

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Philippines

SIXTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2711



INTRODUCED BY: HON. MARCELINO "MARCY" R. TEODORO

EXPLANATORY NOTE

The bill aims to establish the Philippine Blood Disease and Transfusion Center, a government institution that shall offer comprehensive care for patients with blood disorders and provide transfusion services to the Filipino people.

This proposal is in accordance with Republic Act No. 7719 or the National Blood Services Act of 1994, which was enacted to address the need for blood and blood products secondary to inevitable epidemiologic shift towards rising incidence of dengue fever, the increasing threat of HIV and other blood borne infections through the assurance of adequate supply of blood.

Section 2 of RA 7719 on Declaration of Policy states, among others, that the Department of Health shall establish and organize a National Blood Transfusion Service Network in order to rationalize and improve the provision of adequate and safe supply of blood.

Specifically, the creation of the Blood Center under this measure hopes to rationalize and improve the provision of adequate and safe supply of blood and set the standards for scientific and professional establishment and operation of the other blood banks and regional blood centers in the country.

Another important objective the bill wishes to achieve is to provide the latest state-of-the-art diagnosis, management and treatment of hematologic disorders, as well as conduct researches regarding said disorders. The Blood Center will therefore serve as the lead hospital in training and teaching of medical and paramedical professionals pertaining blood diseases and transfusion medicine.

In view of the foregoing premises, immediate approval of this bill is hereby sought.

A handwritten signature in dark ink, appearing to read "Marcelino Teodoro".

MARCELINO "MARCY" R. TEODORO
Representative
1st District, City of Marikina

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

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

SECTION 1. Short Title. – This Act shall be known as the "Philippine Blood Disease and Transfusion Center Act."

SEC. 2. Definition of Terms. – As used in this Act:

- a. Apheresis Facility – a blood service facility where blood collection procedure is done in which whole blood is removed, a selected component separated and the remainder returned to the donor.
- b. Blood – the human blood for transfusion.
- c. Blood Center – refers to the Philippine Blood Disease and Transfusion Center.
- d. Blood Component – refers, but not limited to whole blood, red cells, granulocytes, plasma, platelets, cryoprecipitate and cryosupernate prepared in a Blood Center.
- e. Blood Disease – are blood conditions that include problems with the red blood cells, white blood cells, platelets, blood vessels, bone marrow, lymph nodes, spleen and the proteins involved in bleeding and clotting (hemostasis and thrombosis).
- f. Blood Product – a therapeutic substance derived from whole blood or plasma.
- g. Blood Transfusion – the process of transferring blood or blood-based products from one person into the circulatory system of another.
- h. End-User Hospital - a hospital with a licensed clinical laboratory capable of red cell typing and cross-matching and which does not have any blood service facility but which only receives blood and blood components for blood transfusion as needed.
- i. End-User Non-Hospital Health Facility – a licensed/accredited non-hospital health facility without a licensed clinical laboratory but which administers blood transfusion.
- j. Hematology – the branch of medicine that is concerned with the study of blood, the blood-forming organs and blood diseases,
- k. Voluntary Blood Donor – a donor who gives blood freely and voluntarily without any form of payment.

SEC. 3. Establishment of the Philippine Blood Disease and Transfusion Center. – There is hereby established a Philippine Blood Disease and Transfusion Center, hereinafter referred to as the Blood Center, a government corporate facility that will offer comprehensive care of patients with blood disorders including ensuring blood transfusion services, a strong teaching program and research capability to serve the

Filipino people. The Center shall be located at the Lung Center of the Philippines (LCP) Compound, Quezon Avenue, Quezon City. The Blood Center shall have the attribute of perpetual succession and shall be vested with the powers of a corporation, and shall continue to exist until dissolved for a lawful cause and/or by joint resolution of Congress.

