistance during postgraduate internship;
- (g) Medical board review fees;
- (h) Annual medicinal insurance; and
- (i) Other education-related miscellaneous subsistence or living allowances.

SEC. 5. *Qualification Requirements.* – An applicant for the Medical Scholarship and Return Service Program shall possess the following qualifications:

- (a) Must be a natural-born or naturalized Filipino citizen residing in the Philippines;
- (b) Must be a graduating student or a graduate of an appropriate undergraduate program identified as a prerequisite for a Doctor of Medicine degree, from any higher education institution (HEI) duly recognized by the Commission on Higher Education (CHED) including the Direct Entrant to the seven (7)-year Integrated Liberal Arts Medicine Program (or INTARMED Program) of the University of the Philippines who satisfactorily completes the first two (2) years of the program: *Provided*, That deserving incoming second year medical students and those in the higher year levels of the Doctor of Medicine program shall also be covered under this Act;
- (c) Must have passed the entrance examinations and other related requirements for admission for a Doctor of Medicine degree in the SUC or PHEI where the scholar intends to enroll, including the INTARMED Program in the University of the Philippines, as well as the other requirements of the CHED and the DOH; and
- (d) Must have obtained a National Medical Admission Test (NMAT) score mandated by the CHED and the cut-off score required by the SUC or PHEI where the student intends to enroll in.

SEC. 6. *Conditions for the Grant of Scholarship.* – Deserving students accepted to the Medical Scholarship and Return Service Program shall be subject to the following conditionalities:

- (a) Must sign an agreement stating the terms and conditions of the scholarship on a form prescribed by the CHED and the DOH;
- (b) Must carry the full load of subjects prescribed per semester by the SUC or PHEI, and shall, under no circumstance, drop a course which will result in underloading;
- (c) Must finish the entire Doctor of Medicine program in the prescribed time frame in the SUC or PHEI where the scholar is enrolled in, subject to the retention policies of the SUC or PHEI;
- (d) Must undertake postgraduate internship in a DOH-accredited public health facility or hospital upon graduation from a four (4)-year Doctor of Medicine program, subject to the Association of Philippine Medical Colleges (APMC) Internship Matching Program: *Provided*, That, the graduate of the four (4)-year Doctor of Medicine program must satisfy all the requirements of the APMC Internship Matching Program: *Provided*, further. That, for a five (5)-year Doctor of Medicine program, the scholar enrolled in the SUC or PHEI must undertake the postgraduate internship in the SUC's or PHEI's base hospital;
- (e) Must take the board examination within a maximum period of one (1) year after completion of an internship program which may be a postgraduate internship program for scholars under a four (4)-year Doctor of Medicine program or after completion of internship as a fifth-year medical student for scholars under a five (5)-year Doctor of Medicine program; and
- (f) Must serve in a government public health office or government hospital in the scholar's hometown or, in the absence of a need thereat, in any municipality within the scholar's home province, or in any underserved municipality closest to the scholar's hometown in any province determined by the DOH as a priority area, for at least eight (8) years or two (2) years for every scholarship year availed of, which shall be completed within ten (10) years upon completion of internship for those who have availed of a four (4)-year program, and twelve (12) years for those who have availed of a five (5)-year program, upon passing the licensure examination for physicians, which shall be part of the mandatory return service and integration into the public health and medical service system: *Provided*, That this mandatory return service shall be in addition to the required postgraduate internship after graduating from a four (4)-year Doctor of Medicine program and shall also be in addition to the return service requirement of the SUC or PHEI: *Provided*, further, That residency

training shall not be considered as a return service under this provision: *Provided, finally,* That the physician shall receive appropriate salaries and other benefits for services rendered under the mandatory integration into the public health and medical service system.

The scholar may be allowed, for valid reasons preventing the enrollment, to defer availing of the scholarship and file a leave of absence for a period not exceeding one (1) school year, subject to the guidelines and policies of the concerned SUC and PHEI.

The scholar who fails to pass the licensure examination within one (1) year after graduation and completion of postgraduate internship and other academic requirements shall shoulder all the necessary expenses for the succeeding professional licensure examinations.

