

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 5450



Introduced by: Hon. Keith Micah "Atty. Mike" D.L. Tan

AN ACT
AMENDING CERTAIN PROVISIONS OF REPUBLIC ACT NO. 9502, OTHERWISE KNOWN AS THE "UNIVERSALLY ACCESSIBLE CHEAPER AND QUALITY MEDICINES ACT OF 2008"

EXPLANATORY NOTE

Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008," was passed into law in June 2008. This landmark law seeks to make quality medicines affordable and accessible to all Filipinos.

While RA 9502 amended provisions of RA 8293 (Intellectual Property Code), RA 6675 (Generics Act of 1988) and RA 5921 (Pharmacy Law), it, however, did not meet its purpose since prices of medicines remain high, particularly the innovator drugs.

An impact evaluation was commissioned by the DOH in 2014 (Sarol, et.al.) which revealed that the law failed to address issues on drug affordability and access especially for the poor.

Among the salient findings that were cited in the study include the following: the significant reduction of prices was felt only on the drugs subjected to Maximum Retail Price (MRP) and Government Mediated Access Price (GMAP); a number of drugs under GMAP did not become readily available in hospitals; there was lack of trust of consumers on generic medicines; and only the upper and middle class benefited from the law while majority of Filipinos especially the poor are still struggling with accessibility issues.

To address the issue of drug affordability and accessibility, especially for the marginalized, this measure seeks to create a Drug Price Regulation Board in lieu of the Drugs and Medicines Price Regulation Authority of the President of the Philippines as well as the Drugs and Medicines Price Monitoring and Regulation Authority of the Secretary of the Department of Health as provided under the

existing law. Moreover, the bill mandates all medical, dental, and veterinary practitioners, including private practitioners, to write prescription using generic name only as a mechanism to increase the utilization of generic medicines in the country.

In view of the foregoing, approval of this bill is earnestly sought.

A handwritten signature in black ink, appearing to read 'Keith Tan', written in a cursive style.

Keith Micah "Atty. Mike" D.L. Tan
4th District, Quezon

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

SECTION 1. Section 17 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

[SEC. 17, Drugs and Medicines Price Regulation Authority of the President of the Philippines. - The President of the Philippines, upon recommendation of the Secretary of the Department of Health, shall have the power to impose maximum retail prices over any or all drugs and medicines as enumerated in Section 23.

The power to impose maximum retail prices over drugs and medicines shall be exercised within such period of time as the situation may warrant as determined by the President of the Philippines. No court, except the Supreme Court of the Philippines, shall issue any temporary restraining order or preliminary injunction or preliminary mandatory injunction that will prevent the immediate execution of the exercise of this power of the President of the Philippines.]

"SEC. 17. CREATION OF THE DRUG PRICE REGULATORY BOARD. - THERE IS HEREBY CREATED THE DRUG PRICE REGULATORY BOARD, HEREINAFTER REFERRED TO AS THE "BOARD".

THE BOARD SHALL BE INDEPENDENT AND AUTONOMOUS AND SHALL HAVE THE SAME STATUS AS THAT OF A NATIONAL GOVERNMENT AGENCY ATTACHED TO THE OFFICE OF THE PRESIDENT."

SEC. 2. Section 18 of Republic Act No. 9502, otherwise known as the

"Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

[SEC. 18. Drugs and Medicines Price Monitoring and Regulation Authority of the Secretary of the Department of Health. - To implement the policies of this Act under this Chapter, the Secretary of the Department of Health is hereby authorized to establish and initiate a price monitoring and regulation system for drugs and medicines within one hundred twenty (120) days after the enactment of this Act. The Secretary of the Department of Health may also create such bodies, consultative councils, from which advice may be sought in the implementation of a drug or medicine price monitoring and regulation policy. Such bodies or consultative councils created by the Secretary of the Department of Health shall coordinate its efforts together with other government agencies.]

