

Republic of the Philippines  
**HOUSE OF REPRESENTATIVES**  
Quezon City

**NINETEENTH CONGRESS**  
**Second Regular Session**

**HOUSE BILL NO. 9797**



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Introduced by **Representative Wilbert T. Lee**

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**AN ACT**  
**ESTABLISHING A COMPREHENSIVE MEDICINE VOUCHER PROGRAM AND**  
**APPROPRIATING FUNDS THEREFOR**

**EXPLANATORY NOTE**

“Article XIII, Section 11 of the 1987 Constitution provides that “[t]he State shall 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”.

Likewise, the Philippines recognized several right to health clauses as a party and signatory to several international treaties such as the International Covenant on Economic, Social and Cultural Rights (ICESCR), International Convention on the Elimination of All Forms of Racial Discrimination (ICERD), and Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), among others.

Indisputably, health care is a fundamental right that should be accessible to all our citizens, regardless of their socio-economic status. Under the very important concept of the "right to health for all," no one should face financial hardship in order to obtain the health care services they require at the appropriate time and location.

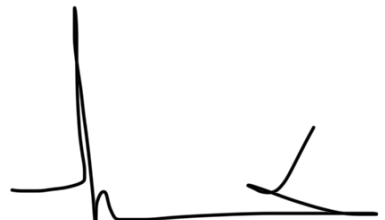
This humble Representation believes that no Filipino should suffer from a disease and lose one's life only because they are unable to pay for necessary medical care or cannot afford to buy the needed medicine for their treatment just because they are poor. It is a sad reality that a big portion of the population, particularly the marginalized and vulnerable sectors, still face challenges in accessing essential health services due to financial constraints.

This proposed measure seeks to incrementally address this long-standing problem of accessing medicines that are not available in government hospitals and formularies of the Government, ultimately contributing to improved health outcomes and the overall well-being of Filipinos.

By instituting a Medicine Voucher Program, we aim to unburden our countrymen fellow Filipinos who are in dire need for their medicine expenses and provided them with a system where they can access and get the necessary medicines both in the government hospitals / formularies and accredited pharmacies.

Moreover, the bill establishes a mechanism for the accreditation of health care medicine providers to ensure the delivery of quality and accessible medicines needed by our citizens. By engaging a diverse range of accredited providers, the program promotes competition and enhances service quality and accessibility.

The swift passage of this measure is earnestly sought.



**HON. WILBERT T. LEE**  
Representative  
AGRI PARTYLIST

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

**SECTION. 1. *Short Title.*** This Act shall be known as the *"Free Medicine Act of 2024."*

**SEC. 2. *Declaration of Policy.*** It is the policy of the State to protect and promote the right to health and ensure access to quality healthcare services for all Filipinos, especially the marginalized and vulnerable sectors of society. The State shall provide assistance to help its citizen in accessing all the necessary health care goods and services necessary for their medical treatment, especially of the indigenous, marginalized, and poorest of the poor sector.

Such policy contributes to the progressive realization of the universal health care in the country by ensuring access to the necessary medicines needed in the medical treatment of our indigent citizens towards better performance of the country's health system.

**SEC. 3. *Establishment of the Comprehensive Medicine Voucher Program.*** The Department of Health (DOH), as the overall steward for health care, in coordination with relevant government agencies and stakeholders, shall establish and implement a Medicine Voucher Program to provide eligible individuals access and assistance to medicines necessary for their medical treatment.

The Philippine National Formulary under the DOH shall administer the Medicine Voucher Program and establish a credible accreditation system of private pharmacies / health care medicine providers to ensure the availability of a wide range of essential and uncommon medicines necessary for the treatment of all Filipinos, especially the indigent citizens.

Accreditation shall be based on the provider's compliance with quality standards, appropriate pricing, and capacity to deliver the required medicinal services as prescribed by the DOH and other relevant government agencies.

**SEC. 4. *Eligibility and Coverage of Medicine Voucher.*** The Medicine Voucher Program shall prioritize the following beneficiaries:

1. Indigent individuals and families identified through the Community- Based Monitoring System (CBMS).
2. Informal sector workers and their families who are not covered by the National Health Insurance Program.
3. Indigenous People without medical insurance and other health services.
4. Other vulnerable groups as determined by the DOH.

**SEC. 5. *Access to Medicine Vouchers.*** Eligible beneficiaries shall receive medical vouchers from government hospitals or health centers once the medicine/s prescribed are not available in the government formulary system.

The medicine vouchers given by the health center or hospital shall indicate the name of the patient and other important medical information pertinent to the required treatment of the patient. For security purposes and anti-fraud efforts, the DOH shall design a security mechanism that shall not be detrimental to the speedy disposal of the medicine needed by the patient.

