

107TH CONGRESS
1ST SESSION

S. 1273

To amend the Public Health Service Act to provide for rural health services outreach, rural health network planning and implementation, and small health care provider quality improvement grant programs, and telehomecare demonstration projects.

IN THE SENATE OF THE UNITED STATES

JULY 31, 2001

Mr. HARKIN introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act to provide for rural health services outreach, rural health network planning and implementation, and small health care provider quality improvement grant programs, and telehomecare demonstration projects.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Improving Health Care
5 in Rural America Act”.

1 **SEC. 2. GRANT PROGRAMS.**

2 Section 330A of the Public Health Service Act (42
3 U.S.C. 254c) is amended to read as follows:

4 **“SEC. 330A. RURAL HEALTH SERVICES OUTREACH, RURAL**
5 **HEALTH NETWORK DEVELOPMENT, AND**
6 **SMALL HEALTH CARE PROVIDER QUALITY**
7 **IMPROVEMENT GRANT PROGRAMS.**

8 “(a) PURPOSE.—The purpose of this section is to
9 provide grants for expanded delivery of health services in
10 rural areas, for the planning and implementation of inte-
11 grated health care networks in rural areas, and for the
12 planning and implementation of small health care provider
13 quality improvement activities.

14 “(b) DEFINITIONS.—

15 “(1) DIRECTOR.—The term ‘Director’ means
16 the Director specified in subsection (d).

17 “(2) FEDERALLY QUALIFIED HEALTH CENTER;
18 RURAL HEALTH CLINIC.—The terms ‘Federally
19 qualified health center’ and ‘rural health clinic’ have
20 the meanings given the terms in section 1861(aa) of
21 the Social Security Act (42 U.S.C. 1395x(aa)).

22 “(3) HEALTH PROFESSIONAL SHORTAGE
23 AREA.—The term ‘health professional shortage area’
24 means a health professional shortage area des-
25 ignated under section 332.

1 “(4) HEALTH SERVICES.—The term ‘health
2 services’ includes mental and behavioral health serv-
3 ices and substance abuse services.

4 “(5) MEDICALLY UNDERSERVED AREA.—The
5 term ‘medically underserved area’ has the meaning
6 given the term in section 799B.

7 “(6) MEDICALLY UNDERSERVED POPU-
8 LATION.—The term ‘medically underserved popu-
9 lation’ has the meaning given the term in section
10 330(b)(3).

11 “(c) PROGRAM.—The Secretary shall establish, under
12 section 301, a small health care provider quality improve-
13 ment grant program.

14 “(d) ADMINISTRATION.—

15 “(1) PROGRAMS.—The rural health services
16 outreach, rural health network development, and
17 small health care provider quality improvement
18 grant programs established under section 301 shall
19 be administered by the Director of the Office of
20 Rural Health Policy of the Health Resources and
21 Services Administration, in consultation with State
22 offices of rural health or other appropriate State
23 government entities.

24 “(2) GRANTS.—

1 “(A) IN GENERAL.—In carrying out the
2 programs described in paragraph (1), the Di-
3 rector may award grants under subsections (e),
4 (f), and (g) to expand access to, coordinate, and
5 improve the quality of essential health services,
6 and enhance the delivery of health care, in rural
7 areas.

8 “(B) TYPES OF GRANTS.—The Director
9 may award the grants—

10 “(i) to promote expanded delivery of
11 health services in rural areas under sub-
12 section (e);

13 “(ii) to provide for the planning and
14 implementation of integrated health care
15 networks in rural areas under subsection
16 (f); and

17 “(iii) to provide for the planning and
18 implementation of small health care pro-
19 vider quality improvement activities under
20 subsection (g).

21 “(e) RURAL HEALTH SERVICES OUTREACH
22 GRANTS.—

23 “(1) GRANTS.—The Director may award grants
24 to eligible entities to promote rural health services
25 outreach by expanding the delivery of health services

1 to include new and enhanced services in rural areas.
2 The Director may award the grants for periods of
3 not more than 3 years.

4 “(2) ELIGIBILITY.—To be eligible to receive a
5 grant under this subsection for a project, an
6 entity—

7 “(A) shall be a rural public or nonprofit
8 private entity;

9 “(B) shall represent a consortium com-
10 posed of members—

11 “(i) that include 3 or more health
12 care providers or providers of services; and

13 “(ii) that may be nonprofit or for-
14 profit entities; and

15 “(C) shall not previously have received a
16 grant under this subsection or section 330A for
17 the project.