SEC. 4. Purposes and Objectives. – The Blood Center shall have the following purposes and objectives:

- a. To establish and operate a hematology and blood transfusion center for the public welfare;
- b. To offer comprehensive care for patients with blood disorders;
- c. To conduct training and research on the prevention and treatment of blood diseases and those related to blood bank technology and transfusion services, including sponsorship and conduct of relevant congresses, conventions, seminars and conferences;
- d. To establish a state-of-the-art hematology laboratory (which should be able to offer more services than a regular medical center), including a molecular laboratory.
- e. To establish a Hematopoietic Stem Cell transplant program and donor registry;
- f. To recruit, retain and care for voluntary blood donors;
- g. To collect blood from qualified voluntary blood donors;
- h. To process whole blood into blood components;
- i. To collect blood components through Apheresis;
- j. To store, issue, transport and distribute whole blood and blood components to end-user hospitals and non-hospital health facilities;
- k. To ensure that safe supply of blood and blood products to all hospitals and other health facilities are adequate in terms of distribution and delivery;
- l. To implement and monitor quality assurance to selected regional blood centers;
- m. To test units of blood for transfusion-transmittable infections;
- n. To provide special and confirmatory tests and perform immunohematologic examinations;
- o. To prepare special plasma derivatives.

SEC. 5. Powers and Functions. – The Blood Center shall have the following powers and functions:

- a. To adopt a code of by-laws to complement this Charter;
- b. To adopt and use a corporate seal which shall be a matter of judicial notice;
- c. To determine its organizational structure and the number and salaries of its officers and employees, subject to the pertinent provisions of Republic Act No. 10149, also known as the GOCC Governance Act of 2011;
- d. To establish and maintain professional and technical educational systems for the sustained development of the necessary manpower to manage and operate its affairs and business;
- e. To invest its funds as it may deem proper and necessary, but subject to applicable laws, rules and regulations, in any activity related to the Center, including in any bonds or securities issued and guaranteed by the Government of the Philippines;
- f. To acquire assets, real or personal, or interest therein and encumber or otherwise dispose the same as it may deem proper and necessary in the conduct of its business;
- g. To borrow money from local or foreign sources as may be necessary for its operations, subject to applicable laws, rules and regulations;
- h. To accept any gifts, contributions, endowments, grants, bequests and devices of any kind of real or personal property which are necessary and proper for the attainment of the purpose of the hospitals; and

- i. To perform such acts and exercise such functions as may be necessary and proper for the attainment of the purposes and objectives herein specified.

SEC. 6. Contracts. – The Blood Center shall have the authority to enter into contracts with any person or entity, domestic or foreign and with government for the undertaking of the varied aspects of the Blood Center, including the acquisition, by way of purchase, lease or rent or other deferred payment arrangements of equipment and/or raw materials and supplies, as well as for services connected therewith under such terms and conditions as it may deem proper and reasonable.

In the acquisition and disposal of property real or personal, a bidding process shall be necessary to conform to the requirements of public bidding as provided for in RA 9184 and related laws.

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

- a. The Secretary of the Department of Health as Chairman of the Board or his duly authorized representative;
- b. The Undersecretary/Assistant Secretary of the Department of Health;
- c. One (1) member from the private sector preferably with experience in finance, administration or management;
- d. One representative who will provide expertise in hematology;
- e. One representative who will provide expertise in blood transfusion;
- f. One representative from NGO; and
- g. The Blood Center Executive Director.

The terms of office, manner of appointment of the trustees and other matters pertaining to the governance of the Blood Center shall be determined in accordance with the pertinent provisions of RA 10149.

The Board of Trustees shall be governed by a set of by-laws, which shall contain, among others, an enumeration of each of the member's responsibilities, accountabilities, and cause of termination.

SEC. 8. Powers and Functions of the Board. - The Board of Trustees which shall be the policy-making body of the Blood Center shall have the following powers and functions:

- a. Determine the general policies of the Blood Center within the scope of its powers, objectives and financial resources;
- b. Establish the organizational structure of the Blood Center, define the duties and responsibilities of all officials and employees and adopt a compensation and benefit scheme, subject to the pertinent provisions of RA 10149;
- c. To acquire, hold and own in any manner, property of whatever nature or description, and to dispose of such property under any mode of encumbrance or conveyance;
- d. To enter into, make, perform and carry out contracts of every kind and for any lawful purpose with any person, firm, association or corporation, whether public or private, domestic or foreign;
- e. To mortgage, lease, sell, transfer, convey or otherwise dispose of its properties;
- f. To solicit and receive donations, endowments and funds in the form of contributions, whether in cash or in kind, from both the public and private sectors and from domestic or foreign sources;