**SEC. 6. *Monitoring and Evaluation.*** The DOH shall establish mechanisms for monitoring and evaluating the implementation of the Medical Voucher Program, including its impact on beneficiaries' access to medical voucher services.

Regular reporting on the utilization of medical vouchers, health outcomes, and financial disbursements shall be required from accredited Pharmacies / health care medicine providers.

**SEC. 7. *Payment scheme to accredited pharmacies.*** In the spirit of efficiency and exigency of service, accredited pharmacies must be paid by the DOH no later than 30 days. Likewise, they have the option to avail the amount payable of the government to them in their gross income tax compliance subject to the certification issued by the DOH.

The establishment may claim the medical voucher provided herein as tax deductions on an annual or quarterly basis, based on the cost of the goods sold or services rendered, provided that the cost of the medical voucher shall be allowed as deduction from the gross income for the same taxable year that the medical voucher is granted. Provides, further, that the total amount of the claimed tax deduction net of VAT, if applicable, shall be included in their gross sales receipt for tax purposes and shall be subject to proper documentation and to the provisions of the National internal Revenue Code (NIRC), as amended.

**SEC. 8. *Safeguards and Anti-Corruption Measures.*** The DOH shall implement safeguards to prevent fraud, abuse, and corruption in the administration of the Medicine Voucher Program.

Any individual or entity found guilty of engaging in fraudulent activities related to the program shall be subject to appropriate legal penalties set forth in Section 10 of this Act.

**SEC. 9. *Appropriations.*** The amount necessary to carry out the provisions of this Act may be sourced out from the following:

- a) Annual appropriations of the DOH included in the GAA;
- b) Official Development Assistance to the Philippine Government;
- c) Collection from excise taxes on tobacco and alcohol products;
- d) National Government share from the income of the Philippine Amusement Gaming Corporation (PAGCOR) as provided for in Presidential Decree No. 1869, as amended; and
- e) Charity Fund, net of Documentary Stamp Tax Payments, and mandatory contributions of the Philippine Charity Sweepstakes Office (PCSO) as provided for in Republic Act No. 1169, as amended.

**SEC. 10. *Prohibited Acts.*** The following acts shall be considered as fraud and hereby declared to be unlawful:

- a) Knowingly issuing any false medicine prescription;
- b) Forging any issued medical prescriptions;
- c) Aiding or acting as a dummy of an unqualified beneficiary of a medicine voucher;
- d) Dispensing fake or illegal pharmaceutical products and committing other acts in violation of Republic Act No. 9165 and Republic Act No. 8203, otherwise known as the "Special Law on Counterfeit Drugs".
- e) Refusal to issue the medicines to beneficiaries despite presentation of a valid voucher to accredited pharmacies and hospitals.

**SEC. 11. *Penalties.*** Any violation of the provisions of this Act, after due notice and hearing, shall suffer the corresponding penalties as herein provided:

- (a) An accredited pharmacy who violates any of the provision of this Act or commits fraud shall constitute a criminal violation punishable by imprisonment for six (6) months and one (1) day up to six (6) years, upon discretion of the court without prejudice to criminal liability defined under the Revised Penal Code.

If the health care provider is a juridical person, its officers and employees or other representatives found to be responsible, who acted negligently or with intent, or have directly or indirectly caused the commission of the violation, shall be liable.

Recidivists may no longer be contracted as participants of the Program.

- (b) Any beneficiary of the program who commits any violation of this Act or knowingly and deliberately cooperates or agrees, whether explicitly or implicitly, to the commission of a violation or fraud for benefits or entitlement under this Act, shall be punished by a fine of Fifty Thousand Pesos (₱50,000.00) for each count or suspension from availment of the benefits of the Program for not less than three (3) months but not more than six (6) months, or both, at the discretion of the DOH.

DOH may enumerate circumstances that will mitigate or aggravate the liability of the offender or erring accredited pharmacy member or employer. Despite the cessation of operation by an accredited pharmacy or termination of practice of an independent health care

professional while the complaint is being heard, the proceeding shall continue until the resolution of the case.

**SEC. 12. *Implementing Rules and Regulations.*** The DOH and other relevant government agencies shall formulate and promulgate the necessary rules and regulations for the effective implementation of this Act within (60) sixty days from its effectivity.

**SEC. 13. *Separability Clause.*** Should any provision of this Act be found unconstitutional by a court of law, such provision shall be severed from the remainder of this Act, and such action shall not affect the enforceability of the remaining provisions of this Act.

**SEC. 14. *Repealing Clause.*** All laws, decrees, letters of instruction, resolutions, orders, or parts thereof which are inconsistent with the provisions of this Act are hereby repealed, modified, or amended accordingly.

**SEC 15. *Effectivity.*** This Act shall take effect fifteen (15) days following its publication in the Official Gazette.

Approved,