

Executive Order No. 2009-013
Strict Observance and Enforcement of RA 7432 as
Amended by RA 9257

WHEREAS, Section 4, Article XV, Constitution, the family has the duty to care for its elderly members but the State may also do so through just programs of social security;

WHEREAS Section 10, Article II, Declaration of Principles and State Policies Article XIII, Section 11 provides the State shall provide social justice in all phases of national development, and that the State shall adopt an integrated and comprehensive approach to health development which shall endeavour to make essential goods, health and other social services available to all the people at affordable cost. There shall be priority for the needs of the unprivileged, sick, elderly, disabled, women and children.

WHEREAS, under RA 7432 as amended by RA 9257, the public policies are: (a) to motivate and encourage the senior citizens to contribute to nation building; (b) to encourage their families and communities they live with to reaffirm the valued Filipino tradition of caring for the senior citizens; (c) To give full support to the improvement of the total well-being of the elderly and their full participation in society considering that senior citizens are integral part of Philippine society; (d) To recognize the rights of senior citizens to take their proper place in society. This must be the concern of the family, community and government; (e) To provide a comprehensive health care and rehabilitation system for disabled senior citizens to foster their capacity to attain a more meaningful and productive ageing; and (f) To recognize the important role of the private sector in the improvement of the welfare of senior citizens and to actively seek their partnership.

WHEREAS, in the series of dialogue that the City Government sponsored since July 2009, key matters such as the common issues and problems on Senior Citizen Discount (SCD) were discussed whereby business owners were reminded to be mindful of the strict observance of the discount privileges. The continuing issues are:

- failure to observe the 20% discount on take-out orders;
- issuance of regulation on the names of the owners of establishments to be properly displayed in the establishment;
- home deliveries of food items not given SCD by many establishments;
- promotional items not granted SCD allegedly because there is already a 10% discount on the promo;
- some establishments quoted DTI as having allowed its exemption from SCD on promo items; currently, notice is displayed in all their branches telling the public that SCD does not apply on promo items;

- proper monitoring of all establishments, ordinances should be passed;
- drugstores like South Star Drug limit senior citizens purchase of medicines to only seven-day regimen when most need more than seven days prescription, such drugstores telling senior citizens to come back for later purchases;
- Hospitals also violate SCD by not giving SCD to lab tests and purchases of meds in their respective pharmacies and not deducting from professional fees of attending doctors the SCD;
- Waiters/ waitress names in all establishments specially drugstores should be indicated in full in the name tags, as required by City ordinance;
- Senior citizen booklets should correctly reflect the ID requirements, specifying what types of IDs should be presented;
- Drugstores' refusal to allow purchase of medicines through alibi that they are out of stocks.
- Senior citizen using credit cards are given only 15% SCD and not the full 20% as some establishment argue that there is already a 5% discount from credit card companies.

WHEREAS, LGU role under RA 7432 as amended by RA 9257 are as follows:

- It shall be the responsibility of the city/ municipality through the mayor to ensure that the provisions of the law are implemented to its fullest.
- To require all establishments covered by the law to prominently display posters, stickers, and other notices that will generate public awareness of the right and privileges of senior citizens and not to ensure that the provisions of this Act are implemented to its fullest.

WHEREAS, under RA 9257, the City is obliged to make sure that the following privileges of Senior Citizens are strictly observed-

- Twenty percent (20%) discount from **ALL** establishments relative to the utilization of services in hotels and similar lodging establishment, restaurants and recreation centers and **purchase of medicines in ALL establishments** for the exclusive use or enjoyment of senior citizens, including funeral and burial services for the death of senior citizens. This should include ALL take-out orders and home deliveries of food items for the exclusive use of the senior citizen;
- Minimum of twenty percent (20%) discount on admission fees charged by theatres, cinema houses and concert halls, circuses, carnivals, and other similar places of culture, leisure and amusement for the exclusive use or enjoyment of senior citizens.