SEC. 7. *Disqualifications.* – The scholar shall repay the full cost of scholarship and related benefits received, including all the expenses incurred during the participation in the scholarship program, and the scholarship shall be terminated in case of the following circumstances:

- (a) If the scholar accepts another scholarship from other government or private agencies or entities while enjoying the benefits under this Act;
- (b) If the scholar fails in forty percent (40%) of the subjects or fails to meet the academic requirements of the SUCs or PHEIs or to complete the course within the prescribed period without valid cause as may be determined by the SUC or PHEI, the CHED or the DOH such as due to absence without notice, reasons of willful neglect or other causes within the control of the scholar: *Provided, That,* if the terminated scholar chooses, instead of repayment of scholarship costs, to work within the government's public health and medical service system, such as engaging in health-related research work for the government or by teaching health-related subjects in a public educational institution or be integrated into the public health and medical service system for a period equivalent to eight (8) years or the mandatory length of service that should have been rendered as stipulated in this *Act*: *Provided, further,* That the alternative return service shall exclude residency training;
- (c) If the scholar fails to pass the licensure examination for physicians for the second time; and
- (d) If the scholar commits behavioral misconduct in a manner that would bring significant damage to the HEI, government institution concerned, persons, and the community.

SEC. 8. *Mandatory Return Service and Integration of the Scholar into the Public Health and Medical Service System.* – Upon passing the Physician Licensure Examination (PLE) administered by the Professional Regulation Commission (PRC), the scholar becomes a licensed physician, shall be integrated into the public health and medical service system, through the DOH, with the appropriate rank and salary and related benefits. The mandatory return service upon integration into the public health and medical service system under this Act shall be for a period equivalent to at least eight (8) years within ten (10) years for those who have availed of a four (4)-year program, and twelve (12) years for those who availed of a five (5)-year program, upon passing the licensure examination for physicians, which shall be part of the mandatory service and integration into the public health and medical service system.

The mandatory return service and integration into the public health and medical service system under this Act shall be separate and distinct from the return service requirement of the SUCs or PHEIs and the mandatory postgraduate internship in a DOH-accredited public health facility or hospital, required by the PRC as a prerequisite for taking the PLE.

SEC. 9. *Sanctions.* – In the event that a physician who has availed of the Medical Scholarship and Return Service Program fails or refuses to serve in a government hospital or any local health office in the scholar's hometown or in any municipality in the scholar's home province or in any underserved municipality in any province, as provided under Section 6(f) hereof, or fails or refuses to comply with the mandatory integration, as provided in Section 8 hereof, the physician shall be required to pay twice the full cost of scholarship including other benefits and expenses incurred by reason of participation in the scholarship program.

In case of nonpayment, as provided in the preceding paragraph, the PRC shall deny the renewal of the physician's license; Provided, That the abovementioned penalties shall not apply to physicians who fail to comply with the required return service on account of, or by reason of, severe or serious illness.

SEC. 10. *Roles of the CHED.* –The CHED shall perform the following functions:

- (a) Conduct regular information dissemination of and recruitment to the Medical Scholarship and Return Service 20 Program in SUCs and PHEIs to ensure that there will be an adequate number of medical doctors in all the municipalities and provinces;
- (b) Review, modify and enhance the medical education curriculum to prepare graduates to work in community-based health programs, and to function competently when working with experienced physicians;
- (c) Coordinate, together with the SUCs and PHEIs, with the DOH for the integration of the medical scholar who has passed the PLE into the public health and medical service system;
- (d) Formulate, promulgate, disseminate and implement the necessary policies, standards, guidelines, and rules and regulations for the effective implementation of the Medical Scholarship and Return Service Program under this Act;
- (e) Develop strategies to improve the quality of the Doctor of Medicine program and implement a system of quality control for the offering of Doctor of Medicine program in SUCs and PHEIs;
- (f) Monitor and evaluate existing Doctor of Medicine programs of SUCs and effect the continuation or closure of programs in accordance with the provisions of Republic Act No. 7722 or the "Higher Education Act of 1994" and other CHED issuances, as applicable;
- (g) Review and approve or disapprove proposals from SUCs and PHEIs for the offering of new Doctor of Medicine programs;
- (h) Disseminate information on the required percentile cut-off score of SUCs and PHEIs to guide the student applicants on which school to apply to;
- (i) Require SUCs and PHEIs to submit a tracking, monitoring and assistance proposal; and to implement and evaluate the tracking, monitoring and assistance program in order to determine the whereabouts of the medical scholars after graduation from SUCs or PHEIs;
- (j) Ensure that the SUCs and PHEIs provide the timely release and accurate distribution of allowances and other fees to the scholars; and
- (k) Recommend to the Department of Budget and Management (DBM) the budget for implementation of the Medical Scholarship and Return Service Program in SUCs and PHEIs based on its monitoring and evaluation results.