"SEC. 18. COMPOSITION OF THE BOARD. - THE BOARD SHALL BE COMPOSED OF SEVEN (7) VOTING MEMBERS, NAMELY:

(1) A PUBLIC HEALTH EXPERT TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY THE COLLEGE OF PUBLIC HEALTH OF THE UNIVERSITY OF THE PHILIPPINES MANILA;

(2) A TRADE SPECIALIST TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY THE VARIOUS BUSINESS ORGANIZATIONS OF NATIONWIDE BASE;

(3) A PHARMACIST TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY THE VARIOUS PHARMACISTS ASSOCIATIONS OF NATIONWIDE BASE;

(4) A FINANCE EXPERT OR ECONOMIST ENGAGED IN APPLIED POLICY TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY THE VARIOUS FINANCIAL ASSOCIATIONS AND ECONOMIC ORGANIZATIONS OF NATIONWIDE BASE;

(5) A LAWYER TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY THE VARIOUS LAWYERS' ASSOCIATIONS OF NATIONWIDE BASE; AND

(6) TWO (2) REPRESENTATIVES FROM THE CONSUMERS ORGANIZATIONS TO BE CHOSEN BY THE PRESIDENT FROM AMONG THE NOMINEES SUBMITTED BY VARIOUS CONSUMER GROUPS OF NATIONWIDE BASE.

THE PRESIDENT SHALL APPOINT A CHAIRPERSON OF THE BOARD AND SIX (6) MEMBERS FOR A TERM OF FOUR (4) YEARS, WITHOUT PREJUDICE TO

ONE REAPPOINTMENT. THE TERMS OF THE INITIAL APPOINTEES SHALL BE ON A STAGGERED BASIS: THE CHAIRPERSON SHALL HOLD OFFICE FOR A TERM OF FOUR (4) YEARS, THE NEXT THREE (3) MEMBERS FOR THREE (3) YEARS, AND THE LAST THREE (3) MEMBERS FOR TWO (2) YEARS.

THE CHAIRPERSON SHALL HAVE THE RANK, PRIVILEGES AND COMPENSATION OF A DEPARTMENT SECRETARY. AND THE MEMBERS SHALL HAVE THE RANK, PRIVILEGES AND COMPENSATION OF UNDERSECRETARIES OF A DEPARTMENT.

THE MEMBERS OF THE BOARD MUST BE CITIZENS AND RESIDENTS OF THE PHILIPPINES, OF GOOD MORAL CHARACTER, OF RECOGNIZED PROBITY AND INDEPENDENCE AND MUST HAVE DISTINGUISHED THEMSELVES PROFESSIONALLY IN PUBLIC, CIVIC OR ACADEMIC SERVICE. EXCEPT FOR THE MEMBERS REPRESENTING THE CONSUMERS' SECTOR, THE MEMBERS OF THE BOARD MUST HAVE BEEN IN THE ACTIVE PRACTICE OF THEIR PROFESSIONS FOR AT LEAST TEN (10) YEARS AND MUST NOT HAVE BEEN CANDIDATES FOR ANY ELECTIVE NATIONAL OR LOCAL OFFICE IN THE IMMEDIATELY PRECEDING ELECTIONS, WHETHER REGULAR OR SPECIAL.

THEY SHALL HOLD OFFICE UNTIL THEIR SUCCESSORS SHALL HAVE BEEN APPOINTED AND QUALIFIED. SHOULD A MEMBER OF THE BOARD FAIL TO COMPLETE HIS TERM, HIS SUCCESSOR SHALL BE APPOINTED BY THE PRESIDENT OF THE PHILIPPINES BUT ONLY FOR THE UNEXPIRED PORTION OF THE TERM.

ANY MEMBER OF THE BOARD MAY BE REMOVED BY THE PRESIDENT OF THE PHILIPPINES FOR NEGLECT OR DERELICTION OF DUTY, INCOMPETENCE, MALPRACTICE, AND UNPROFESSIONAL, UNETHICAL, IMMORAL OR DISHONORABLE CONDUCT: PROVIDED, THAT IN THE COURSE OF INVESTIGATION, THE PRESIDENT OF THE PHILIPPINES SHALL HAVE THE POWER TO SUSPEND SUCH MEMBER UNDER INVESTIGATION AND DESIGNATE A TEMPORARY MEMBER IN HIS PLACE.