18 “(3) APPLICATIONS.—To be eligible to receive a
19 grant under this subsection, an eligible entity, in
20 consultation with the appropriate State office of
21 rural health or another appropriate State entity,
22 shall prepare and submit to the Secretary an appli-
23 cation, at such time, in such manner, and containing
24 such information as the Secretary may require,
25 including—

1 “(A) a description of the project that the
2 applicant will carry out using the funds pro-
3 vided under the grant;

4 “(B) a description of the manner in which
5 the project funded under the grant will meet
6 the health care needs of rural underserved pop-
7 ulations in the local community or region to be
8 served;

9 “(C) a description of how the local commu-
10 nity or region to be served will be involved in
11 the development and ongoing operations of the
12 project;

13 “(D) a plan for sustainability of the
14 project after Federal support for the project
15 has ended; and

16 “(E) a description of how the project will
17 be evaluated.

18 “(f) RURAL HEALTH NETWORK DEVELOPMENT
19 GRANTS.—

20 “(1) GRANTS.—

21 “(A) IN GENERAL.—The Director may
22 award rural health network development grants
23 to eligible entities to promote, through planning
24 and implementation, the development of inte-
25 grated health care networks that have inte-

1 grated the functions of the entities participating
2 in the networks in order to—

3 “(i) achieve efficiencies;

4 “(ii) expand access to, coordinate, and
5 improve the quality of essential health
6 services; and

7 “(iii) strengthen the rural health care
8 system as a whole.

9 “(B) GRANT PERIODS.—The Director may
10 award such a rural health network development
11 grant for implementation activities for a period
12 of 3 years. The Director may also award such
13 a rural health network development grant for
14 planning activities for a period of 1 year, to as-
15 sist in the development of an integrated health
16 care networks, if the proposed participants in
17 the network have a history of collaborative ef-
18 forts and a 3-year implementation grant would
19 be inappropriate.

20 “(2) ELIGIBILITY.—To be eligible to receive a
21 grant under this subsection, an entity—

22 “(A) shall be a rural public or nonprofit
23 private entity;

24 “(B) shall represent a network composed
25 of members—

1 “(i) that include 3 or more health
2 care providers or providers of services; and

3 “(ii) that may be nonprofit or for-
4 profit entities; and

5 “(C) shall not previously have received a
6 grant (other than a 1-year grant for planning
7 activities) under this subsection or section 330A
8 for the project.

9 “(3) APPLICATIONS.—To be eligible to receive a
10 grant under this subsection, an eligible entity, in
11 consultation with the appropriate State office of
12 rural health or another appropriate State entity,
13 shall prepare and submit to the Secretary an appli-
14 cation, at such time, in such manner, and containing
15 such information as the Secretary may require,
16 including—

17 “(A) a description of the project that the
18 applicant will carry out using the funds pro-
19 vided under the grant;

20 “(B) an explanation of the reasons why
21 Federal assistance is required to carry out the
22 project;

23 “(C) a description of—

1 “(i) the history of collaborative activi-
2 ties carried out by the participants in the
3 network;

4 “(ii) the degree to which the partici-
5 pants are ready to integrate their func-
6 tions; and

7 “(iii) how the local community or re-
8 gion to be served will benefit from and be
9 involved in the activities carried out by the
10 network;

11 “(D) a description of how the local com-
12 munity or region to be served will experience in-
13 creased access to quality health services across
14 the continuum of care as a result of the inte-
15 gration activities carried out by the network;

16 “(E) a plan for sustainability of the
17 project after Federal support for the project
18 has ended; and

19 “(F) a description of how the project will
20 be evaluated.

21 “(g) SMALL HEALTH CARE PROVIDER QUALITY IM-
22 PROVEMENT GRANTS.—

23 “(1) GRANTS.—The Director may award grants
24 to provide for the planning and implementation of
25 small health care provider quality improvement ac-

1 activities. The Director may award the grants for peri-
2 ods of 1 to 3 years.

3 “(2) ELIGIBILITY.—In order to be eligible for a
4 grant under this subsection, an entity—

5 “(A) shall be a rural public or nonprofit
6 private health care provider, such as a critical
7 access hospital or a rural health clinic;

8 “(B) shall be another rural provider or
9 network of small rural providers identified by
10 the Secretary as a key source of local care; or

11 “(C) shall not previously have received a
12 grant under this subsection for the project.

13 “(3) APPLICATIONS.—To be eligible to receive a
14 grant under this subsection, an eligible entity, in
15 consultation with the appropriate State office of
16 rural health or another appropriate State entity,
17 shall prepare and submit to the Secretary an appli-
18 cation, at such time, in such manner, and containing
19 such information as the Secretary may require,
20 including—

21 “(A) a description of the project that the
22 applicant will carry out using the funds pro-
23 vided under the grant;

1 “(B) an explanation of the reasons why
2 Federal assistance is required to carry out the
3 project;

4 “(C) a description of the manner in which
5 the project funded under the grant will assure
6 continuous quality improvement in the provision
7 of services by the entity;

8 “(D) a description of how the local com-
9 munity or region to be served will experience in-
10 creased access to quality health services across
11 the continuum of care as a result of the activi-
12 ties carried out by the entity;

13 “(E) a plan for sustainability of the
14 project after Federal support for the project
15 has ended; and

16 “(F) a description of how the project will
17 be evaluated.

