

NINETEENTH CONGRESS OF THE REPUBLIC OF THE PHILIPPINES
First Regular Session

22 JUL 28 P5 26

RECEIVED BY:

SENATE

S.B. No. <u>937</u>

Introduced by SENATOR JOEL VILLANUEVA

AN ACT ESTABLISHING THE PHILIPPINE CENTER FOR DIABETES AND ENDOCRINOLOGY AND FOR OTHER PURPOSES

EXPLANATORY NOTE

In 2000, the International Diabetes Federation (IDF) predicted that by 2025, there would be 320 million diabetics globally. However, in its 2021 Diabetes Atlas, the IDF reported that there were already 537 million adults living with diabetes aged 20-79. Clearly, diabetes is exceeding projected rates and growing around the world.¹ The IDF further estimated that by 2030, the global figure will rise to 643 million and by 2045, 783 million, if there is no appropriate response to resolve the growing diabetes epidemic around the world.

In the Philippines, the IDF also estimated that in 2021, there will be 4.30 million Filipinos with diabetes out of 66.75 million adult population, and 2.87 million more with undiagnosed diabetes.² It is projected by IDF that the number of diabetic individuals in the country may reach 5.46 million Filipinos by 2030, and 7.50 Million Filipinos by 2045.³

Worse, more and more young Filipinos are diagnosed with diabetes. In an interview with Dr. Ellen Du, past President of the Philippine Society for Pediatric Metabolism and Endocrinology, stated that "[b]ased on the registry of the Philippine Pediatric Society, there were around 3,000 cases of type 1 diabetes among 4 million

¹ IDF Diabetes Atlas, 10th Edition, Diabetes Facts and Figures, accessible at https://idf.org/aboutdiabetes/what-is-diabetes/facts-figures-btm//act-accessed-luly/24-2022)

figures.html (last accessed July 24, 2022).

IDF Diabetes Atlas, 10th Edition, Philippines Diabetes Report 2000-2045, accessible at https://diabetesatlas.org/data/en/country/157/ph.html (last accessed July 24, 2022).

admissions from 2006 to May 31, 2021" covering Filipino children suffering from diabetes.4

Existing evidence and information can be alarming, and is further compounded by the Philippine Statistics Authority's data covering the period of January to December 2021 showing diabetes as the 5th leading cause of mortality in the Philippines at 48,267.⁵

Thus, there is a need to increase the funding for diabetes prevention and treatment. In view of the foregoing, this bill seeks to establish the Philippine Center for Diabetes and Endocrinology (PCDE) to ensure that the full range of services for diabetes care, prevention and cure are given to the millions of Filipinos afflicted with diabetes through a more focused allocation of funding. The Center will also further enhance the noble undertaking of research in diabetes and the training of medical and technical personnel in the field of Endocrinology.

Diabetes care, prevention and cure should be a priority concern of the government because diabetes and other endocrine diseases exact a huge toll on our human resources. After all, the 1987 Constitution provides the duty of the State to secure the well-being of the people by providing them specialized health services. A specialized institution, similar to the Philippine Heart Center, the Lung Center of the Philippines and the National Kidney and Transplant Institute, which will focus on diabetes, metabolism and endocrinology can significantly address the worsening incidence of diabetes here in the Philippines and lessen the impact of diabetes and its complications on families, workers, healthcare system, and the economy.

The immediate passage of this bill is earnestly sought.

SENATOR JOEL VILLANUEVA

⁴ Manila Bulletin, 3 ways to protect kids against diabetes, June 9, 2021, accessible at https://mb.com.ph/2021/06/09/3-ways-to-protect-kids-against-diabetes/ (last accessed July 25, 2022).

⁵ Philipping Statistics Authority Course of Posth in the Philipping (Post) in the Philipping

⁵ Philippine Statistics Authority, Causes of Death in the Philippines (Preliminary): January to December 2021, accessible at https://psa.gov.ph/content/causes-deaths-philippines-preliminary-january-december-2021 (last accessed July 25, 2022).



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s. B. No.