VACANCIES IN THE BOARD SHALL BE FILLED FOR THE PERIOD OF THE UNEXPIRED TERM ONLY.

IN NO CASE SHALL ANY AND ALL OF THE MEMBERS OF THE BOARD APPOINT REPRESENTATIVES TO ACT ON THEIR BEHALF.

THE BOARD SHALL ORGANIZE A SECRETARIAT WHICH SHALL BE HEADED BY AN EXECUTIVE DIRECTOR, SUBJECT TO THE NATIONAL COMPENSATION AND POSITION CLASSIFICATION PLAN. IT SHALL FIX THE SECRETARIAT'S STAFFING PATTERN, DETERMINE THE DUTIES, QUALIFICATIONS, RESPONSIBILITIES AND FUNCTIONS, AS WELL AS THE COMPENSATION SCHEME, FOR THE POSITIONS TO

BE CREATED UPON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR. IT SHALL ALSO PREPARE AND APPROVE ITS BUDGET.

THE BOARD SHALL APPOINT THE MEMBERS OF THE STAFF UPON THE RECOMMENDATION OF THE EXECUTIVE DIRECTOR.

A MEMBER OF THE BOARD SHALL AVOID CONFLICTS OF INTEREST AT ALL TIMES. WHEN A CONFLICT OF INTEREST ARISES, HE SHALL RESIGN FROM HIS POSITION IN ANY PRIVATE BUSINESS ENTERPRISE WITHIN THIRTY (30) DAYS FROM HIS ASSUMPTION OF OFFICE AND DIVEST HIMSELF OF HIS SHAREHOLDINGS OR INTEREST WITHIN SIXTY (60) DAYS FROM SUCH ASSUMPTION.

THE SAME RULE SHALL APPLY WHERE A MEMBER OF THE BOARD IS A PARTNER IN A PARTNERSHIP."

SEC. 3. Section 19 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

"SEC. 19. [Functions and Responsibilities of the Secretary of the Department of Health] POWERS OF THE BOARD. - [Pursuant to Section 18 of this Act, the Secretary of the Department of Health] THE BOARD shall have the following powers:

(A) Power to [Recommend] REGULATE the Maximum Retail Price of Drugs and Medicines Subject to Price Regulation - (1) Upon application or *motu proprio* when the public interest so requires, the [Secretary of the Department of Health] BOARD shall have the power to [determine] REGULATE the maximum retail prices of drugs and medicines [which shall be recommended to the President of the Philippines for approval] LISTED UNDER SECTION 23 HEREOF [In order that affordable prices of drugs and medicines from the different manufacturers, importers, traders, distributors, wholesalers, or retailers shall be made available to the public, the Secretary of the Department of Health, as he/she may deem fit and after a proper determination, shall have such approved maximum retail prices of drugs and medicines published] AND AS THE BOARD MAY DEEM FIT, FIX AND PUBLISH FROM TIME TO TIME THE MAXIMUM RETAIL PRICE AT WHICH SUCH DRUGS AND MEDICINES SHALL BE SOLD;

(2) In [recommending] DETERMINING the maximum retail price, the [Secretary of the Department of Health] BOARD shall consider the following factors:

(a) Retail prices of drugs and medicines that are subject to regulation in the Philippines and in other countries;

- (b) The supply available in the market,
- (c) The cost to the manufacturer, importer, trader, distributor, wholesaler or retailer of the following, but not limited to:
 - (i) The exchange rate of the peso to the foreign currency with which the drug or any of its component, ingredient or raw material was paid for;
 - (ii) Any change in the amortization cost of machinery brought about by any change in the exchange rate of the peso to the foreign currency with which the machinery was bought through credit facilities;
 - (iii) Any change in the cost of labor brought about by a change in minimum wage; or
 - (iv) Any change in the cost of transporting or distributing the medicines to the area of destination;
- (d) Such other factors or conditions which will aid in arriving at a just and reasonable maximum price; and

