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SENATE

S.B. No. 2047

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Introduced by Senator Teofisto "TG" Guingona III

EXPLANATORY NOTE

This bill seeks to establish the Philippine Blood Disease and Transfusion Center (Blood Center), which is envisioned to offer comprehensive care for patients with blood disorders, and to provide transfusion services to the Filipino people.

The Blood Center is envisioned to provide capacity for safe blood and blood products, augmenting the medical services provided by hospitals and partner agencies. It shall also be the lead hospital in the training and teaching of medical and paramedical professionals regarding blood diseases and transfusion medicine.

Further, the Blood Center is also envisioned to provide the Filipino people with the latest state-of-the-art in the diagnosis, management and treatment of hematologic disorders. It shall embark on research regarding hematologic disorders, and shall serve as a referral laboratory center for all hematologic diseases.

Republic Act No. (RA) 7719 or the National Blood Services Act of 1994 and the consequent strengthening of voluntary blood services nationwide came on the heels of unprecedented need for blood and blood products secondary to inevitable epidemiologic shift towards rising incidence of dengue fever and its hemorrhagic forms, the increasing threat of HIV and other blood borne infections. RA 7719 is aligned with the national goal of drastically reducing maternal deaths through the assurance of adequate supply of blood.

This bill will complement RA 7719 as it aims to establish the Philippine Blood Disease and Transfusion Center, a government corporate institution under the direct supervision of the Department of Health for purposes of policy direction and control.

In view of the foregoing considerations, approval of this bill is earnestly sought.


SENATOR TEOFISTO "TG" GUINGONA III

SENATE

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Introduced by Senator Teofisto "TG" Guingona III

AN ACT
ESTABLISHING THE PHILIPPINE BLOOD DISEASE AND TRANSFUSION CENTER,
DEFINING ITS OBJECTIVES, POWERS AND FUNCTIONS, AND APPROPRIATING
FUNDS THEREFOR

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

Section 1. **Short Title.** – This Act shall be known as the "Philippine Blood Disease and Transfusion Center Act."

Section 2. **Definition of Terms.** – As used in this Act:

- a. Apheresis Facility – refers to a blood service facility where blood collection procedure is done in which whole blood is removed, a selected component separated and the remainder returned to the donor.
- b. Blood – refers to the human blood for transfusion.
- c. Blood Center – refers to the Philippine Blood Disease and Transfusion Center established pursuant to this Act.
- d. Blood Component – refers, but not limited, to whole blood, red cells, granulocytes, plasma, platelets, cryoprecipitate and cryosupernate prepared in the Blood Center.
- e. Blood Disease – refers to a blood condition that involves problems with the red blood cells, white blood cells, platelets, blood vessels, bone marrow, lymph nodes, spleen, or the proteins involved in bleeding and clotting (hemostasis and thrombosis). Blood diseases and blood disorders are used interchangeably in this Act.
- f. Blood Product – refers to a therapeutic substance derived from whole blood or plasma.
- g. Blood Transfusion – refers to the process of transferring blood or blood-based products from one person into the circulatory system of another.
- h. Hematology – refers to the branch of medicine that is concerned with the study of blood, the blood-forming organs and blood diseases.

- i. Voluntary Blood Donor – refers to a donor who gives blood freely and voluntarily without any form of payment.

Section 3. **Mandate.** – There is hereby established a Philippine Blood Disease and Blood Transfusion Center, hereinafter referred to as the Blood Center, a government corporate entity that will offer comprehensive care for patients with blood diseases, including blood transfusion services, for public welfare. The Blood Center shall also undertake teaching programs and research activities to successfully accomplish its mandate.

The Blood Center shall be located at the Lung Center of the Philippines (LCP) Compound, Quezon Avenue, Quezon City.

