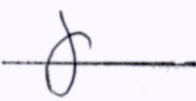




SEVENTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)

'17 MAY -2 P2:50

RECEIVED BY: 

SENATE

S. B. NO. 1424

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) said that by 2025, there would be 320 million diabetics globally. However, in its 2015 Diabetes Atlas, the IDF reported that there were already 415 million diabetics aged 20-79. Clearly, diabetes is exceeding projected rates and growing around the world¹. The IDF estimated that by 2040, the global figure will rise to 642 million – or one in 10 adults, if there is no appropriate response to resolve the growing diabetes epidemic around the world (IDF).

In the Philippines, at least 6 million Filipinos have been diagnosed to have diabetes but the Philippine Center for Diabetes Education Foundation, warned that this figure could reach 12 million or even more by 2040 because of undiagnosed diabetes cases². The Philippines' 2013 National Health and Nutrition Survey (NNHeS) revealed that diabetes is a major risk factor among Filipino adults ≥ 20 years of age with a prevalence rate of 5.4% (Paz-Pacheco and Jimeno, 2015)³.

¹ "The Philippines is now a diabetes hotspot" by Vaughn Alviar available at <http://lifestyle.inquirer.net/225706/the-philippines-is-now-a-diabetes-hotspot/>

² "6 million Pinoys have diabetes" by Philippine Daily Inquirer available at <http://newsinfo.inquirer.net/805812/6m-pinoys-have-diabetes#ixzz4ccdTjsbs>

³ "Diabetes Care in the Philippines" by Elizabeth Paz-Pacheco and Cecilia Jimeno, Journal of the ASEAN Federation of Endocrine Societies Volume 30, No. 2 (2015) available at <http://asean-endocrinejournal.org/index.php/JAFES/article/view/267/667>

Worse, more and more young Filipinos are diagnosed with diabetes. There were reports that even five-year old children were already diagnosed with type 2 diabetes⁴. The DOH said that diabetes is one of the leading causes of mortality in the Philippines.

Many experts have attributed the increase of diabetic incidence in the Philippines to the lifestyle and culture of Filipinos and, to a great extent, to stress in the workplace. For example, BPO employees who work in the night or graveyard shift have higher risk of getting the disease according to the Philippine Center for Diabetes Education Foundation. Of course, diabetic workers have reduced work opportunities and earning capacities (Paz-Pacheco and Jimeno, 2015). The DOH also mentioned that even traffic jams raise diabetes risk⁵.

Unfortunately, the IDF's diabetes scorecard for the Philippines showed that the low level of diabetes-related health expenditures has prevented a very small proportion (0.9%) of diabetes related deaths. Hence, the IDF called for increased funding for cost-effective diabetes prevention and treatment (IDF)⁶.

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 shall 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 requested to improve survival rates and the quality of life of millions of Filipino diabetics.


SENATOR JOEL VILLANUEVA

⁴ "Philippine Diabetes Statistics", Philippine Star, November 16, 2015, available at <http://www.philstar.com/cebu-lifestyle/2015/11/16/1522426/philippine-diabetes-statistics>

⁵ "Traffic jams raise diabetes risks", Philippine Star, March 28, 2016, available at <http://www.philstar.com/news-feature/2016/03/28/1566912/traffic-jams-raise-diabetes-risk>

⁶ Philippine Scorecard is available at http://www.idf.org/sites/default/files/attachments/Philippines_Scorecard.pdf



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**AN ACT ESTABLISHING THE PHILIPPINE CENTER FOR
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FOR OTHER PURPOSES**

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

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

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

9
10 **SEC. 2. Creation of the Philippine Center for Diabetes and**
11 **Endocrinology.** - There is hereby created a body corporate to be known as
12 the Philippine Center for Diabetes and Endocrinology (PCDE), under the
13 Department of Health (DOH), which shall serve as the lead tertiary-level care
14 center in the screening, prevention, diagnosis and treatment of diabetes.

