EXPLANATORY NOTE

Article 2, Section XVIII of the 1987 Constitution declares that the "State affirms labor as a primary social economic force. It shall protect the rights of workers and promote their welfare". However, the present condition of Doctors of Medicine working in government hospitals and public health institutions runs counter to the aforementioned policy.

The entry level for resident physicians in government service is Php 40,637 as Medical Officer III. Although it is atypical for the Department of Health to confer Medical Officer I or II positions, local government units can do so. A junior resident physician who holds a position of Medical Officer I is entitled to a meager basic salary of Php 27,755. This does not do justice to our hardworking doctors who have spent years in their studies and whose duty goes beyond the normal eight (8) hour workload.

The government has in effect escorted doctors out of the country making the Philippines the second-largest exporter of physicians, next to India, as per a World Health Organization (WHO) report. Filipino doctors have emigrated for higher-paying posts overseas. Consequently, the exodus of doctors is exacting a toll on the country's already second-rate health service.

This bill seeks to address this alarming outflow of doctors and its repercussions by increasing the salary of government physicians and providing additional incentives therefor. This bill aims to afford our government doctors the right to a decent pay and benefits long withheld from them. The incentives shall include loyalty service pay, transportation, representation, food, and medical allowances, and educational grant redound.

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

[Signature]
MANUEL DG. CABOCHAN III
Representative
Magdalo Para sa Pilipino Party-List
AN ACT PROVIDING FOR AN INCREASE IN THE SALARY OF, AND ADDITIONAL INCENTIVES FOR, GOVERNMENT PHYSICIANS AND APPROPRIATING FUNDS THEREFORE

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

SECTION 1. Policy. - It is hereby declared the policy of the State to continuously promote and improve the social and economic well-being of government physicians as well as their living and working conditions to help ensure, promote and maintain the delivery of basic health services.

SEC. 2. Coverage. - The provision of the Act shall apply to all government physicians. As used in this Act, government physicians refer to Doctors of Medicine duly certified by the Professional Regulatory Commission (PRC) who are in the active practice of medicine, employed by the national government or a local government unit, as the case may be, either in public health institutions or in any national government or local government unit, agency or instrumentality.

SEC. 3. Salary Grade Adjustment. - The minimum base pay of physicians working in government shall not be lower than Salary Grade 24 pursuant to Department of Budget and Management (DBM) and Department of Health (DOH) Joint Circular NO. 2013-1 dated September 23, 2013 entitled Revised Standards on Organizational Structure and Staffing Pattern of Government Hospitals.

SEC. 4. Loyalty Service Pay. - An annual loyalty pay equivalent to seventy-five percent (75%) of the prevailing (1) month basic salary/base pay of government physicians shall be given to government physicians who have rendered at least three (3) years of government service. This will take effect immediately after the approval of this Act.

SEC. 5. Transportation, Representation, Food, and Medical Allowances. - All government physicians assigned to geographically isolated and depressed areas and conflict areas shall be entitled to the following monthly allowances:

<table>
<thead>
<tr>
<th>Area of Assignment</th>
<th>Amount of TA &amp; RA</th>
<th>Amount of FA</th>
<th>Amount of MA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographically Isolated Areas (GIDA)</td>
<td>P 15,000.00</td>
<td>P 10,000.00</td>
<td>P 8,000.00</td>
</tr>
<tr>
<td>Conflict Areas</td>
<td>P 18,000.00</td>
<td>P 12,000.00</td>
<td>P 10,000.00</td>
</tr>
</tbody>
</table>
SEC. 6. Educational Grant and Return to Service Program.- All government physicians who have rendered at least five (5) years of continuous service in government shall be entitled to an educational grant not to exceed Two Hundred Thousand Pesos (Php 200,000.00) for any medical course or training which may be availed of here or abroad. Provided, that those who have availed of such grant shall render and participate into a Return of Service Program at any public hospital or institution for such period which shall be determined as far as practicable by DOH and /or institution from which such grant was received.

SEC. 7. Implementing Guidelines. - The DOH, in consultation with the DBM and the Department of Interior and Local Government (DILG), shall issue such implementing guidelines as may be appropriate for the purpose of implementing the provisions of this Act within ninety (90) days from the approval thereof.

SEC. 8. Appropriation.- The Government shall appropriate such amounts as may be necessary to fund the salary increase, allowances and other benefits provided in this Act. The initial funds required for the implementation of this Act shall be sourced from the savings of the Executive Department as well as other possible sources as may be determined by the Office of the President. The funds necessary for the implementation of the Act in subsequent years shall be included in the General Appropriations Act to be proposed by the DBM annually.

SEC. 9. Repealing Clause. - All laws, rules, regulations, orders, circulars, and memoranda inconsistent with any provisions of this Act are hereby repealed or modified accordingly.

SEC. 10. Separability Clause. - Should any provision of this Act be declared invalid or unconstitutional, no other provisions hereof shall be thereby affected.

SEC. 11. Effectivity Clause. - This Act shall take effect fifteen (15) days after the completion of its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,