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AN ACT ESTABLISHING THE PHILIPPINE CENTER FOR DIABETES AND ENDOCRINOLOGY AND FOR OTHER PURPOSES

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

SECTION 1. State Policy. – It is the policy of the State to protect and promote the right to health of the people and instill health consciousness among them by providing specialized health services and research, education and training facility responsive to the country's health needs and problems.

Hence, it is the primary concern of the government to assist and provide material and financial assistance in the establishment of a specialty hospital for Filipinos suffering from diabetes and promote diabetes care, prevention and cure all over the country.

SEC. 2. Creation of the Philippine Center for Diabetes and Endocrinology. – There is hereby created a body corporate to be known as the Philippine Center for Diabetes and Endocrinology (PCDE), under the control and supervision of the Department of Health (DOH), which shall serve as the lead tertiary-level care center in the screening, prevention, diagnosis and treatment of diabetes.

The PCDE shall have its principal office in Metro Manila, and may have such branch offices, hospitals, clinics or subsidiaries in Visayas and Mindanao and other areas in the Philippines, as it may deem proper and necessary.

- **SEC. 3.** *Purpose and Objectives.* The PCDE shall have the following purposes and objectives:
 - a) To construct, establish, equip, maintain, administer and operate such integrated medical institution or institutions which shall

provide an organized system of care, comprehensive and optimal treatment for patients with diabetes and other endocrine problems;

- b) To conduct nationwide screening and diagnosis of diabetes, obesity and the components of the metabolic syndrome;
- c) To promote, encourage and engage in medical and scientific research on the prevention, care, and treatment of diabetes and other endocrine diseases, and gather, compile, and publish the findings of such researches for public dissemination;
- d) To encourage, undertake and assist conferences, fora, conventions, seminars, workshops and training programs for physicians, nurses, health officers, medical technologists, social workers and medical and technical personnel on the practical and scientific implementation of health care services to diabetic patients;
- e) To assist universities, hospitals and research institutions in their studies on diabetes and other endocrine diseases and other related fields, to encourage and grant scholarships for advanced training and specialization in medical care and management in diabetes and related fields and to support and finance educational programs of value to public health;
- f) To encourage the formation of other organizations at the national, provincial, city and/or local levels, and to coordinate the various efforts and activities of such organizations for the purpose of achieving a more effective approach to the common problem relative to the purposes and objectives enumerated herein; and
- g) To encourage telemedicine by establishing networks through internet facilities to link physicians at the local level or barrio doctors to specialists who can provide inputs to care of diabetic patients, especially in underserved and geographically isolated and disadvantaged areas, with due regard to the requirements of the Data Privacy Act of 2012.
- **SEC 4.** *Powers and Functions.* For the attainment and/or furtherance of the purposes and objectives of this Act, the PCDE, as a body corporate, acting through its Board of Trustees, shall have the powers pertaining to a duly organized juridical entity, and the following powers and functions in addition to those provided for in this Act:
 - a) To acquire, own, hold, use, lease, grant, mortgage, pledge, sell, assign, convey, transfer, exchange, dispose or otherwise deal with, real and/or personal properties of every kind and nature, including shares of stock, bonds, debentures, notes, securities and other evidences of indebtedness or obligations of other corporations, whether domestic or foreign, and whether government or private;