Section 4. **Purposes and Objectives.** – The Blood Center shall have the following purposes and objectives:

- a. To construct, establish, operate and maintain a specialty hospital, with at least two hundred fifty (250) bed capacity, which shall offer comprehensive care for patients with blood diseases;
- b. To establish and operate a blood transfusion center and a state-of-the-art hematology laboratory (which should be able to offer more services than a regular medical center), including a molecular laboratory for public welfare;
- c. To establish and operate a Hematopoietic Stem Cell transplant program and donor registry;
- d. To collect blood from qualified voluntary blood donors, and process whole blood into blood components;
- e. To ensure the safety, as well as the adequate supply, of blood and blood products delivered to hospitals and other health facilities;
- f. To promote, encourage and engage in medical and scientific research on the prevention and treatment of blood diseases, on the care and/or treatment of patients with blood diseases, and on the proper operation of blood bank technology and blood transfusion services to ensure the safety of both blood donors and donees;
- g. To gather, compile and publish the findings of its medical and scientific researches;
- h. To conduct studies and develop teaching programs, in collaboration with universities, hospitals and/or research institutions, on the prevention and treatment of blood diseases; encourage and grant scholarships for advanced training and specialization in hematology; and support educational programs of value to general public health;
- i. To finance, sponsor, hold or participate in congresses, conventions, conferences, seminars, workshops and training programs on the prevention and treatment of blood diseases; and
- j. To encourage and assist in the education and training of physicians, nurses, health officers, social workers and medical and technical personnel in the practical and scientific implementation of services to patients with blood diseases.

Section 5. **Powers and Functions.** - The Blood Center shall have the following powers and functions:

- a. To have the attribute of perpetual succession and shall be vested with the powers of a corporation;
- b. To adopt and use a corporate seal which shall be a matter of judicial notice;
- c. To enter into contracts with any person or entity, whether public or private, domestic or foreign;
- d. To acquire assets, real or personal, or any interest therein, and encumber or otherwise dispose the same, under any mode of encumbrance or conveyance, as it may deem proper and necessary in the conduct of its business;
- e. To invest its excess funds, subject to applicable laws, rules and regulations, in any activity related to the Blood Center, as well as in any bonds or securities issued and guaranteed by the Government of the Philippines;
- f. To collect reasonable fees from the public for its services;
- g. To solicit and accept any gifts, contributions, endowments, grants, bequests and devices of any kind of real or personal property which are necessary and proper for the attainment of the purpose of the hospital; and
- h. To perform such acts and exercise such functions as may be necessary and proper for the attainment of the purposes and objectives herein specified.

Section 6. **Board of Trustees.** The affairs and business of the Blood Center shall be directed; its properties managed; and its corporate powers exercised, unless otherwise provided in this Charter, by its own Board of Trustees, which shall be composed of seven (7) members, as follows:

- a. The Secretary of the Department of Health as Chairman of the Board, or his duly authorized representative;
- b. The Department of Health Undersecretary in charge of supervising specialty hospitals;
- c. One (1) member from the private sector, preferably with experience in finance, administration or management;
- d. One (1) representative who is an expert in hematology;
- e. One (1) representative who is an expert in blood transfusion;
- f. One (1) representative from NGO involved in health advocacy; and
- g. The Blood Center Executive Director.

The terms of office, manner of appointment of the trustees and other matters pertaining to the governance of the Blood Center shall be determined in accordance with the pertinent provisions of RA 10149..

Section 7. **Powers and Functions of the Board.** The Board of Trustees, which shall be the policy-making body of the Blood Center, shall have the following powers and functions:

- a. Set the policies and direction to the Blood Center in order to accomplish its mandate;
- b. Adopt a set of by-laws, rules, regulations, guidelines and procedures consistent

with law and the provisions hereof to govern the administration and operation of the Blood Center;

- c. Establish the organizational structure of the Blood Center, define the duties and responsibilities of its officials and employees, and adopt a compensation and benefit scheme, subject to the pertinent provisions of RA 10149, or known as the GOCC Governance Act of 2011;
- d. Establish and maintain professional and technical educational systems for the sustained development of the necessary manpower to manage and operate its affairs and business;
- e. Authorize the expenditures of the Blood Center as may be necessary or proper for its efficient and effective management, operation and administration;
- f. Send the personnel of the Blood Center to research institutes, medical institutes or universities for advance training or observation and to attend international or regional conventions, conferences, congresses or seminars as the Board of Trustees may deem necessary to accomplish the purposes and objectives of the Blood Center;
- g. Enter into such agreements and arrangements with other medical or similar institutions, domestic or foreign, as it may deem desirable toward promoting the purposes and objectives of the Blood Center;
- h. Appoint, remove, suspend or otherwise discipline the Executive Director and other officers of the Blood Center occupying executive and senior management positions; and
- i. Undertake such other acts and things as are or may be necessary for or incidental to the accomplishment of the purposes and objectives of the Blood Center.

