

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

17 MAY -2 P2:50

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SENATE

S. B. NO. 1424

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Introduced by Senator JOEL VILLANUEVA

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**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 world<sup>1</sup>. 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 cases<sup>2</sup>. 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)<sup>3</sup>.

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

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

<sup>3</sup> "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 diabetes<sup>4</sup>. 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 risk<sup>5</sup>.

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)<sup>6</sup>.

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

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

<sup>5</sup> "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>

<sup>6</sup> Philippine Scorecard is available at [http://www.idf.org/sites/default/files/attachments/Philippines\\_Scorecard.pdf](http://www.idf.org/sites/default/files/attachments/Philippines_Scorecard.pdf)

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*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                   organized 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:

43

- (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 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, and, 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 dealing with other offices, agencies and instrumentalities of the Government, and all other persons or entities, whether domestic or foreign and whether 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;
  - (g) To exercise such other powers and perform such duties as may be vested or reposed upon him 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, local government units, and state universities and colleges for such assistance as it may need in the pursuit of the purposes and objectives of this Act.

**SEC. 11. Authority of the President 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 President of the PCDE, with the concurrence of any 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, and whether 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

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,**