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

18
19 **SEC. 3. Purpose and Objectives.** - The PCDE shall have the following
20 purposes and objectives:

- 1 (a) To construct, establish, equip, maintain, administer and operate such
2 integrated medical institution or institutions which shall provide an
3 organize system of care, comprehensive and optimal treatment for
4 patients with diabetes and other endocrine problems;
- 5 (b) To conduct nationwide screening and diagnosis of diabetes, obesity
6 and the components of the metabolic syndrome;
- 7 (c) To promote, encourage and engage in medical and scientific research
8 on the prevention and treatment of diabetes and other endocrine
9 diseases and gather, compile, and publish the findings of such
10 researches for public dissemination;
- 11 (d) To encourage, undertake and assist conferences, fora, conventions,
12 seminars, workshops and training programs for physicians, nurses,
13 health officers, medical technologists, social workers and medical and
14 technical personnel on the practical and scientific implementation of
15 health care services to diabetic patients;
- 16 (e) To assist universities, hospitals and research institutions in their
17 studies on diabetes and other endocrine diseases and other related
18 fields, to encourage and grant scholarships for advanced training and
19 specialization in medical care and management in diabetes and
20 related fields and to support and finance educational programs of
21 value to public health;
- 22 (f) To encourage the formation of other organizations at the national
23 provincial, city and/or local levels, and to coordinate the various efforts
24 and activities of such organizations for the purpose of achieving a
25 more effective approach to the common problem relative to the
26 purposes and objectives enumerated herein; and
- 27 (g) To encourage telemedicine by establishing networks through internet
28 facilities to link physicians at the local level or barrio doctors to
29 specialists who can provide inputs to care of diabetic patients,
30 especially in underserved areas.

31

32 **SEC. 4. Powers and Functions.** - For the attainment and/or furtherance of
33 the above-enumerated purposes and objectives, the PCDE as a body
34 corporate acting through its Board of Trustees, shall have the following
35 powers and functions in addition to those provided for in the other sections of
36 this Act:

- 37 (a) To acquire, own, hold, use, lease, grant, mortgage, pledge, sell,
38 assign, convey, transfer, exchange, dispose or otherwise deal with,
39 real and/or personal properties of every kind and nature, including
40 shares of stock, bonds, debentures, notes, securities and other
41 evidences of indebtedness or obligations of other corporations,
42 whether domestic or foreign, and whether government or private;
- 43 (b) To solicit and receive donations, endowments and funds in the form of
44 contributions, whether in cash or in kind, from both the public and
45 private sectors;

- 1 (c) To award, enter into, make, execute, perform and carry out domestic
2 or foreign contracts of whatever kind and nature;
- 3 (d) To open accounts in banks and other financial institutions, and to
4 disburse such funds or invest the same as the Board may direct to
5 accomplish or advance the purposes or interest of the PCDE, and to
6 obtain loans, borrow funds and/or arrange financing or credit
7 assistance of whatever kind and nature from all sources, whether
8 domestic or foreign and whether government or private.
- 9 (e) To levy, assess and collect such fees, charges and assessments as
10 may be necessary or proper to support, finance and maintain its
11 operations;
- 12 (f) To invite diabetes specialists and similar experts in the various
13 medical fields to train the personnel or trainees or residents of the
14 PCDE and to also support the trainings, seminars, conferences and
15 conventions of its medical personnel in research and medical
16 institutes or universities, be it local or international as the Board may
17 deem necessary and in line with the principles of the Philippine
18 Qualifications Framework (PQF), to accomplish the purposes and
19 objectives of the PCDE;
- 20 (g) To adopt and use a corporate seal;
- 21 (h) To sue and be sued in its corporate name;
- 22 (i) To adopt its by-laws, rules and regulations not inconsistent with law of
23 the provisions hereof to govern the administration and operation of the
24 affairs of the PCDE; and
- 25 (j) To exercise such other powers and functions as may be necessary,
26 related or incidental or to carry out the purposes and objectives of this
27 Act.

