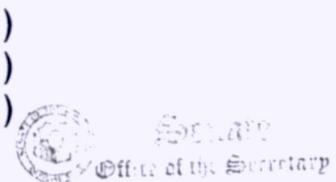


EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session



SENATE

19 JUL 18 P1:29

S. B. NO. 612

RECEIVED JULY 19 2018

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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 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.¹ The IDF further 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.

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.² The Philippines' 2013 National Health and Nutrition Survey 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

Worse, more and more young Filipinos are diagnosed with diabetes. There were reports that even five-year old children were already diagnosed

¹ 2016, March 29. The Philippines is now a diabetes hotspot. Retrieved from: <http://lifestyle.inquirer.net/225706/the-philippines-is-now-a-diabetes-hotspot/> (date last accessed: July 9, 2019).

² 2016, August 13. 6 million Pinoys have diabetes. Retrieved from: <http://newsinfo.inquirer.net/805812/6m-pinoys-have-diabetes#ixzz4ccdTjsbs> (date last accessed: July 9, 2019).

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

with type 2 diabetes.⁴ The DOH stated 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 at night or have graveyard shift have higher risk of getting the disease according to the Philippine Center for Diabetes Education Foundation. The DOH also mentioned that even traffic jams raise diabetes risk.⁵

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. 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.

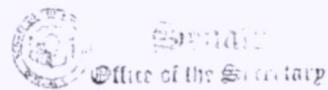


SENATOR JOEL VILLANUEVA

⁴ 2018, October 18. Managing Diabetes. Retrieved from: <https://businessmirror.com.ph/2018/10/18/managing-diabetes/> (date last accessed: July 9, 2019).

⁵ 2016, March 27. Traffic jams raise diabetes risks. Retrieved from: <http://www.philstar.com/news-feature/2016/03/28/1566912/traffic-jams-raise-diabetes-risk> (date last accessed: July 9, 2019).

EIGHTEENTH CONGRESS OF THE
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A handwritten signature in black ink, appearing to read "J. Villanueva".

Introduced by SENATOR JOEL VILLANUEVA

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:*

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 instill 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

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

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

16 The PCDE shall have its principal office in Metro Manila, and may have such
17 branch offices, hospitals, clinics or subsidiaries in Visayas and Mindanao and
18 other areas in the Philippines, as it may deem proper and necessary.
19

20 **SEC. 3. Purpose and Objectives.** – The PCDE shall have the following
21 purposes and objectives:
22

23 a) To construct, establish, equip, maintain, administer and operate such
24 integrated medical institution or institutions which shall provide an
25 organized system of care, comprehensive and optimal treatment for
26 patients with diabetes and other endocrine problems;
27

- 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 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 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 following powers and functions in addition to those provided for in the other sections of this Act:

- 38

39 a) To acquire, own, hold, use, lease, grant, mortgage, pledge, sell, assign,
40 convey, transfer, exchange, dispose or otherwise deal with, real and/or
41 personal properties of every kind and nature, including shares of stock,
42 bonds, debentures, notes, securities and other evidences of
43 indebtedness or obligations of other corporations, whether domestic or
44 foreign, and whether government or private;
45

46 b) To solicit and receive donations, endowments and funds in the form of
47 contributions, whether in cash or in kind, from both the public and private
48 sectors;

49

50

- 1 c) To award, enter into, make, execute, perform and carry out domestic or
2 foreign contracts of whatever kind and nature;
- 3
- 4 d) To open accounts in banks and other financial institutions, and to
5 disburse such funds or invest the same as the Board may direct to
6 accomplish or advance the purposes or interest of the PCDE, and to
7 obtain loans, borrow funds and/or arrange financing or credit assistance
8 of whatever kind and nature from all sources, whether domestic or
9 foreign and whether government or private.
- 10
- 11 e) To levy, assess and collect such fees, charges and assessments as may
12 be necessary or proper to support, finance and maintain its operations;
- 13
- 14 f) To invite diabetes specialists and similar experts in the various medical
15 fields to train the personnel or trainees or residents of the PCDE and to
16 also support the trainings, seminars, conferences and conventions of its
17 medical personnel in research and medical institutes or universities, be it
18 local or international as the Board may deem necessary and in line with
19 the principles of the Philippine Qualifications Framework (PQF), to
20 accomplish the purposes and objectives of the PCDE;
- 21
- 22 g) To adopt and use a corporate seal;
- 23
- 24 h) To sue and be sued in its corporate name;
- 25
- 26 i) To adopt its by-laws, rules and regulations not inconsistent with law of
27 the provisions hereof to govern the administration and operation of the
28 affairs of the PCDE; and
- 29
- 30 j) To exercise such other powers and functions as may be necessary,
31 related or incidental or to carry out the purposes and objectives of this
32 Act.
- 33