SEC. 11. *Roles of the SUCs and PHEIs.* – The SUCs and PHEIs shall perform the following functions:

- (a) Monitor the progress of all scholars in their respective educational institutions, identify students who have low or failing grades, and counsel them to improve their academic performance;
- (b) Ensure the timely release and accurate distribution of allowances and other fees to the scholars;
- (c) Make an annual report to the CHED on the performance of medical scholars and other necessary or vital information regarding the Medical Scholarship and Return Service Program;
- (d) Assist the CHED in the conduct of regular information dissemination on, and recruitment to, the Medical Scholarship and Return Service Program;
- (e) Review, modify and enhance the medical education curriculum to prepare the scholars to work in community-based health programs;
- (f) Coordinate with the DOH in the conduct of an inventory of its trainable personnel who can be potential beneficiaries of the program;
- (g) Coordinate with the CHED, DOH, PRC, other concerned agencies, and local government units (LGUs) in the integration of the scholar into the public health and medical service system;
- (h) Develop strategies to improve the quality of the Doctor of Medicine program and implement a system of review and evaluation for quality control for the offering of Doctor of

- Medicine program in their respective educational institutions;
- (i) Conduct a tracer study on the whereabouts of their respective medical scholars after graduation from their respective educational institutions and submit the results of the tracer study to the CHED;
- (j) Recommend to the CHED and the DBM the budget necessary to implement the Medical Scholarship and Return Service Program in their respective institutions, based on their own monitoring and evaluation of results; and
- (k) Perform such other functions as the Presidents of the SUC or PHEI may deem necessary for the success of the Medical Scholarship and Return Service Program in their respective educational institutions.

SEC. 12. *Roles of the DOH.* – The DOH shall perform the following functions:

- (a) Determine the number of physicians needed for every municipality or province, as well as the number of physicians needed in the town or province where the SUC is situated;
- (b) Determine the distribution of scholars per municipality or province;
- (c) Coordinate with the CHED, SUCs, PHEIs and PRC to determine the number of graduates of the Doctor of Medicine course and passers of the medical board examination;
- (d) Provide for the integration of the scholar into the public health and medical service system, including the necessary number of plantilla positions to accommodate the new doctors in the provincial hospitals;
- (e) Assist the CHED in the conduct of the regular information dissemination on the Medical Scholarship and Return Service Program, the recruitment of scholar applicants, and the integration of successful scholars into the public health and medical service system to ensure the continuous deployment of medical doctors to all provinces, especially in the underserved, remote, economically underdeveloped, distressed, conflict-afflicted; and geographically disadvantaged municipalities;
- (f) Craft a career pathway for public health practitioners in the DOH and at the local level as an incentive to the graduates of medicine to enhance their competencies and skills for career progression;
- (g) Coordinate with the LGUs for mandatory integration of doctors/scholars into the public health and medical service system;
- (h) Conduct an inventory of its trainable personnel who can benefit from the program;
- (i) Monitor, supervise, and evaluate the performance and length of service of the scholars integrated into the public health and medical service system;
- (j) Provide funds for the implementation of the integration program under this Act; and
- (k) Recommend to the DBM the budget for the plantilla positions for the doctors to be integrated into the public health and medical service system, including the determination of salaries and salary increases.