Section 8. Executive Director of the Blood Center. The Blood Center shall be headed by the Executive Director, whose rank and emoluments shall be approved by the Board, taking into account the prevailing practice in other specialty hospitals, and subject to the pertinent guidelines issued by the Governance Commission for GOCCs. The Executive Director shall have the following duties and responsibilities:

- a. Direct and supervise the operations and administration of the Blood Center;
- b. Execute, administer and implement the policies and measures approved by the Board;
- c. Prepare the agenda for the meetings of the board, and to submit for consideration of the board such policies and measures as he/she believe(s) necessary to carry out the purposes and objectives of this Act;
- d. Represent the Blood Center in all dealings, i.e. meetings, contracts, negotiations, etc., with all other offices, agencies and instrumentalities of the government and with all persons and other entities, domestic or foreign;
- e. Appoint, remove, suspend or otherwise discipline all other officers and employees of the Blood Center; and
- f. To exercise such other powers and perform such other duties provided in the by-laws and as vested to him by the Board.

Section 9. Program for Indigents. – The Blood Center shall adopt and enforce a program for indigents needing blood or blood products, as well as to indigent patients with

blood diseases, in accordance with the implementing guidelines on classification of patients and on Availment of Medical Social Services in Government Hospitals. The Department of Health shall ensure that this program for indigents is effectively implemented.

Section 10. **Income Retention.** – The Blood Center is hereby authorized to retain and utilize its income derived from its operation for the continuous improvement of its services and facilities, subject to auditing rules and regulations. No amount from such income, however, shall be used to augment the salaries and other compensation of the Blood Center personnel beyond the amounts determined by the Governance Commission for Government-Owned and Controlled Corporations (GCG), as provided for in RA 10149.

Section 11. **Exemption from Taxes.** – The Blood Center shall be exempt from the payment of taxes on all contribution thereto and all accruals on its income and investment earnings.

Any donation, contribution, bequest, subsidy or financial aid which may be made to it shall constitute allowable deduction from the income of the donor for income tax purposes and shall be exempt from donor's tax subject to such conditions as provided in the National Internal Revenue Code.

The Blood Center shall be exempt from all other taxes, whether direct or indirect, on its income, properties and operations.

Section 12. **Supervision.** – The Blood Center shall be under the direct supervision of the Department of Health for purposes of policy direction and control. It shall submit an annual report to the Department of Health, pursuant to the pertinent provisions of RA 10149.

Section 13. **Assistance from other Government Offices.** – The Blood Center may call upon any department, bureau, office, agency or instrumentality of the government, including government-owned or controlled corporations, for such assistance as it may need in the pursuit of its purposes and objectives.

Section 14. **Implementing Rules and Regulations.** – The Department of Health shall issue the necessary Rules and Regulations to implement the provisions of this Act within sixty (60) days from its effectivity.

Section 15. **Appropriations.** – The amount of Eight Hundred Fifty Million Pesos (Php 850,000,000.00) is hereby appropriated for the initial operation and maintenance of the Blood Center. Thereafter, such sum as may be necessary for the continued operation of the Blood Center shall be included in the annual General Appropriations Act.

Section 16. **Separability Clause.** – Should any provision of this Act be held unconstitutional, all its other provisions, when able to stand by itself, shall not be affected.

Section 17. **Repealing Clause.** – All laws, acts, executive orders, administrative orders, rules and regulations inconsistent herewith, are hereby repealed, amended or modified accordingly.

Section 18. **Effectivity.** - This Act shall take effect fifteen (15) days after its publication in the *Official Gazette* or in any newspaper of general circulation.

Approved.