- Twenty percent (20%) discount on medical and dental services, and diagnostic and laboratory fees provided under Section 4 (e) hereof, **including** professional fees of attending doctors in **ALL** private hospitals and medical facilities;
- Twenty percent (20%) discount in fare for domestic air and sea travel for the exclusive and enjoyment of senior citizens;
- Twenty percent (20%) discount in public railways, skyways and bus fare for the exclusive use and enjoyment of senior citizens;
- **Free** medical and dental service, diagnostic and laboratory fees such as, but not limited to x-rays, computerized tomography scans and blood tests, in **all GOVERNMENT facilities**;
- 20 % discount on diagnostic and laboratory fees such as, but not limited to, x-rays, computerized tomography scans and blood tests, in **all PRIVATE HOSPITALS AND FACILITIES**;

WHEREAS, the law encourages the recognition of the important role of the private sector as a partner of the senior citizens in the improvement of their welfare. **(Section 1 [f], RA 7432, as amended by RA 9257)** Our law on senior citizens is incentives- based, and deals with all affected sectors in a more conciliatory spirit, and the promotion of public good, including the welfare of business entities, institutions, and professionals, had been taken into consideration;

WHEREAS, despite the guidelines issued by the national government, several issues remain ambiguous to proprietors, professionals and the senior citizens alike, resulting in disputes prejudicial to both the senior citizen sector on one hand and the establishments, institutions and professionals on the other hand;

NOW, THEREFORE, BY THE AUTHORITY VESTED IN ME BY ra 9257 TO FULLY IMPLEMENT THE PROVISIONS OF THE LAW, DO HEREBY Order the following which shall serve to clarify its enforcement, and prescribing additional local guidelines:

Section 1. All establishments are required by law/ regulations to do the following:

1. All hospitals and similar medical facilities, **including private medical and dental clinics**, are **enjoined** to post the medical benefits and health privileges of senior citizens under RA 9257 in a public conspicuous place or places, most especially at the billing/ accounting/ payment sections (Ref.: NCMB Resolution No. 1-2008, Series of 2008);
2. **On credit card payments-** NCMB Resolution No. 1-2009, Series of 2009, reiterates the previous statements

of the Department of Trade and Industry (DTI) that RA 9257 did not distinguish the type of payment for purchases of goods and services subject to the 20% senior citizens discount. As such, the 20% discount privilege may still be enjoyed by senior citizens paying through the credit card when purchasing drugs and medicines. Similarly, they may pay via credit card for purchasing prime commodities and basic necessities from groceries and supermarkets for amounts above P650 but they are enjoined to pay in cash for purchases of P650 and below. On the other hand, credit card payments may be availed of in restaurants and food establishments where it is applicable, such as when a credit card facility/ machine is available or where store policies allow for such payment in specific transactions.

3. ALL Restaurants and food establishments to post a public notice of discountable transactions and food purchases by the senior citizens. Said **notice should also contain a directive to file a complaint with the Office of Senior Citizens Affairs (OSCA) under the Mayor's office** for violations of RA 9257. In this regard, all notices in establishments stating that promo items are not covered by SCD must be removed within 24 hours from receipt of this advisory. The 20- percent senior citizen discount applies to the purchase of food, dessert, and other consumable items including value meals, promotional meals offered for consumption of the general public by the establishments. As long as the amount of food purchase is the amount verifiably determined as exclusively for the consumption of the senior citizen and the senior citizen presents a valid Identification Card, they should be able to avail of the 20 percent discount privilege.

All drinks and beverages deemed consumable by the senior citizen should be entitled to the 20-percent senior citizens discount, including alcohol beverages consumed or for "take home."

4. The proper computation of the value added tax on sales of goods and Services to senior citizens is to first subtract the 20 percent sales discount from the amount of sale without VAT, then adding the 12 percent VAT based on the deducted amount. The 20 percent discount is removed first before the 12-percent E-VAT is added unto the first amount to be paid by the senior citizens.
5. In case a group of senior and non- senior citizens dine communally in a restaurant, the following sample computation recommended by the Department of Social Welfare and Development (DSWD) should be used as a guide:

P500.00- total bill exclusive of service charge/ 4- number of persons dining together P125.00- bill per person X 2- number of senior citizens in the group P250.00- total bill of two senior citizens X 20%- sales discount P 50.00- total discount on bill of the group.

