This presentation will analyze the method-and-wisdom (arga bilig) principle, with its theoretical and practical applications in the Mongolian traditional medicine. It will demonstrate the ways in which the Mongolian Buddhist physicians formulate a medical theory by combining the Buddhist doctrinal and philosophical views with Sāṃkhyā’s theory of the operation of the three guṇas constituting prakṛti, and with Taoist principle of the yin and yang, and the ways in which this principle provided the Buddhist identity to the traditional Mongolian medicine.