28
29 **SEC. 5. *The Board of Trustees; Composition; Term and Compensation.* –**

30 The PCDE shall be governed, and its activities and properties shall be
31 directed, controlled and managed, by a Board of Trustees, hereinafter
32 referred to as the Board, which shall be composed of a Chairperson and six
33 (6) members, all of whom shall be appointed by the President of the
34 Philippines.

35 At least one (1) member shall come from the Philippine Society of
36 Endocrinology, Diabetes and Metabolism (PSEM) and at least one (1) from
37 the academe.

38 The Chairman of the PCDE shall be appointed from among the members of
39 the Board.

40 Except the President of the PCDE, the members of the Board shall serve for a
41 term of three (3) years, with a right to hold-over until their respective
42 successors shall have been duly appointed and qualified. The President of the
43 Philippines may, however, remove any member of the Board for cause.

1 Whenever a vacancy shall occur in the Board, the person appointed to fill the
2 vacancy shall hold office for the unexpired term of the member replaced.

3 Except the President of the PCDE, each member of the Board shall receive
4 compensation in accordance with current standards set by the Department of
5 Budget and Management (DBM) and as may be determined by the
6 Department of Health (DOH).

7
8 **SEC. 6. *Power and Functions of the Board.*** - The Board shall have the
9 following powers and functions:

- 10 (a) To formulate policies, guidelines and programs to effectively
11 implement and carry out the purposes and objectives of this Act;
- 12 (b) To prescribe, review and revise the amount of the fees, charges, and
13 assessments levied and collected for the support and maintenance of
14 the operations of the PCDE;
- 15 (c) To control the management, operation and administration of PCDE;
- 16 (d) To promulgate such rules and regulations as may be necessary or
17 proper for the effective exercise of power and functions as well as the
18 discharge of the duties, responsibilities of the PCDE, its officers and
19 employees;
- 20 (e) To authorize such expenditures of the PCDE as may be necessary or
21 proper for the effective management, operation and administration of
22 the PCDE;
- 23 (f) To adopt the annual and supplemental budget of receipts and
24 expenditures of the PCDE.
- 25 (g) To appoint, remove, suspend or otherwise discipline the Executive
26 Vice-President and other officers of the PCDE occupying executive
27 and senior management positions;

28
29 **SEC. 7. *Officers of the PCDE.*** The Board shall determine the officers of the
30 PCDE who shall be appointed by the President of the PCDE subject to
31 confirmation by the Board. The PCDE may have an Executive Vice-President
32 and such Vice-Presidents and Assistant Vice-Presidents as may be required
33 for the effective operation of the PCDE.

34
35 **SEC. 8. *The President, His Term and Remuneration.*** The President of the
36 PCDE shall be appointed by, and shall serve at the pleasure of the President
37 of the Philippines. The salary of the President of the PCDE shall be fixed by
38 the Board, subject to the approval of the President of the Philippines.

39
40 **SEC. 9. *Powers and Duties of the President.*** The President of the PCDE
41 shall be the Chief Executive Officer of the PCDE. He shall exercise the
42 following powers and duties:

- 1 (a) To execute the policies, guidelines and programs approved by the
2 Board, and to be responsible for the efficient discharge of management
3 and operational functions;
- 4 (b) To submit for the consideration and approval of the Board proposed
5 measures, policies, guidelines and programs as he may deem
6 necessary or proper for the effective implementation of the purposes
7 and objectives of this Act;
- 8 (c) To direct and supervise the management, operation and administration
9 of the PCDE, and, for this purpose, he/she may delegate any or some
10 of his/her administrative responsibilities and duties to the other officers
11 of the PCDE;
- 12 (d) To execute, on behalf of the PCDE, all contracts and agreements
13 which the PCDE may enter into, and to execute, accomplish and
14 deliver any and all documents relative to such contracts and
15 agreements;
- 16 (e) To represent the PCDE in all dealing with other offices, agencies and
17 instrumentalities of the Government, and all other persons or entities,
18 whether domestic or foreign and whether government or private;
- 19 (f) To appoint, promote, transfer, remove, suspend or otherwise discipline
20 the officers and employees of the PCDE, except those appointed by
21 the Board;
- 22 (g) To exercise such other powers and perform such duties as may be
23 vested or reposed upon him by the Board.