(3) No retailer shall sell drugs and medicines at a retail price exceeding the maximum retail price [approved by the President of the Philippines as provided in Section 17 of this Act:] **FIXED BY THE BOARD:** Provided, That[, the Secretary of the Department of Health shall immediately undertake a study on the prevailing prices] **UNTIL THE MAXIMUM RETAIL PRICE** of drugs and medicines subject to price regulation [and provide an initial list of drugs and medicines, which maximum retail prices he/she shall recommend to the President of the Philippines.] **IS FIXED BY THE BOARD, NO MANUFACTURER, IMPORTER, TRADER, DISTRIBUTOR, WHOLESALER, OR RETAILER OF SUCH DRUG OR MEDICINE SHALL SELL THE SAME AT A RETAIL PRICE EXCEEDING THE PRICE PREVAILING IMMEDIATELY BEFORE THE EFFECTIVITY OF THIS ACT: PROVIDED FURTHER, THAT IMMEDIATELY AFTER THE BOARD IS CONSTITUTED, IT SHALL UNDERTAKE A STUDY ON THE PREVAILING PRICES OF DRUGS AND MEDICINES SUBJECT TO PRICE REGULATION AND IMMEDIATELY AFTER THE EFFECTIVITY OF ITS POWERS, PROVIDE AN INITIAL LIST OF DRUGS AND MEDICINES THE NEW MAXIMUM RETAIL PRICES OF WHICH SHALL BE FIXED BY THE BOARD.**

(B) Power to Include Other Drugs and Medicines in the List Subject to Price Regulation — Upon application or *motu proprio* when the public interest so requires and after proper determination, the [Secretary of the Department of Health] **BOARD** may order the inclusion of drugs and medicines to the list subject [of] TO price regulation under Section 23 hereof.

(C) Power to Implement Cost-Containment and Other Measures - (1) The [Secretary of the Department of Health] BOARD shall have the power to [implement] DETERMINE the fair price of drugs and medicines for purposes of public health insurance and government procurement [based on the order of the President of the Philippines imposing maximum retail prices]; and

(2) The [Secretary of the Department of Health] BOARD shall have the power to implement any other measures that the government may avail of to effectively reduce the cost of drugs and medicines that shall include [, but not limited to,] competitive bidding, price volume negotiations, and other appropriate mechanisms that influence supply, demand and expenditures on drugs and medicines.

(D) POWER TO INVESTIGATE AND ADJUDICATE ON ILLEGAL ACTS OF PRICE MANIPULATION. - THE BOARD SHALL HAVE THE QUASI-JUDICIAL POWER TO INVESTIGATE AND ADJUDICATE ON ILLEGAL ACTS OF PRICE MANIPULATION SUCH AS HOARDING, PROFITEERING, OR ILLEGAL COMBINATION OR FORMING CARTEL, AS DEFINED UNDER SECTION 5 OF REPUBLIC ACT NO. 7581, OTHERWISE KNOWN AS THE PRICE ACT, AND ALL ACTS COMMITTED IN RESTRAINT OF TRADE.

THE BOARD WILL COMMENCE AN INVESTIGATION INTO THE PRICE OF A DRUG PRODUCT WHEN ANY OF THE FOLLOWING CRITERIA ARE MET:

(1) THE NATIONAL AVERAGE TRANSACTION PRICE OR ANY MARKET-SPECIFIC AVERAGE TRANSACTION PRICE OF A NEW DRUG PRODUCT EXCEEDS THE MAXIMUM AVERAGE POTENTIAL PRICE DURING THE INTRODUCTORY PERIOD BY MORE THAN FIVE PERCENT (5%).

(2) EXCESS REVENUES FOR A NEW OR EXISTING DRUG PRODUCT ARE TWO MILLION PESOS (PHP2,000,000.00) OR MORE.

(3) THE BOARD RECEIVES A COMPLAINT.