- g. To open such accounts in banks and other financial institutions, and to disburse such funds or invest the same as the Board of Trustees may direct to accomplish or advance the purposes or interest of the Blood Center;
- h. To invite foreign or local health specialists and similar experts in the various medical fields to train the personnel, trainees, fellows or residents of the Blood Center;
- i. To send the personnel of the Blood Center to research institutes, medical institutes or universities for advance training or observation and to attend international or regional conventions, conferences, congresses or seminars as the Board of Trustees may deem necessary to accomplish the purposes and objectives of the Blood Center;
- j. To enter into such agreements and arrangements with other medical or similar institutions, domestic or foreign, as may be deemed desirable by the Board of Trustees toward promoting the purposes and objectives of the Blood Center;
- k. To adopt a set of by-laws, rules, regulations, policies, guidelines and procedures consistent with law and provisions hereof to govern the administration and operation of the hospital; and
- l. To do all such other acts and things as are or may be necessary for or incidental to the accomplishment of the purposes and objectives of the Blood Center.

SEC. 9. Duties and Responsibilities of the Executive Director. - The Blood Center shall be headed by the Executive Director who shall have the following duties and responsibilities:

- a. To prepare the agenda for the meetings of the board, and to submit for consideration of the board such policies and measures as he/she believe(s) necessary to carry out the purposes and objectives of this Act;
- b. To execute, administer and implement the policies and measures approved by the board;
- c. To exercise such other powers and perform such other duties provided in the by-laws and as vested to him by the board.

SEC. 10. Program for Indigents. - The Department of Health shall ensure that the Blood Center shall adopt and enforce a program for indigents needing blood/ blood products and patients with blood diseases in accordance to the implementing guidelines on classification of patients on Availment of Medical Social Services in Government Hospitals.

SEC. 11. Retention of Income. - The Blood Center is hereby authorized to retain and utilize their income derived from its operation and non-patient related activities for the maintenance of the other operating expenditures, including capital outlay especially in the acquisition of equipment and supplies, subject to auditing rules and regulations. Further, no amount from such income shall be used to augment the salaries and other compensation of the Blood Center personnel beyond the amounts determined by the Governance Commission for Government-Owned and Controlled Corporations (GOCC), as provided for in RA 10149.

The Department of Health in coordination with the Department of Health in coordination with the Department of Budget and Management shall issue the necessary rules and regulation to implement this provision.

SEC. 12. Exemption from Taxes. - The Blood Center shall be exempt from the payment of taxes on all contribution thereto and all accruals on its income and investment earnings.

Any donation, contribution, bequest, subsidy or financial aid which may be made to it shall constitute allowable deduction from the income of the donor for the income

tax purposes and shall be exempt from donor's tax subject to such conditions as provided in the National Internal Revenue Code.

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

SEC. 13. Supervision. - The Blood Center shall be under the direct supervision of the Department of Health for purposes of policy direction and control. It shall submit an annual report, pursuant to the pertinent provisions of RA 10149.

SEC. 14. Implementing Rules and Regulations. - Within thirty (30) days from the completion of the appointment of its members, the Corporation's Board of Trustees shall convene to formulate the rules and regulations necessary for the implementation of this Act.

SEC. 15. Appropriations. - The amount of Two Hundred Million Pesos (Php 200,000,000.00) is hereby appropriated for the initial operation and maintenance of the Blood Center shall be included in the annual General Appropriations Act.

SEC. 16. Separability Clause. - If, for any reason, any section or provision of this Act is declared unconstitutional or invalid, the other sections or provisions hereof which are not affected shall continue to be in full force and effect.

SEC. 17. Repealing Clause. - All laws, decrees, executive orders, proclamations, rules and regulations or parts thereof inconsistent herewith are hereby repealed.

SEC. 18. Effectivity Clause. - This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in any newspaper of general circulation.

Approved,