18 “(4) PREFERENCE.—In awarding grants under
19 this subsection, the Secretary shall give preference
20 to entities that—

21 “(A) are located in health professional
22 shortage areas or medically underserved areas,
23 or serve medically underserved populations; or

1 “(B) propose to develop projects with a
2 focus on primary care, and wellness and preven-
3 tion strategies.

4 “(h) COORDINATION WITH OTHER AGENCIES.—The
5 Secretary shall coordinate activities carried out under
6 grant programs described in this section, to the extent
7 practicable, with Federal and State agencies and nonprofit
8 organizations that are operating similar grant programs,
9 to maximize the effect of public dollars in funding meri-
10 torious proposals.

11 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
12 are authorized to be appropriated to carry out this section
13 such sums as may be necessary for each of fiscal years
14 2002 through 2006.”.

15 **SEC. 3. CONSOLIDATION AND REAUTHORIZATION OF PRO-**
16 **VISIONS.**

17 Subpart I of part D of title III of the Public Health
18 Service Act (42 U.S.C. 254b et seq.) is amended by adding
19 at the end the following:

20 **“SEC. 330I. TELEHOMECARE DEMONSTRATION PROJECT.**

21 “(a) DEFINITIONS.—In this section:

22 “(1) DISTANT SITE.—The term ‘distant site’
23 means a site at which a certified home care provider
24 is located at the time at which a health service (in-

1 cluding a health care item) is provided through a
2 telecommunications system.

3 “(2) TELEHOMECARE.—The term
4 ‘telehomecare’ means the provision of health services
5 through technology relating to the use of electronic
6 information, or through telemedicine or tele-
7 communication technology, to support and promote,
8 at a distant site, the monitoring and management of
9 home health services for a resident of a rural area.

10 “(b) ESTABLISHMENT.—Not later than 9 months
11 after the date of enactment of the Health Care Safety Net
12 Amendments of 2001, the Secretary may establish and
13 carry out a telehomecare demonstration project.

14 “(c) GRANTS.—In carrying out the demonstration
15 project referred to in subsection (b), the Secretary shall
16 make not more than 5 grants to eligible certified home
17 care providers, individually or as part of a network of
18 home health agencies, for the provision of telehomecare
19 to improve patient care, prevent health care complications,
20 improve patient outcomes, and achieve efficiencies in the
21 delivery of care to patients who reside in rural areas.

22 “(d) PERIODS.—The Secretary shall make the grants
23 for periods of not more than 3 years.

24 “(e) APPLICATIONS.—To be eligible to receive a grant
25 under this section, a certified home care provider shall

1 submit an application to the Secretary at such time, in
2 such manner, and containing such information as the Sec-
3 retary may require.

4 “(f) USE OF FUNDS.—A provider that receives a
5 grant under this section shall use the funds made available
6 through the grant to carry out objectives that include—

7 “(1) improving access to care for home care pa-
8 tients served by home health care agencies, improv-
9 ing the quality of that care, increasing patient satis-
10 faction with that care, and reducing the cost of that
11 care through direct telecommunications links that
12 connect the provider with information networks;

13 “(2) developing effective care management
14 practices and educational curricula to train home
15 care registered nurses and increase their general
16 level of competency through that training; and

17 “(3) developing curricula to train health care
18 professionals, particularly registered nurses, serving
19 home care agencies in the use of telecommuni-
20 cations.

21 “(g) COVERAGE.—Nothing in this section shall be
22 construed to supercede or modify the provisions relating
23 to exclusion of coverage under section 1862(a) of the So-
24 cial Security Act (42 U.S.C. 1395y(a)), or the provisions

1 relating to the amount payable to a home health agency
2 under section 1895 of that Act (42 U.S.C. 1395fff).

3 “(h) REPORT.—

4 “(1) INTERIM REPORT.—The Secretary shall
5 submit to Congress an interim report describing the
6 results of the demonstration project.

7 “(2) FINAL REPORT.—Not later than 6 months
8 after the end of the last grant period for a grant
9 made under this section, the Secretary shall submit
10 to Congress a final report—

11 “(A) describing the results of the dem-
12 onstration project; and

13 “(B) including an evaluation of the impact
14 of the use of telehomecare, including telemedi-
15 cine and telecommunications, on—

16 “(i) access to care for home care pa-
17 tients; and

18 “(ii) the quality of, patient satisfac-
19 tion with, and the cost of, that care.

20 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to carry out this section
22 such sums as may be necessary for each of fiscal years
23 2002 through 2006.”.

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