

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 4412

Introduced by HONORABLE LANI MERCADO-REVILLA

EXPLANATORY NOTE

The Constitution, Article 11, Section 15 states:

The State shall protect and promote the right to health of the people and instill health consciousness among them.

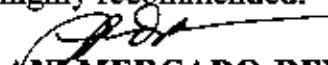
Health research is crucial to improve the blueprint and strategies for health interventions, policies and service delivery. It encompasses all different types of research including basic, fundamental, laboratory, biomedical, clinical, applied, epidemiology, psychosocial, population health, health promotion, policy development, health economics, health systems and health delivery systems. Many of the components of a successful research environment include among others, the need for training, skilled researchers, protection of time, a supportive environment, peer review, dissemination and implementation of research results, effective alliances and partnerships, and more importantly, the financial resources to support the activity.

According to Health Secretary Enrique T. Ona, only 16 million pesos out of the 37 million pesos allocated to the Research Institute for Tropical Medicine (RITM) goes to research and vaccine development and production. The RITM is our health facility for tropical and infectious diseases which is tasked to undertake research in these areas, including vaccine production. This amount is a pittance especially when the amount needed to develop a new chemical entity for a drug is about US\$1.2 billion dollars. Innovations in drugs and vaccines to support treatment interventions for our key MDG-identified diseases such as HIV, Malaria, Tuberculosis require a huge influx of money. Thus, the Philippines rely more on other countries to discover and provide it with the drugs needed to combat these diseases. Sad to say, the Philippines is a purchaser rather than a discover and an innovator in health research.

Director Epifanio Rey Evasco of the Intellectual Property Office said that ninety-four percent (94%) of the applicants for patents in the Philippines for 2008 comes from foreign applicants particularly from the United States, Japan, Germany, Switzerland, United Kingdom and the Netherlands. Of the ninety-four percent (94%), seventy percent (70%) comes from the pharmaceutical industry.

According to Dr. Reynaldo L. Garcia, Director of the Technology Licensing Office of the University of the Philippines, many drugs in the future are tried in the Philippines using our own medical and health professionals and researchers and health institutions. It is high time that the Philippines scale up on health research by encouraging our Filipino scientists and technologists to diversify and scale up their research.

To give flesh to the above-quoted constitutional mandate, we must not only ensure that our government allocate five percent (5%) of our national budget to health expenditures which is in compliance with the World Health Organization level of five percent (5%), but we must increase the health research budget to improve the health of the Filipino people. Thus, approval of this bill is highly recommended.


REP. LANI MERCADO-REVILLA
2nd District, Cavite

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**AN ACT INSTITUTIONALIZING THE PHILIPPINE NATIONAL HEALTH
RESEARCH SYSTEM, ESTABLISHING THE PHILIPPINE NATIONAL
HEALTH RESEARCH FUND PROVIDING FOR ITS ADMINISTRATION
AND FOR OTHER PURPOSES**

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

Article 1

SECTION 1. *Short Title.* This Act shall be known as the "Philippine National Health Research System Act of 2010."

SECTION 2. *Declaration of Policy.* It is hereby declared the policy of the State to:

(A) protect and promote the right of health to the people and instill health consciousness among them; and

(B) improve the quality of life of every Filipino through health research and development initiatives.

SECTION 3. *Definition of Terms.* For purposes of this Act, the term:

(A) "Health" is defined as a state of optimal physical, mental and social well-being and ability to function at the individual level.

(B) "Research and Development" (R & D) for health refers to the generation of knowledge on all aspects of health, the factors affecting it, and ways of promoting, protecting and improving it.

(C) "Philippine National Health Research System (PNHRS)" is a framework anchored on the principles of Essential National Health Research on

inclusiveness, participation, quality, equity, efficiency and effectiveness, which connect to, and converge with, the wider health, economic, political, educational and science and technology (S & T) systems of the country.

(D) "Philippine Health Research Ethics Review Board (PHREB)" is a national policymaking body on health research ethics mandated to ensure that all phases of health research shall adhere to the universal ethical principles that value the protection and promotion of the dignity of health research participants.

(E) "Regional Health Research Systems" refers to the regional health research consortia or communities in the 17 regions of the country which mirror the PNHRF framework at the regional level.

(F) "National Unified Health Research Agenda" is a set of research priorities determined by the country's stakeholders which addresses the health needs of the population vis-a-vis the health sector's goal for universal health care. This agenda is a platform to advocate for local, national, and international support.

(G) "Core agencies" refer to the principal national health and health research related agencies namely: the Department of Science and Technology-Philippine Council for Health Research and Development (DOST-PCHRD), the Department of Health (DOH), the Commission on Higher Education (CHED), and the University of the Philippines Manila- National Institutes of Health ((UPM-NIH).

(H) "Philippine National Health Research Fund (PNHRF)" refers to a special fund which by legislative action segregates specified revenues for health research purposes.