24
25 **SEC. 10. Assistance from the Government.** - The PCDE may call upon
26 any department, bureau, office, agency or instrumentality of the Government,
27 including government-owned or controlled corporations, local government
28 units, and state universities and colleges for such assistance as it may need
29 in the pursuit of the purposes and objectives of this Act.

30
31 **SEC. 11. Authority of the President in Emergencies.** - In case of
32 emergencies which require immediate action by the Board, and there is no
33 sufficient time to call a meeting thereof, the President of the PCDE, with the
34 concurrence of any three (3) other members of the Board, may decide on any
35 matter or take any action within the authority of the Board itself.

36
37 **SEC. 12. Donations to the PCDE.** The PCDE is hereby authorized to solicit
38 and receive donations, grants, contributions, gifts or endowments from all
39 sources whether foreign or domestic, and whether government or private,
40 without the need of securing a permit, approval or registration from any
41 government agency.

42
43 **SEC. 13. Exemption from Fees, Duties and Taxes.** - The PCDE is hereby
44 declared exempt from all income and all other internal revenue taxes, tariff

1 and customs duties and all other kinds of taxes, fees, charges and
2 assessments levied by the Government and its political subdivisions agencies
3 and instrumentalities. Notwithstanding any provision of law to the contrary, all
4 donations, grants, contributions, gifts or endowments which may be made by
5 entities or persons to the PCDE shall be exempt from income and gift taxes,
6 and the same shall be further deductible in full for purposes of computing the
7 maximum amount deductible under the National Internal Revenue Code of
8 1997, as amended.

9
10 **SEC. 14. Government Contribution.** - The amount of Ten Billion Pesos
11 (P10,000,000,000.00) is hereby appropriated from the Philippine Amusement
12 and Gaming Corporation (PAGCOR) to defray the initial operational expenses
13 of the PCDE. Thereafter, the necessary amount to support the continued
14 operation and maintenance of the PCDE shall be included in the General
15 Appropriations Act.

16
17 **SEC. 15. Annual Report.** - The PCDE, through its President, shall render to
18 the President and both houses of Congress annual reports on its
19 accomplishments and activities.

20
21 **SEC. 16. Applicability of the Corporation Law.** - The provisions of the
22 general corporation law, insofar as they are not inconsistent with the
23 provisions of this Act and with the purposes and objectives for which the
24 PCDE is formed, shall apply to the PCDE.

25
26 **SEC. 17. Implementing Rules and Regulations.** - The President, in close
27 coordination with the DOH, DOST, NEDA, UP-PGH, and other stakeholders
28 such as the Philippine Society of Endocrinology and Metabolism (PSEM) and
29 shall within sixty (60) days from the date of the effectivity of this Act,
30 promulgate and publish the rules and regulations for the effective and faithful
31 implementation of this Act, Provided, that the failure of the promulgation of
32 said rules and regulations shall not prevent the implementation of this Act
33 upon its effectivity.

34
35 **SEC. 18. Separability Clause.** - If any portion or provision of this Act is
36 subsequently declared invalid or unconstitutional, other provisions hereof
37 which are not affected thereby shall remain in full force and effect.

38
39 **SEC. 19. Effectivity.** - This Act shall take effect fifteen (15) days after its
40 publication in the Official Gazette or in at least two (2) newspapers of general
41 circulation.

42
43 **Approved,**