34 **SEC. 5. The Board of Trustees; Composition; Term and Compensation.** –
35 The PCDE shall be governed, and its activities and properties shall be
36 directed, controlled and managed, by a Board of Trustees, hereinafter
37 referred to as the Board, which shall be composed of a Chairperson and six
38 (6) members, all of whom shall be appointed by the President of the
39 Philippines.

40 At least one (1) member shall come from the Philippine Society of
41 Endocrinology, Diabetes and Metabolism (PSEM) and at least one (1) from
42 the academe.

43 The Chairman of the PCDE shall be appointed from among the members of
44 the Board.

45 All the members of the Board shall serve for a term of three (3) years, with a
46 right to hold-over such position until their respective successors shall have
47 been duly appointed and qualified. The President of the Philippines may,

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

4
5 All members of the Board shall receive compensation in accordance with
6 current standards set by the Department of Budget and Management (DBM)
7 and as may be determined by the DOH.

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

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

28
29 **SEC. 7. Officers of the PCDE.** – The Board shall determine the officers of
30 the 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
36 the PCDE shall be appointed by the President of the Philippines for a term of
37 three (3) years. The salary of the President of the PCDE shall be fixed by the
38 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
- 5 b) To submit for the consideration and approval of the Board proposed
6 measures, policies, guidelines and programs as he may deem
7 necessary or proper for the effective implementation of the purposes and
8 objectives of this Act;
- 9
- 10 c) To direct and supervise the management, operation and administration
11 of the PCDE. For this purpose, he/she may delegate any or some of
12 his/her administrative responsibilities and duties to the other officers of
13 the PCDE;
- 14
- 15 d) To execute, on behalf of the PCDE, all contracts and agreements which
16 the PCDE may enter into, and to execute, accomplish and deliver any
17 and all documents relative to such contracts and agreements;
- 18
- 19 e) To represent the PCDE in all dealings with other offices, agencies and
20 instrumentalities of the Government, and all other persons or entities,
21 whether domestic or foreign, government or private;
- 22
- 23 f) To appoint, promote, transfer, remove, suspend or otherwise discipline
24 the officers and employees of the PCDE, except those appointed by the
25 Board;
- 26
- 27 g) To exercise such other powers and perform such duties as may be
28 vested or reposed upon him by the Board.

29

30 **SEC. 10. Assistance from the Government.** – The PCDE may call upon
31 any department, bureau, office, agency or instrumentality of the Government,
32 including government-owned or controlled corporations, local government
33 units, and state universities and colleges for such assistance as it may need
34 in the pursuit of the purposes and objectives of this Act.

35

36 **SEC. 11. Authority of the President in Emergencies.** – In case of
37 emergencies which require immediate action by the Board, and there is no
38 sufficient time to call a meeting thereof, the President of the PCDE, with the
39 concurrence of three (3) other members of the Board, may decide on any
40 matter or take any action within the authority of the Board itself.

41

42 **SEC. 12. Donations to the PCDE.** – The PCDE is hereby authorized to solicit
43 and receive donations, grants, contributions, gifts or endowments from all
44 sources whether foreign or domestic, and whether government or private,
45 without the need of securing a permit, approval or registration from any
46 government agency.

47

48 **SEC. 13. Exemption from Fees, Duties and Taxes.** – The PCDE is hereby
49 declared exempt from all income and all other internal revenue taxes, tariff
50 and customs duties and all other kinds of taxes, fees, charges and

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

8

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

15

16 **SEC. 15. Annual Report.** – The PCDE, through its President, shall submit
17 an annual report on its accomplishments and activities to the President and
18 both houses of Congress on or before April 30 of each year.

19

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

25

26 **SEC. 17. Implementing Rules and Regulations.** – Within sixty (60) days
27 from the date of the effectivity of this Act, the DOH, in close coordination with
28 the Department of Science and Technology, National Economic Development
29 Authority, University of the Philippines-Philippine General Hospital, and other
30 stakeholders such as the Philippine Society of Endocrinology and Metabolism
31 (PSEM), shall promulgate the rules and regulations for the effective and
32 faithful implementation of this Act.

33

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

37

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

41

42 **Approved,**

43