Alternatively, the cashier/ waiter, in taking orders of the senior citizens, may ask and note which are the food items intended exclusively for him/ her and subject the items to an immediate deduction of SCD.

6. To forestall some drugstores' practices of refusing senior citizens to buy medicines through alibi of lack of supply or out of stock, all drugstores should be **required to submit to the City health Office and City Treasurer's Office soft copies (in CD format) of their stock inventory and advance purchase orders** of all medicines, vitamins, food supplements and similar products on a quarterly basis beginning November 2009, which will be made as reference for monitoring availability of medicines and related medical needs of senior citizens. In case of any complaint for violation, the City Treasurer and/ or City Health Officer shall assist OSCA in determining the veracity of the claim the concerned establishment that it has no available stocks.

Drugstores must not limit senior citizens' purchase at their discretionary period, but should be allowed to purchase the entire prescription drugs, prescribed vitamins and supplements. Only non-prescription drugs, vitamins, and supplements may be given purchase ceilings of AT LEAST seven days for a single purchase.

Section 2. In accordance with RA 9257, the senior citizen or elderly person may submit as proof of his/ her entitlement to SCD **ANY** of the following:

- an **ID issued by the City Mayor** or of the barangay captain of the place where the senior citizen or the elderly resides;
- **passport** of the elderly person or senior citizen concerned; and
- **other documents** that establish that the senior citizen or elderly person is a citizen of the Republic and is at least sixty (60) years of age.

Section 3. Proceedings against establishments/ hospitals/ clinics/ medical professionals violating RA 9257:

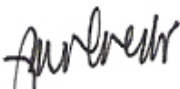
- **CRIMINAL PROSECUTION.** Pursuant to RA 9257, any complaint may file a criminal case and the following could be the penalties: (1) For the first violation, the courts will impose a fine of not less than Fifty thousand pesos (P50,000.00) but not exceeding One hundred thousand pesos (P 100,00.00) and imprisonment of not less than six (6) months but not more than two (2) years; and (2) For any subsequent violation, the courts will impose a fine of not less than One Hundred thousand pesos (P 100,000.00) but exceeding Two hundred thousand pesos (P 200,000.00) and imprisonment for not less than six (6) years. The City Social Worker and Development Officer, assisted by the City Legal Office, may also filed the criminal complaint after all necessary evidence are gathered showing violation.
- **Administrative sanctions.** Upon filling of a complaint by any interested person with the Office of the Senior Citizens Affair, the subject person/officer, establishment, hospital, professional, etc. may be sanctioned. After due notice and hearing, the Office of the Mayor may cause the immediate cancellation or revocation of the business permit, permit to operate, franchise and other similar privileges granted to any business entity or professional that fails to abide by the provisions of the law (**Section 10, RA 9257**), after joint investigation and recommendation of the OSCA, the City Social Work and Development Office and the City Legal Office. The proceedings shall be summary and must be resolved within fifteen (15) days after submission of the last document required by the investigating panel. The panel may adopt its own rules of procedure consistent with this EO.

Any violation of Section 1 hereof shall be sufficient ground to cause the cancellation or revocation of the business permit, permit to operate, franchise and other similar privileges granted to any business entity or professional that fails to abide. Temporary or perpetual disqualification of any person to be a grantee of business permit, permit to operate, franchise and other similar privileges may also be imposed if the violation is repeated or gross.

Section 4. Effectivity. This Executive Order shall take effect immediately upon publication in a local newspaper of

general circulation. All prior executive orders that are inconsistent herewith are deemed abrogated or amended accordingly.

Done this 28th day of October 2009 in the City of Naga, Philippines.



JESSE M. ROBREDO
City Mayor

Attested by:



FRANCISCO M. MENDOZA
City Administrator