[[D]] (E) Power to Impose Administrative Fines and Penalties - [After due notice and hearing,] FOR VIOLATIONS OF THE MAXIMUM RETAIL PRICE FIXED PURSUANT TO THIS CHAPTER OF THIS ACT AND AFTER DUE NOTICE AND HEARING, the [Secretary of the Department of Health] BOARD shall have the power to impose administrative fines AND PENALTIES against any person, manufacturer, importer, trader, distributor, wholesaler, retailer, or any other entity, [in such amount as it may deem reasonable, which in no case shall be less than Fifty thousand pesos (Php50,000.00) nor more than Five million pesos (Php5,000,000.00) for violations of the maximum retail price approved by the President of the Philippines pursuant to the provisions of this Chapter.] SUBJECT TO THE FOLLOWING:

FOR THE FIRST OFFENSE: THE BOARD SHALL IMPOSE ADMINISTRATIVE FINES OF UP TO ONE HUNDRED MILLION PESOS (PHP100,000,000.00) ON A VIOLATOR AND SHALL RECOMMEND TO THE FOOD AND DRUG ADMINISTRATION (FDA) THE SUSPENSION OF THE LICENSE TO OPERATE (LTO), PROFESSIONAL OR BUSINESS LICENSE, AS THE CASE MAY BE, OF THE VIOLATOR;

FOR THE SECOND OFFENSE: THE BOARD SHALL IMPOSE ADMINISTRATIVE FINES OF NOT LESS THAN ONE HUNDRED MILLION PESOS (PHP100,000,000.00) BUT NOT MORE THAN TWO HUNDRED FIFTY' MILLION PESOS (PH P250,000,000.00) ON A VIOLATOR AND SHALL RECOMMEND TO THE FDA THE SUSPENSION OF THE LICENSE TO OPERATE (LTO), PROFESSIONAL OR BUSINESS LICENSE, AS THE CASE MAY BE, OF THE VIOLATOR;

FOR THE THIRD OFFENSE: THE BOARD SHALL IMPOSE ADMINISTRATIVE FINES OF NOT LESS THAN TWO HUNDRED FIFTY MILLION PESOS (PH P250,000,000.00) BUT NOT MORE THAN FIVE HUNDRED MILLION PESOS (PH P500,000,000.00) AND SHALL RECOMMEND TO THE FDA THE REVOCATION OF THE LICENSE TO OPERATE (LTO), PROFESSIONAL OR BUSINESS LICENSE, AS THE CASE MAY BE, OF THE VIOLATOR.

[(E)] (F) Power to Deputize Government Entities — The [Secretary of the Department of Health] BOARD shall have the power to call upon and deputize any official, agent, employee, agency, or instrumentality of the national and local government for any assistance that it may deem necessary to carry out the purposes of this Chapter.

[(F)] (G) Other Powers Necessary to Implement Provisions of this Chapter - The [Secretary of the Department of Health] BOARD shall exercise such powers and functions as may be necessary to implement and enforce the provisions of this Chapter of this Act, [including the] SUCH AS, BUT NOT LIMITED TO, THE POWER TO ISSUE SUBPOENA DUCES TECUM AND SUBPOENA AD TESTIFICANDUM, AND THE power to require the production and submission of records, documents, books of account, bills of lading, input documents, records of purchase and sale, financial statements, and such other documents, information and papers as may be necessary to enable the [Secretary of the Department of Health] BOARD to carry out its functions, duties, and responsibilities. Accordingly, within thirty (30) days from the effectivity of this Act and every December 31st of every year thereafter, every manufacturer, importer, trader, distributor, wholesaler, and retailer of a drug and medicine whether included in or excluded from the list of drugs and medicines that are subject to price regulation shall furnish the [Secretary of the Department of Health] BOARD a list, containing on the minimum the corresponding prices and inventory, of all drugs and medicines it manufactures, imports, trades, distributes, wholesales, or retails, data pertaining to the factors enumerated under Section 19(A)(2), and any and all necessary information that

the [Secretary of the Department of Health] BOARD may require.”

SEC. 4. Section 20 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

“SEC. 20. BOARD Procedures for Inquiries, Studies, Hearings, Investigations, and Proceedings, - All inquiries, studies, hearings, investigations and proceedings conducted by the [Secretary of the Department of Health] BOARD shall be governed by the rules adopted by [him/her] THE BOARD, and in the conduct thereof, THE BOARD shall not be bound by the technical rules of evidence.

