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REPUBLIC OF THE PHILIPPINES)
Second Regular Session)



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SENATE
S. No. 2584

RECEIVED BY

Introduced by Senator Loren B. Legarda

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

EXPLANATORY NOTE

According to the National Nutrition Council, the three most common blood diseases are anemia, hemophilia, and leukemia. Anemia is a condition wherein the hemoglobin or the red blood cell count is lower than normal. Hemophilia is a bleeding disorder wherein the blood does not clot properly which can cause spontaneous bleeding after occurring injuries or surgeries. Meanwhile, leukemia is a cancer of the blood and bone marrow.

Because of the combined immense impact of these three major blood-related diseases which represent a significant portion of the total deaths due to cancer, Proclamation No. 1833, s. 2009, was passed. Proclamation No. 1833 proclaims the month of September as Blood Diseases Month to increase the awareness and understanding of blood-related diseases.

To address the problem of blood-related diseases that the country is facing, this bill shall establish a Philippine Blood Disease and Transfusion Center which shall serve patients with blood disorders with care delivered by a team of experts/specialists who will also oversee blood and product availability and

utilization. Specifically, this bill aims to establish and operate: a specialty hospital, with at least two hundred fifty (250) bed capacity, which shall offer comprehensive care for patients with blood diseases; a blood transfusion center and a state-of-the-art hematology laboratory; and a Hematopoietic Stem Cell transplant program and donor registry. In addition, the Philippine Blood Disease and Blood Transfusion Center shall also undertake teaching programs and research activities to accomplish its mandate.

In view of the foregoing, the early passage of this bill is earnestly requested.



LOREN LEGARDA

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

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

3 Sec. 2. *Declaration of Policy.* - It is the policy of the State to protect and promote
4 the right to health of the people and instill health consciousness among them. Towards
5 this end, the State shall establish a Philippine Blood Disease and Blood Transfusion
6 Center which shall offer comprehensive care for patients with blood diseases,
7 including blood transfusion services, for public welfare.

8 Sec. 3. *Definition of Terms.* - As used in this Act:

- 9 a. Apheresis Facility - refers to a blood service facility where blood collection
10 procedure is done in which whole blood is removed, a selected component
11 separated and the remainder returned to the donor.
- 12 b. Blood - refers to the human blood for transfusion.
- 13 c. Blood Center - refers to the Philippine Blood Disease and Transfusion
14 Center established pursuant to this Act.

- 1 d. Blood Component - refers, but is not limited, to whole blood, red cells,
2 granulocytes, plasma, platelets, cryoprecipitate, and cryosupernate
3 prepared in the Blood Center.
- 4 e. Blood Disease - refers to a blood condition that involves problems with the
5 red blood cells, white blood cells, platelets, blood vessels, bone marrow,
6 lymph nodes, spleen, or the proteins involved in bleeding and clotting
7 (hemostasis and thrombosis). Blood diseases and blood disorders are used
8 interchangeably in this Act.
- 9 f. Blood Product - refers to a therapeutic substance derived from whole blood
10 or plasma
- 11 g. Blood Transfusion - refers to the process of transferring blood or blood-
12 based products from one person into the circulatory system of another.
- 13 h. Hematology - refers to the branch of medicine that is concerned with the
14 study of blood, the blood-forming organs, and blood diseases.
- 15 i. Voluntary Blood Donor - refers to a donor who gives blood freely and
16 voluntarily without any form of payment.

17 *Sec. 4. Philippine Blood Disease and Blood Transfusion Center.* - There is hereby
18 established a Philippine Blood Disease and Blood Transfusion Center, hereinafter
19 referred to as the Blood Center, a government corporate entity that will offer
20 comprehensive care for patients with blood diseases, including blood transfusion
21 services, for public welfare. The Blood Center shall also undertake teaching programs
22 and research activities to successfully accomplish its mandate.

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

25 *Sec. 5. Purposes and Objectives* - The Blood Center shall have the following
26 purposes and objectives:

- 27 a. To construct, establish, operate, and maintain a specialty hospital, with at least
28 two hundred fifty (250) bed capacity, which shall offer comprehensive care for
29 patients with blood diseases;

- 1 b. To establish and operate a blood transfusion center and a state-of-the-art
2 hematology laboratory (which should be able to offer more services than a
3 regular medical center), including a molecular laboratory for public welfare;
- 4 c. To establish and operate a Hematopoietic Stem Cell transplant program and
5 donor registry;
- 6 d. To collect blood from qualified voluntary blood donors, and process whole
7 blood into blood components;
- 8 e. To ensure the safety, as well as the adequate supply, of blood and blood
9 products delivered to hospitals and other health facilities;
- 10 f. To promote, encourage, and engage in medical and scientific research on the
11 prevention and treatment of blood diseases, on the care and/or treatment of
12 patients with blood diseases, and on the proper operation of blood bank
13 technology and blood transfusion services to ensure the safety of both blood
14 donors and donees;
- 15 g. To gather, compile, and publish the findings of its medical and scientific
16 research;
- 17 h. To conduct studies and develop teaching programs, in collaboration with
18 universities, hospitals, and/or research institutions, on the prevention and
19 treatment of blood diseases; encourage and grant scholarships for advanced
20 training and specialization in hematology; and support educational programs
21 of value to general public health;
- 22 i. To finance, sponsor, hold, or participate in congresses, conventions,
23 conferences, seminars, workshops, and training programs on the prevention
24 and treatment of blood diseases; and
- 25 j. To encourage and assist in the education and training of physicians, nurses,
26 health officers, social workers, and medical and technical personnel in the
27 practical and scientific implementation of services to patients with blood
28 diseases.

