



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session



HOUSE BILL NO. 5074

Introduced by HON. MIRO S. QUIMBO

EXPLANATORY NOTE

Health is one of the most vital pillars of national development. For millions of Filipinos, access to affordable, quality medical care is not just a matter of wellbeing but of survival. Recognizing this, the government has steadily invested in strengthening health financing programs, most notably through the Universal Health Care Act and PhilHealth coverage, with the aim of reducing financial barriers and ensuring that no Filipino is left behind in receiving proper medical treatment.

Despite these reforms, persistent issues remain—especially in the area of health financing access. Out-of-pocket spending continues to make up a significant share of health expenditures, burdening Filipino households. While programs like zero-balance billing are designed to protect patients from paying beyond what government financing should cover, delays in reimbursements to physicians create strain on the system. Doctors, who are indispensable partners in healthcare delivery, tend to bill patients outside of program coverage to sustain their practice. This situation undermines the promise of government health financing and, ultimately, the trust of patients. It is the hope of this proposed legislation that these systemic constraints be addressed with empathy and pragmatic solutions.

This measure seeks to bring doctors fully into the fold of our government's health financing programs by providing fiscal incentives in the form of tax credits. The objective is twofold:

1. To support physicians who continue to serve in public health facilities despite financial pressures, thereby ensuring that their professional contributions are recognized and sustained; and
2. To secure for patients the full benefit of government programs, particularly the principle of zero-balance billing, where Filipinos in need should not pay a single peso for services covered under PhilHealth and related schemes.

Under this proposed measure, all licensed physicians rendering clinical services in public health facilities shall be entitled to a tax credit equivalent to a portion of their income tax due from clinical services rendered in these facilities. The Department of Health, in consultation with medical societies, will provide a list of applicable services for which tax credits may be availed. Importantly, physicians availing of this incentive shall not charge additional professional fees outside of PhilHealth's bundled payments, thereby reinforcing compliance with No Balance Billing policies.

It is the ultimate goal of this measure to strengthen the partnership between the State and its physicians, secure the rights of patients, and advance the broader goal of universal and equitable healthcare.

In view of the foregoing, support for this bill is earnestly sought.



HON. MIRO S. QUIMBO
Representative
Second District, Marikina City



Republic of the Philippines
House of Representatives
Quezon City, Metro Manila

Twentieth Congress
First Regular Session

HOUSE BILL NO. 5074

Introduced by HON. MIRO S. QUIMBO

AN ACT
GRANTING A TAX CREDIT TO PHYSICIANS RENDERING
APPLICABLE CLINICAL SERVICES WITHIN PUBLIC HEALTH
FACILITIES

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

CHAPTER I
GENERAL PROVISIONS

SECTION 1. *Short Title.* - This Act shall be known as the "*Tax Credit for Physicians in Public Health Facilities Act*"

SEC. 2. *Declaration of Policy.* - It is hereby affirmed the policy of the State to protect and promote the right of every Filipino to quality and accessible health. Furthermore, the State recognizes the indispensable role played by physicians serving in public health facilities in improving access to health care. Toward this end, the State shall provide appropriate fiscal incentives to promote the continued service of physicians and encourage the recruitment of other physicians in public health facilities.

SEC. 3. *Coverage* — This Act shall apply to all licensed physicians who render clinical services in any hospital, sanitarium, health infirmary, health center, rural health unit, barangay health station, clinic, and any other

health-related establishments, owned and operated by the Government or its political subdivisions, regardless of employment status.

SEC. 4. *Tax Credit for Applicable Services in Rendered within Public Health Facilities* – All physicians falling within the scope of Section 3 of this Act shall be entitled to a tax credit equivalent to a portion of the income tax due on their gross income derived from the actual performance of applicable clinical services within those specified under Section 3 of this Act: *Provided*, That the Department of Health (DOH), in consultation with stakeholder or medical and specialty societies, shall annually publish and update the list of applicable services and standard rates that may be applied for tax credit.

Physicians availing of such tax credits shall not charge any additional professional fee to patients outside those included in PhilHealth bundled payments or Diagnoses-Related Group (DRG) payments unless for services explicitly requested by patients beyond minimum standards of care or for amenities outside basic or ward accommodation pursuant to Republic Act 11223. All professional fees charged to patients shall not be considered valid for tax credit unless consistent and in compliance with No Balance Billing policies and other related no co-payment measures as established by PhilHealth.

SEC 5. *Inter-agency Coordination for Monitoring* – To ensure the efficient implementation of this Act, the DOH and the Bureau of Internal Revenue (BIR) shall regularly maintain and update a shared registry of physicians who avail of tax credits. Likewise, the DOH, BIR, and PhilHealth shall establish data-sharing protocols between their agencies to improve monitoring and inter-agency coordination.

SEC. 6. *Implementing Rules and Regulations*. – Within sixty (60) days from the effectivity of this Act, the BIR, in consultation with the DOH, shall promulgate the rules and regulations necessary for the effective enforcement of the provisions of this Act.

SEC. 7. *Separability Clause*. – If any provision of this Act is declared invalid or unconstitutional, the other provisions not affected thereby shall remain in full force and effect.

SEC. 8. *Repealing Clause*. – All laws, decrees, orders, rules, and regulations or parts thereof inconsistent with this Act are hereby repealed, amended, or modified accordingly.

SEC. 9. *Effectivity*. – This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,