- b) To solicit and receive donations, endowments and funds in the form of contributions, whether in cash or in kind, from both the public and private sector;
- c) To award, enter into, make, execute, perform and carry out domestic or foreign contracts of whatever kind and nature;
- d) To open accounts in banks and other financial institutions, and to disburse such funds or invest the same as the Board may direct to accomplish or advance the purposes or interests of the PCDE, and to obtain loans, borrow funds and/or arrange financing or credit assistance of whatever kind and nature from all sources, whether domestic or foreign and whether government or private;
- e) To levy, assess and collect such fees, charges and assessments as may be necessary or proper to support, finance and maintain its operations;
- f) To invite diabetes specialists and similar experts in the various medical fields to train the personnel or trainees or residents of the PCDE and to also support the trainings, seminars, conferences and conventions of its medical personnel in research and medical institutes or universities, be it local or international as the Board may deem necessary and in line with the principles of the Philippine Qualifications Framework (PQF), to accomplish the purposes and objectives of the PCDE;
- g) To adopt and use a corporate seal;
- h) To sue and be sued in its corporate name;
- To adopt its by-laws, rules and regulations not inconsistent with law of the provisions hereof to govern the administration and operation of the affairs of the PCDE; and
- j) To exercise such other powers and functions as may be necessary, related or incidental to carry out the purposes and objectives of this Act.
- SEC. 5. The Board of Trustees; Composition; Term and Compensation. The PCDE shall be governed, and its activities and properties shall be directed, controlled and managed, by a Board of Trustees, hereinafter referred to as the Board.

The Board shall be composed of the following:

- a) Secretary of Health as ex-officio Chairperson;
- b) Chief of Hospital as Vice-Chairperson;

- c) one (1) Undersecretary of the DOH;
- d) one (1) representative from the Office of the President;
- e) one (1) representative from the Department of Budget and Management (DBM);
- f) one (1) representative from the Philippine Society of Endocrinology, Diabetes and Metabolism (PSEM);
- g) one (1) representative from the academe; and
- h) one (1) member from the civil society who shall be a person of known probity in the community and is active in civil and community work.

The members of the Board shall serve for a term of three (3) years, with a right to hold-over such position until their respective successors shall have been duly appointed and qualified. The representatives from the medical community, academe and the civil society shall be appointed by the President.

The President of the Philippines may, however, remove any member of the Board for cause. Whenever a vacancy shall occur in the Board, the person appointed to fill the vacancy shall hold office for the unexpired term of the member replaced.

All members of the Board shall receive compensation or per diem in accordance with current standards set by the Department of Budget and Management (DBM) and as may be determined by the DOH.

- **SEC 6.** *Powers and Functions of the Board.* The Board shall have the following powers and functions:
 - a) To formulate policies, guidelines and programs to effectively implement and carry out the purposes and objectives of this Act;
 - b) To prescribe, review and revise the amount of the fees, charges, and assessments levied and collected for the support and maintenance of the operations of the PCDE;
 - c) To control the management, operation and administration of PCDE;
 - d) To promulgate such rules and regulations as may be necessary or proper for the effective exercise of powers and functions as well as the discharge of the duties and responsibilities of the PCDE and its officers and employees;

- e) To authorize such expenditures of the PCDE as may be necessary or proper for the effective management, operation and administration of the PCDE;
- f) To adopt the annual and supplemental budget of receipts and expenditures of the PCDE; and
- g) To appoint, remove, suspend or otherwise discipline the officers of the PCDE occupying executive and senior management positions.
- SEC 7. Officers of the PCDE. The Board shall determine the officers of the PCDE who shall be appointed by the Chief of Hospital of the PCDE, subject to confirmation by the Board. The PCDE may have an Executive Vice-President and such Vice-Presidents and Assistant Vice-Presidents as may be required for the effective operation of the PCDE.
- SEC 8. The Chief of Hospital, Term and Remuneration. The Chief of Hospital of the PCDE shall be appointed by the President of the Philippines for a term of five (5) years. The Chief of Hospital shall be a licensed physician, have a Master's Degree in Hospital Administration or related course, and has at least five (5) years of experience in a supervisory/managerial position. The salary of the Chief of Hospital of the PCDE shall be fixed by the Board, subject to the approval of the President of the Philippines.
- SEC 9. Powers and Duties of the Chief of Hospital. The Chief of Hospital shall be the Chief Executive Officer of the PCDE. He shall exercise the following powers and duties:
 - a) To execute the policies, guidelines and programs approved by the Board, and to be responsible for the efficient discharge of management and operational functions;
 - b) To submit for the consideration and approval of the Board proposed measures, policies, guidelines and programs as he/she may deem necessary or proper for the effective implementation of the purposes and objectives of this Act;
 - c) To direct and supervise the management, operation and administration of the PCDE. For this purpose, he/she may delegate any or some of his/her administrative responsibilities and duties to the other officers of the PCDE:
 - d) To execute, on behalf of the PCDE, all contracts and agreements which the PCDE may enter into, and to execute, accomplish and deliver any and all documents relative to such contracts and agreements;
 - e) To represent the PCDE in all dealings with other offices, agencies and instrumentalities of the Government, and all other persons or entities, whether domestic or foreign, government or private;