29 *Sec. 6. Powers and Functions.* – The Blood Center shall have the following
30 powers and functions:

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

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

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

1 The terms of office, manner of appointment of the trustees and other matters
2 pertaining to the governance of the Blood Center shall be determined in accordance
3 with the pertinent provisions of Republic Act No. 10149 or the GOCC Governance Act
4 of 2011.

5 *Sec. 8. Powers and Functions of the Board.* – The Board of Trustees, which shall be
6 the policy-making body of the Blood Center, shall have the following powers and
7 functions:

- 8 a. Set the policies and directions of the Blood Center in order to accomplish its
9 mandate;
- 10 b. Adopt a set of by-laws, rules, regulations, guidelines and procedures consistent
11 with law and the provisions hereof to govern the administration and operation
12 of the Blood Center;
- 13 c. Establish the organizational structure of the Blood Center, define the duties and
14 responsibilities of its officials and employees, and adopt a compensation and
15 benefit scheme, subject to the pertinent provisions of Republic Act No. 10149
16 or the GOCC Governance Act of 2011;
- 17 d. Establish and maintain professional and technical educational systems for the
18 sustained development of the necessary manpower to manage and operate its
19 affairs and business;
- 20 e. Authorize the expenditures of the Blood Center as may be necessary or proper
21 for its efficient and effective management, operation, and administration;
- 22 f. Send the personnel of the Blood Center to research institutes, medical institutes,
23 or universities for advance training or observation and to attend international
24 or regional conventions, conferences, congresses or seminars as the Board of
25 Trustees may deem necessary to accomplish the purposes and objectives of the
26 Blood Center;
- 27 g. Enter into such agreements and arrangements with other medical or similar
28 institutions, domestic or foreign, as it may deem desirable toward promoting
29 the purposes and objectives of the Blood Center;

- 1 h. Appoint, remove, suspend, or otherwise discipline the Executive Director and
2 other officers of the Blood Center occupying executive and senior management
3 positions; and
4 i. Undertake such other acts and things as are or may be necessary for or
5 incidental to the accomplishment of the purposes and objectives of the Blood
6 Center.

7 *Sec. 9. Executive Director of the Blood Center.* – The Blood Center shall be headed
8 by the Executive Director, whose rank and emoluments shall be approved by the
9 Board, taking into account the prevailing practice in other specialty hospitals, and
10 subject to the pertinent guidelines issued by the Governance Commission for GOCCs.

11 The Executive Director shall have the following duties and responsibilities:

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

25 *Sec. 10. Program for Indigents.* – The Blood Center shall adopt and enforce a
26 program for indigents needing blood or blood products, as well as for indigent
27 patients with blood diseases, in accordance with the implementing guidelines on the
28 classification of patients and Availment of Medical Social Services in Government
29 Hospitals. The Department of Health shall ensure that this program for indigents is
30 effectively implemented.

1 Sec. 11. *Income Retention.* – The Blood Center is hereby authorized to retain and
2 utilize its income derived from its operations for the continuous improvement of its
3 services and facilities, subject to auditing rules and regulations. No amount from such
4 income, however, shall be used to augment the salaries and other compensation of the
5 Blood Center personnel beyond the amounts determined by the Governance
6 Commission for Government-Owned and -Controlled Corporations (GCG), as
7 provided for in Republic Act No. 10149.

8 Sec. 12. *Exemption from Taxes.* – The Blood Center shall be exempt from the
9 payment of taxes on all contributions thereto and all accruals on its income and
10 investment earnings.

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

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

17 Sec. 13. *Supervision.* – The Blood Center shall be under the direct supervision of
18 the Department of Health for purposes of policy direction and control. It shall submit
19 an annual report to the Department of Health, pursuant to the pertinent provisions of
20 Republic Act No. 10149.

21 Sec. 14. *Assistance from other Government Offices.* – The Blood Center may call
22 upon any department, bureau, office, agency or instrumentality of the government,
23 including government-owned or controlled corporations, for such assistance as it may
24 need in the pursuit of its purposes and objectives.

25 Sec. 15. *Implementing Rules and Regulations.* – The Department of Health shall
26 issue the necessary Rules and Regulations to implement the provisions of this Act
27 within sixty (60) days from its effectivity.

28 Sec. 16. *Appropriations.* – The amount of Eight Hundred Fifty Million Pesos (Php
29 850,000,000.00) is hereby appropriated for the initial operation and maintenance of the
30 Blood Center. Thereafter, such sum as may be necessary for the continued operation
31 of the Blood Center shall be included in the annual General Appropriations Act.

1 Sec. 17. *Separability Clause* - If any portion or provision of the Act is declared void
2 or unconstitutional, the remaining portions or provisions hereof shall not be affected
3 by such declaration.

4 Sec. 18. *Repealing Clause* - All laws, acts, executive orders, administrative orders,
5 rules and regulations inconsistent herewith, are hereby repealed, amended or
6 modified accordingly.

7 Sec. 19. *Effectivity* - This Act shall take effect fifteen (15) days after its publication
8 in two (2) newspapers of general circulation.

9

10 *Approved,*