SEC. 13. *Roles of LGUs.* – LGUs are mandated to support the integration of the scholar into the public health and medical service system by performing the following functions:

- (a) Ensure that there is a mechanism to provide the necessary support to the integration program of physicians who will be assigned to the LGU;
- (b) Coordinate with the DOH and the physicians to determine the specific health needs or requirements of the community and provide the necessary assistance, including the improvement of the health facilities in the municipality and involvement in the research component of the public health and medical service system;
- (c) May maintain a regular counterpart fund to be used for providing the balance of the scholarship budget for scholars enrolled in PHEIs, subject to availability of funds;
- (d) Provide for the board and lodging, travel expenses and other forms of financial assistance enumerated under Section 4 of this Act, subject to availability of funds, for the scholar enrolled in the PHEIs located in the municipality under the concerned LGU: *Provided, That* the scholar shall serve in the same LGU upon passing the licensure examination. If the municipal government cannot afford the said expenses, the provincial government shall shoulder the same: *Provided, further, That* the said provincial government shall decide in what municipality the scholar shall eventually serve;
- (e) Provide other forms of financial assistance, subject to availability of funds, to support the

- integration program of doctors in the LGUs;
- (f) Ensure the safety and security of the physicians integrated into the public health and medical service program;
 - (g) Recommend to the concerned SUC or PHEI any improvement in the implementation of the Medical Scholarship and Return Service Program;
 - (h) Conduct an information dissemination campaign on the Medical Scholarship and Return Service Program within the municipality or province, with the objective of attracting bright applicants to the said program;
 - (i) Coordinate with the CHED and other government agencies and nongovernmental organizations involved in the Medical Scholarship and Return Service Program;
 - (j) Coordinate with and encourage the active participation of the parents and other family members of the scholars in the Medical Scholarship and Return Service Program;
 - (k) Exercise such other powers and perform all other acts and duties which shall assist the scholar and ascertain the success of the Medical Scholarship and Return Service Program; and
 - (l) Execute and enforce laws, ordinances and regulations which may, directly or indirectly, have a positive impact on the Medical Scholarship and Return Service Program.

SEC. 14. *Appropriations.* – The amount necessary to carry out the initial implementation of this Act shall be charged against the current year's appropriations of the SUCs and the DOH.

Thereafter, the amount necessary for the continued implementation of the Medical Scholarship and Return Service Program for deserving students shall be included and subsumed into the scholarship program of SUCs and CHED in the annual General Appropriations Act.

SEC. 15. *Joint Congressional Oversight Committee on Medical Scholarship and Return Service System.* – There is hereby created a Joint Congressional Oversight Committee to oversee, monitor and evaluate the implementation of this Act.

The Oversight Committee shall be composed of five (5) members each from the Senate and from the House of Representatives, and shall include the following; Chairperson of the Senate Committee on Education, Arts and Culture; Chairperson of the House Committee on Higher and Technical Education; Chairperson of the Senate Committee on Health; Chairperson of the House Committee on Health; and three (3) members each to be chosen from the membership of the Senate Committee on Education, Arts and Culture and the House Committee on Higher and Technical Education by the Senate President and the House Speaker, respectively: *Provided, That* at least one (1) member from the respective nominees of the House of Representatives and the Senate shall be chosen from the Minority party/bloc.

SEC. 16. *Five (5)-Year Review of the Number of Scholars to be Admitted.* – Every five (6) years from the effectivity of this Act, the CHED, DOH, SUCs and PHEIs shall determine the number of scholars to be admitted every school year. The number of physicians needed by the municipality or province where the SUC or PHEI is situated shall be taken into consideration in determining the number of scholars.

SEC. 17. *Implementing Rules and Regulations.* – Within sixty (60) days from the effectivity of this Act, the CHED and the DOH, in coordination with the Philippine Association of State Universities and Colleges, Coordinating Council of Private Educational Associations, League of Municipalities, Association of Municipal Health Officers of the Philippines (AMHOP), Nongovernment Community-Based Health Programs, PRC, DBM, SUCs, PHEIs, APMC, APMC-Student Network and other relevant stakeholders, shall formulate and issue the rules and regulations to fully implement the provisions of this Act.

SEC. 18. *Separability Clause.* – If any part or provision of this Act shall be held unconstitutional or invalid, the other parts or provisions not affected thereby shall remain in full force and effect.

SEC. 19. *Repealing Clause.* – All laws, decrees, executive orders, rules and regulations and other issuances or parts thereof inconsistent with the provisions of this Act are hereby repealed or modified accordingly.

SEC. 20. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,