IN ACCORDANCE WITH ITS POWER TO INVESTIGATE ANY MATTER BEFORE IT, THE BOARD SHALL HAVE THE POWER TO DEPOSE WITNESSES RESIDING WITHIN OR OUTSIDE THE PHILIPPINES ACCORDING TO ITS RULES AND REGULATIONS.”

SEC. 5. Section 21 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

“SEC. 21. Effectivity of the BOARD’S Decisions or Orders [of the Secretary of the Department of Health]. - All decisions or orders of the [Secretary of the Department of Health] BOARD pursuant to Section 19 [Paragraphs (A) Power to Recommend the Maximum Retail Price of Drugs and Medicines Subject to Price Regulation, (B) Power to Include Other Drugs and Medicines in the List Subject to Price Regulation, (C) Power to Implement Cost-Containment and Other Measures, (D) Power to Impose Administrative Fines and Penalties, (E) Power to Deputize Government Entities, or (F) Other Powers Necessary to Implement Provisions] of this Chapter OF THIS ACT, shall be immediately operative [.] UNLESS OTHERWISE PROVIDED BY THE BOARD.”

SEC. 6. Section 22 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

“SEC. 22. Review of the Decisions or Orders of the [Secretary of the Department of Health] BOARD. — A party adversely affected by a decision, order or ruling of the [Secretary of the Department of Health] BOARD may, within thirty (30) days from -notice of such decision, order or ruling, or in case of a denial of a motion for reconsideration thereof, within fifteen (15) days after notice of such denial, file an appeal with the Court of Appeals, which shall have jurisdiction to review such decision, order or ruling [.]AND TO MODIFY OR SET ASIDE THE SAME WHEN IT CLEARLY APPEARS THAT THERE WAS NO EVIDENCE BEFORE THE BOARD TO SUPPORT REASONABLY SUCH DECISION, ORDER OR RULING, OR

THAT THE SAME IS CONTRARY TO THE LAW, OR THAT IT WAS WITHOUT THE JURISDICTION OF THE BOARD. THE EVIDENCE PRESENTED TO THE BOARD, TOGETHER WITH THE RECORD OF THE PROCEEDINGS BEFORE THE BOARD, SHALL BE CERTIFIED BY THE BOARD TO THE COURT OF APPEALS. SAID APPEAL SHALL BE PLACED ON FILE IN THE OFFICE OF THE CLERK OF THE COURT OF APPEALS WHO SHALL FURNISH COPIES THEREOF TO THE BOARD AND OTHER PARTIES INTERESTED.

[The filing of a petition for a writ of certiorari or other special remedies in the Supreme Court shall in no case supersede or stay any decision, order or ruling of the Secretary of the Department of Health, unless the Supreme Court shall so direct, and the petitioner may be required by the Supreme Court to give bond in such form and of such amount as may be deemed proper.]

ANY DECISION, ORDER OR RULING OF THE BOARD MAY LIKEWISE BE REVIEWED BY THE SUPREME COURT UPON A WRIT OF CERTIORARI IN APPROPRIATE CASES. THE PROCEDURE FOR REVIEW, EXCEPT AS HEREIN PROVIDED, SHALL BE IN ACCORDANCE WITH THE RULES PRESCRIBED BY THE SUPREME COURT. THE FILING OF A PETITION FOR A WRIT OF CERTIORARI OR OTHER SPECIAL REMEDIES IN THE SUPREME COURT SHALL IN NO CASE SUPERSEDE OR STAY ANY DECISION, ORDER OR RULING OF THE BOARD, UNLESS THE SUPREME COURT SHALL SO DIRECT, AND THE PETITIONER MAY BE REQUIRED BY THE SUPREME COURT TO GIVE BOND IN SUCH FORM AND OF SUCH AMOUNT AS MAY BE DEEMED PROPER."

SEC. 7. Section 23 (g) of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

"SEC. 23. List of Drugs and Medicines that are Subject to Price Regulation. -

x x x

(g) All other drugs and medicines which, from time to time, the [Secretary of Health] BOARD determines to be in need of price regulation."