- f) To appoint, promote, transfer, remove, suspend, or otherwise discipline the officers and employees of the PCDE, except those appointed by the Board; and
- g) To exercise such other powers and perform such duties as may be vested or reposed upon him/her by the Board.
- SEC 10. Assistance from the Government. The PCDE may call upon any department, bureau, office, agency or instrumentality of the Government, including government-owned or controlled corporations (GOCCs), local government units (LGUs), and state universities and colleges (SUCs) for such assistance as it may need in the pursuit of the purposes and objectives of this Act.
- SEC 11. Authority of the Chief of Hospital in Emergencies. In case of emergencies which require immediate action by the Board, and there is no sufficient time to call a meeting thereof, the Chief of Hospital, with the concurrence of three (3) other members of the Board, may decide on any matter or take any action within the authority of the Board itself.
- **SEC 12.** Donations to the PCDE. The PCDE is hereby authorized to solicit and receive donations, grants, contributions, gifts or endowments from all sources, whether foreign or domestic, government or private, without the need of securing a permit, approval or registration from any government agency.
- SEC 13. Exemption from Fees, Duties and Taxes. The PCDE is hereby declared exempt from all income and all other internal revenue taxes, tariff and customs duties and all other kinds of taxes, fees, charges and assessments levied by the Government and its political subdivisions, agencies and instrumentalities, unless they are not actually, directly, and exclusively used for charitable purposes. Notwithstanding any provision of law to the contrary, all donations, grants, contributions, gifts or endowments which may be made by entities or persons to the PCDE shall be exempt from income and gift taxes, and the same shall be further deductible in full for purposes of computing the maximum amount deductible under the National Internal Revenue Code of 1997, as amended.
- SEC 14. Funding. The amount of Ten Billion Pesos (Php10,000,000,000.00) is hereby appropriated from the revenues of the Philippine Amusement and Gaming Corporation (PAGCOR) to defray the initial operational expenses of the PCDE. Thereafter, the necessary amount to support the continued operation and maintenance of the PCDE shall be included in the General Appropriations Act.
- **SEC 15.** Annual Report. The PCDE, through its President, shall submit an annual report on its accomplishments and activities to the President and both houses of Congress on or before April 30 of each year.

SEC 16. Applicability of the Other Laws and Issuances. – The provisions of the Revised Corporation Code, insofar as they are not inconsistent with the provisions of this Act and with the purposes and objectives for which the PCDE is formed, shall apply suppletorily in the corporate governance affairs of the PCDE.

Likewise, the PCDE, its officials and employees, shall be subject to civil service laws and pertinent rules and regulations issued by the Civil Service Commission.

SEC 17. *Medical Assistance Package.* – The Board is hereby mandated to formulate a medical assistance package for indigent and financially incapable patients.

SEC. 18. Implementing Rules and Regulations. — Within sixty (60) days from the effectivity of this Act, the DOH, in close coordination with the Department of Science and Technology, National Economic Development Authority, University of the Philippines-Philippine General Hospital, and other stakeholders, such as the Philippine Society of Endocrinology and Metabolism (PSEM), shall promulgate the rules and regulations for the effective implementation of this Act.

SEC 19. Separability Clause. – If any portion or provision of this Act is subsequently declared invalid or unconstitutional, other provisions hereof which are not affected thereby shall remain in full force and effect.

SEC 20. Repealing Clause. – All laws, decrees, executive orders, proclamations and administrative regulations, or any parts thereof inconsistent herewith are hereby revoked, repealed, or modified accordingly.

 SEC. 21. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,