(I) "Health research stakeholders" include the national and the local public and private agencies/organizations, policymakers, the academe, medical and health societies, people's and civil society organizations, and others who are concerned with and affected by health and development

(J) "Management of Fund" - involves the generation, allocation and utilization, of the PNHRF, including government and non-government sources, and both domestic and international sources.

Article 2

The Philippine National Health Research System

SECTION 4. *Creation of the Philippine National Health Research System within the mandate of the Philippine Council for Health Research and Development, the national coordinating body for health research.* The Philippine National Health Research System (PNHRS) is a framework of cooperation and resource sharing of the core agencies and stakeholders in health research anchored on the principles of inclusiveness, participation, quality, equity, efficiency, and effectiveness. The PNHRF aims to improve the health status, productivity, and the quality of life of Filipinos by:

- (1) Ensuring that health research is linked to the health system needs;
- (2) Ensuring that investments in health research yield the most benefit;

(3) Promoting good governance in research towards high performing and ethical health research organizations; and

(4) Engaging in national and international partnerships and networks for health research development.

SECTION 5. *Composition of the PNHRS.* The PNHRS shall be composed of the Governing Council (GC), Steering Committee, the Technical Working Committees (TWC), the Secretariat, and the whole health research community. The interrelationships among these various components shall be described in the IRR of this Act.

SECTION 6. *The PCHRD Governing Council shall be the policymaking body of the PNHRS.* The PCHRD Governing Council, as created in EO 128, shall be amended to formalize CHED's observer status to a full membership and increase private sector representation to five. PCHRD Governing Council membership is as follows:

- (1) The Secretary of the Department of Science and Technology (DOST), as Chair;
- (2) The Secretary of the Department of Health (DOH) as Co-Chair;
- (3) The Chair of the Commission on Higher Education (CHED);
- (4) The Chancellor of the University of the Philippines Manila (UPM);
- (5) The National Nutrition Council Executive Director;
- (6) The PCHRD Executive Director; and
- (7)-(11) Private Sector Representatives.

SEC. 7. *Functions of the PCHRD Governing Council.* The PCHRD Governing Council shall:

- (1) set policies and directions for the PNHRS;
- (2) periodically review and approve the long-term plans and programs of the PNHRS;
- (3) evaluate and approve the National Unified Health Research Agenda developed and integrated by the Core Agencies, and identify areas that will serve as the foci of the National Health Research Agenda;
- (4) establish the criteria for individuals/groups/institutions which can apply for grants for the approval of the projects and programs;
- (5) review and approve grants and/or donations to any government agency related to health research from the private sector, domestic and international funding agencies;

- (6) review and approve research programs; and,
- (7) create committees as the need arises.

SECTION 8. *Creation and Functions of the Steering Committee.* The Governing Council shall create a Steering Committee, headed by the PCHRD executive director, composed of the following:

1. Executive Director, DOST-Philippine Council for Health Research and Development;
2. Director, DOH-Health Policy Development and Planning Bureau;
3. Director-CHED Office of Policy, Planning, Research and Information;
4. Executive Director, UP Manila- National Institutes of Health;
5. Representative from the Philippine Health Insurance Corporation;
6. Representative from the National Statistics Office;
7. Representative from the Professional Regulations Commission;
8. Representative from the DOTC-Land Transportation Office;
9. Representative from the DENR-Environment Management Bureau;
10. Chair, Philippine Health Research Ethics Review Board (PHREB); and
- 11-13 Chairs of relevant PNHRs Committees

The functions of the Steering Committee are as follows:

- (1) recommend policies to the Governing Council;
- (2) perform oversight function on the implementation and harmonization of PNHRs activities and allocation of PNHRs Fund; and
- (3) monitor and report the progress of the PNHRs programs and utilization of PNHRs funds to the Governing Council.

SECTION 9. *Creation of Technical Working Committees.* The Governing Council shall create Technical Working Committees aligned with research themes which are based on the country's health needs and the six building blocks of the World Health Organization (WHO) to attain universal healthcare.

The Committees shall develop and monitor their respective strategic plans. They shall work closely with the core agencies and the Secretariat.

SECTION 10. *The Philippine Health Research Ethics Review Board (PHREB)* shall ensure adherence to the universal principles for the protection of human participants in research. It shall, among other things, 1) formulate and update guidelines for the ethical conduct of human health research; 2) develop guidelines for the establishment and management of ethics review committees and standardization of research ethics review; 3) monitor and evaluate the performance of institutional ethics review committees in accordance with procedures outlined in a prior agreement; 4) promote the establishment of functional and effective ethics review committees; 5) provide advice and make recommendations to the PNHRs/PCHRD Governing Council and other appropriate entities regarding programs, policies and regulations as they relate to ethical issues in human health research; 6) initiate and contribute to discourse and discussions on ethical issues in human health research; and 7) network with relevant local, national and international organizations.