SEC. 8. Section 26 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", is hereby amended to read as follows:

"SEC. 26. Display of [Maximum Retail] Price Fixed [AND APPROVED] by [Order of the President Of The Philippines] THE BOARD for Drugs and Medicines Subject to Price Regulation; DISPLAY OF PRICE AND PRICE LIST OF DRUGS AND MEDICINES EXCLUDED FROM THE LIST SUBJECT TO PRICE REGULATION - (a) Within a reasonable period as may be determined by the [Secretary of the

Department of Health] BOARD, and: Provided, That it conforms to existing drug product labeling requirements, every manufacturer, importer, distributor, wholesale, trader, or retailer of a drug or medicine intended for sale shall display the retail price which shall not exceed the maximum retail price approved by order of the [President of the Philippines] BOARD. The maximum retail price shall be printed on the label of the immediate container of the drug and medicine and the minimum pack thereof offered for retail sale with the words "RETAIL PRICE NOT TO EXCEED" preceding it, and "UNDER DRUG PRICE REGULATION" on a red strip: PROVIDED, THAT IN CASE OF A CONTAINER CONSISTING OF SMALLER SALEABLE PACKS, THE RETAIL PRICE OF SUCH SMALLER PACK SHALL ALSO BE DISPLAYED ON THE LABEL OF EACH SMALLER PACK AND SUCH PRICE SHALL NOT BE MORE THAN THE PRO-RATA RETAIL PRICE OF THE MAIN PACK ROUNDED OFF TO THE NEAREST CENTAVO.

(b) Within a period as may be determined by the [Secretary of the Department of Health] BOARD from time to time, every manufacturer, importer, or trader shall issue a price list to wholesalers, distributors, retailers and to the [Secretary of the Department of Health] BOARD, indicating the retail price, the maximum retail price, and such other information as may be required by the [Secretary of the Department of Health] BOARD.

(c) EVERY MANUFACTURER, IMPORTER, TRADER, DISTRIBUTOR, WHOLESALER, OR RETAILER OF A DRUG OR MEDICINE EXCLUDED FROM THE LIST SUBJECT TO PRICE REGULATION UNDER SECTION 19 HEREOF SHALL DISPLAY IN INDELIBLE PRINT MARK ON THE LABEL OF THE IMMEDIATE CONTAINER OF THE DRUG OR MEDICINE AND THE MINIMUM PACK THEREOF OFFERED FOR RETAIL SALE, THE WORDS "NOT UNDER PRICE REGULATION" ON A GREEN STRIP."

SEC. 9. Section 29 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008" is hereby amended to read as follows:

"SEC.29. Rules and Regulations. -The [Secretary of the Department of Health] BOARD, in consultation with the DEPARTMENT OF HEALTH, Department of Trade and Industry, the Congressional Oversight Committee and other appropriate agencies, shall, within one hundred twenty (120) days from the effectivity of this Act, promulgate the rules and regulations necessary to effectively implement the provisions of this Chapter."

SEC. 10. Section 30 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008" is hereby amended to read as follows:

"SEC. 30. Reportorial and Public Notice Requirements. - (a) The [President

of the Philippines] BOARD shall submit a bi-annual Monitoring Report of its performance on the implementation of [this Act] THE PROVISIONS OF THIS CHAPTER to the Office of the President. This report submitted to the Office of the President shall be published in a newspaper of general circulation within thirty (30) days upon submission.

(b) [It shall] THE BOARD shall also submit annually a report of its performance on the implementation of THIS CHAPTER of this Act to both House of Congress, within fifteen (15) days from the opening of the regular session. It shall also regularly report and comply immediately to any order of the Congressional Oversight Committee.

(c) The order of the [President of the Philippines] BOARD imposing maximum retail prices on drugs and medicines, including the conditions implementing it, shall be published within fifteen (15) days from issuance in at least two (2) newspapers of general circulation. All wholesalers, manufacturers, distributors, importers, or traders shall have a copy of the order of the [President of the Philippines] BOARD and provide the same to their clients and customers for every transaction.

(d) All drug outlets are required to post in a conspicuous area within its premises a clear copy of the order of the [President of the Philippines] BOARD which shall be easily accessible to the consuming public and updated regularly as the situation may warrant."

