FIFTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES
)
First Regular Session
)

SERVITE OF THE SECRETARY

10 SEP 20 P1:36

SENATE S. No. **2528**

HECEINED BY:

Introduced by Senator'Miríam Defensor Santiago

EXPLANATORY NOTE

Article II Section 15 of the 1987 Constitution provides that:

The State shall protect and promote the right to health of the people and instill health consciousness among them.

The Harvard Health letter featured among its Top 10 health related stories of 2009 that a wave of new rules and regulations went into effect to slow down the flow of gifts, free meals, and payments to physicians from pharmaceutical companies. The changes were made in response to criticism that industry largesse was creating conflicts of interest. Among those which passed such laws is the Vermont Legislature which stated that there is strong evidence these financial gifts – free lunches, trips to conferences and sometimes even cash payments – influence the prescribing patterns of doctors.

Industry funding is important in medicine, especially when it comes to research. Relationships with pharmaceutical industry are a fundamental part of the way medicine is practiced today. These relationships benefit physicians and industry, but the important policy question is to what extent do these relationships benefit patients in terms of the care they receive? Such financial assistance should be aboveboard and available for all who are interested to see.

MANTENAM DEFENSOR SANTIFICO

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SENATE S. No. **2528**

MECEIVED BY:

Introduced by Senator Miriam Defensor Santiago

AN ACT REQUIRING THE DISCLOSURE OF GIFTS PROVIDED BY PHARMACEUTICAL MANUFACTURERS OR MEDICAL DEVICE MANUFACTURERS TO HEALTH CARE PROVIDERS

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

- SECTION 1. *Definitions*. As used in this Act, the following terms shall have the following meanings:
- a) "Pharmaceutical manufacturer" shall mean a person who compounds, mixes, prepares,
- 7 produces and bottles or packs drugs for the purpose of distributing or selling to pharmacies or
- 8 to other channels of distribution.

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- b) "Medical device manufacturer" shall mean a person who manufacturers and packs, for the purpose of distributing or selling to health care providers or to other channels of distribution:
- (1) any instrument, apparatus, implement, machine, contrivance, implant, in vitro reagent, or other similar or related article, including a component part, or accessory which is intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease; or
- (2) intended to affect the structure or any function of the body, and which does not achieve any of its primary intended purposes through chemical action within or on the body of a person and which is not dependent upon being metabolized for the achievement of any of its primary intended purposes.

SECTION 2. Disclosure requirements.

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- 1. Any pharmaceutical manufacturer or medical device manufacturer, including any employee or agent of such manufacturer, that makes any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, to a health care provider shall report the gift to the Secretary of health in the manner set forth in subdivision two of this section.
 - 2. Any pharmaceutical manufacturer or medical device manufacturer who makes at least one gift under subdivision one of this section shall, on or before June first, file with the Secretary of Health an annual report, of all gifts made by such manufacturer to such health care provider.
- 3. Such annual report shall contain:
- 12 (a) the name, address and telephone number of the pharmaceutical manufacturer or 13 medical device manufacturer;
- 14 (b) an itemized list containing a description of each gift subject to the provisions of subdivision one of this section;
 - (c) the name, address and telephone number of the health care provider who received each gift;
- 18 (d) the monetary value of each gift; and
- 19 (e) such other information as is deemed necessary by the Secretary of Health for 20 compliance with this article.

21 SECTION 3. Penalties.

- 1. The Secretary of Health may impose a civil penalty for failure to file a timely report as required by this article in an amount up to Fifty Thousand Pesos (PhP 50,000.00) a day until such report is filed.
- 25 2. Any person who violates any other provision of this article shall be subject to a civil penalty in an amount not to exceed One Million Pesos (PhP 1, 000,000.00) for each violation.

- SECTION 4. Rules and regulations. The Secretary of Health is authorized to promulgate
- 2 rules and regulations as deemed necessary to carry out and enforce the provisions of this article.
- 3 SECTION 5. Repealing Clause. All laws, decrees, orders, rules and regulations or parts
- 4 thereof inconsistent with the provisions of this Act are hereby repealed, amended or modified
- 5 accordingly.
- 6 SECTION 6. Separability Clause. If, for any reason, any provision of this Act is
- 7 declared to be unconstitutional or invalid, the other sections or provisions hereof which are not
- 8 affected thereby shall continue to be in full force and effect.
- 9 SECTION 7. Effectivity Clause. This Act shall take effect after fifteen (15) days
- following its publication in the *Official Gazette* or in two (2) newspapers of general circulation.

Approved,