SEC. 11. *The Executive Director and Secretariat.* The PCHRD Executive Director shall be responsible for, among others, the coordination and oversight functions of the System assisted by the PCHRD secretariat.

SEC. 12. *Regional Health Research Systems.* The PNHRS framework shall be mirrored in all the regions of the country, forming a network of regional research consortia. The consortium set-up varies depending on the culture and resources of the region. Each regional health research system shall address concerns relating to health research agenda, development of human resource in health research, conduct of researches, dissemination of research results, research utilization, resource mobilization, leadership and management.

Article 3

The Philippine National Health Research Fund

SEC. 13. *Creation and Nature of the Philippine National Health Research Fund.* To pursue the objectives of the PNHRS, a Philippine National Health Research Fund (PNHRF) is hereby created.

SEC. 14. *Uses of the PNHRF.* The main objective of this fund is to provide sustained financial support for knowledge management and its translation into efficient and effective health policies and service delivery; a strengthened health care system; and improved health for all Filipinos. It shall ensure that the Government invests in health research as part of its commitment to secure the well-being of its citizens. Specifically, it shall be utilized for any or all of, but not limited to, the following:

- (1) support quality ethical research and the application of ethical principles to health research and development activities;
- (2) create a robust health research environment in the Philippines that will attract, develop and keep excellent researchers and provide them with the opportunity to contribute to the improvement of people's health in the country and the world;
- (3) fulfill an integrated health research agenda across disciplines, sectors and regions that reflect the emerging health needs of Filipinos and the evolution of the health system, and that supports health policy making;
- (4) promote research that meets the highest international scientific standards of excellence and ethics and that pertain to all aspects of health, including biomedical research, clinical research, health systems, health services, the health of populations, societal and cultural dimensions of health and environmental influences on health;
- (5) address emerging health opportunities, threats and challenges (e.g. swine/avian flu, SARS) and accelerate the discovery of cures and treatments and improvements to healthcare, prevention and wellness strategies;
- (6) promote the dissemination of research-based knowledge, technologies, and innovations and the application of health research to improve the health of Filipinos and, provide support for the participation of Filipino health scientists in international collaboration and partnerships in health research.

SEC. 15. *Sources of Philippine National Health Research Fund (PNHRF) and Method of Collection.*

- (1) The PNHRF shall be sourced out from the following agencies, but not limited to:
- a. Ten percent (10%) of the allowable administrative expense of the Philippine Health Insurance Corporation (PHIC);
 - b. Three percent (3%) of the annual revenue collected by the National Statistics Office (NSO) from birth, death and marriage certificate issuances;
 - c. Ten percent (10%) of the total fees collected by the Professional Regulation Commission (PRC) from the issuance and renewal of all professional licenses in the health profession;
 - d. Ten pesos (P10.00) for every motor vehicle transaction at the Department of Transportation and Communications-Land Transportation Office (DOTC-LTO);
 - e. One percent (1%) of the total revenues generated by the Department of Environment and Natural Resources from fines and penalties collected under the Clean Air Act and the Clean Water Act;
 - f. Other appropriations from the General Appropriations Act; and
 - g. Donations and grants from the private sector, domestic and international sources duly accepted/approved by the GC which do not constitute a breach of Philippine laws and recognized international treaties.
- (2) All agencies mentioned in the preceding paragraph are hereby directed to automatically remit semi-annually the amount prescribed by this Act to the specified account established by the Governing Council on or before the 31st day of January and July of each year. This does not preclude the agencies including the private sector from making advance contributions provided they fall within the specifications of this Act.
- (3) The rates indicated in Paragraph 1 hereof shall be reviewed and updated every five (5) years.

SEC. 16. *Management and Allocation of Fund.* The GC through the DOST-PCHRD shall collect, manage, and allocate the Philippine National Health Research Fund (PNHRF) in accordance with the generally accepted accounting and auditing rules and regulations.

Article 4

Final Provisions

SEC. 17. *Monitoring, Evaluation, Accountabilities, and Annual Report.* Regular monitoring and evaluation mechanisms shall be done by the GC through the secretariat to determine the accountabilities of the System to the Contributing Agencies. The

specifics/details of monitoring, evaluation, accountabilities and annual reporting shall be provided for in the Implementing Rules and Regulations of this Act.

SEC. 18. *Implementing Rules and Regulations.* The Core Agencies shall promulgate the Implementing Rules and Regulations of this Act within 120 days after the effectivity hereof.

SEC. 19. *Separability Clause.* If any provision of this Act shall be held unconstitutional or invalid, the other provisions not otherwise affected shall remain in full force and effect.

SEC. 20. *Repealing Clause.* All laws, executive orders or issuances, or any parts thereof which are inconsistent herewith are hereby repealed or amended accordingly.

SEC. 21. *Effectivity Clause.* This Act shall take effect fifteen (15) days after its publication in at least two (2) newspapers of general circulation.

Approved,