SEC. 11. Section 38 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008" is hereby amended to read as follows:

"SEC. 38. Section 6 of Republic Act No. 6675, otherwise known as the Generics Act of 1988, is hereby amended to read as follows:

"SEC. 6. Who Shall Use Generic Terminology. –

x x x

(b) All medical, dental and veterinary practitioners, including private practitioners, shall write prescriptions using the generic name ONLY [The brand name may be included if so desired].

x x x"

SEC. 12. A new Chapter 8 and a new Section 45 and Section 46 are hereby inserted after Section 7 and Section 44 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", to read

as follows:

"CHAPTER 8

**AMENDMENTS TO REPUBLIC ACT NO. 9994, OTHERWISE KNOWN
AS THE "EXPANDED SENIOR CITIZENS ACT OF 2010"
AND REPUBLIC ACT NO. 7277, OTHERWISE KNOWN AS THE
"MAGNA CARTA FOR PERSONS WITH DISABILITY", AS AMENDED**

SEC. 45. EXEMPTION OF DRUGS AND MEDICINES UNDER PRICE REGULATION FROM THE "EXPANDED SENIOR CITIZENS ACT OF 2010" AND THE MAGNA CARTA FOR PERSONS WITH DISABILITY, AS AMENDED - DRUGS AND MEDICINES UNDER PRICE REGULATION AS FIXED BY THE BOARD SHALL NOT BE INCLUDED IN THE GRANT OF TWENTY PERCENT (20%) DISCOUNT AND EXEMPTION FROM THE VALUE-ADDED TAX (VAT) TO SENIOR CITIZENS AVAILING OF THE PROVISIONS OF SEC. 4 (A) (1) OF REPUBLIC ACT NO. 9994 OR THE "EXPANDED SENIOR CITIZENS ACT OF 2010", AND THE GRANT OF AT LEAST TWENTY PERCENT (20%) DISCOUNT AND EXEMPTION FROM THE VALUE-ADDED TAX (VAT) TO PERSONS WITH DISABILITY AVAILING OF THE PROVISIONS OF SEC. 32 (A) OF REPUBLIC ACT NO. 7277, OTHERWISE KNOWN AS THE "MAGNA CARTA FOR PERSONS WITH DISABILITY", AS AMENDED, SUBJECT TO SECTION 34 (AA) OF REPUBLIC ACT NO. 10963, OTHERWISE KNOWN AS THE "TAX REFORM FOR ACCELERATION AND INCLUSION (TRAIN) ACT"

SEC. 46. IMPLEMENTING RULES AND REGULATIONS TO THE AMENDMENTS TO THE EXPANDED SENIOR CITIZENS ACT AND THE MAGNA CARTA FOR PERSONS WITH DISABILITY, AS AMENDED. - THE DEPARTMENT OF FINANCE (DOF), IN CONSULTATION WITH APPROPRIATE GOVERNMENT AGENCIES, WITHIN NINETY (90) DAYS FROM THE EFFECTIVITY OF THIS ACT, SHALL PROMULGATE THE RULES AND REGULATIONS NECESSARY TO EFFECTIVELY IMPLEMENT THE PROVISIONS OF THIS CHAPTER."

SEC. 13. Chapter 8 and Section 45 and Section 46 of Republic Act No. 9502, otherwise known as the "Universally Accessible Cheaper and Quality Medicines Act of 2008", are hereby renumbered as Chapter 9 and Section 47 and Section 48, respectively, and all succeeding chapters and sections are renumbered accordingly.

SEC. 14. *Period of Organization.* - The Drug Price Regulatory Board shall be organized within sixty (60) days after the effectivity of this Act.

SEC. 15. *Appropriations.* - The amount necessary to carry out the provisions of this Act shall be included in the annual General Appropriations Act.

SEC. 16. *Separability Clause.* - If any provision of this Act is declared invalid, the provisions hereof not affected by such declaration shall remain in full force and effect.

SEC. 17. *Repealing Clause.* - All laws, executive orders, or administrative orders, rules and regulations or parts thereof which are inconsistent with this Act are hereby amended, repealed or modified accordingly.

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,