

Calendar No. 192107TH CONGRESS
1ST SESSION**S. 1533****[Report No. 107-83]**

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes.

IN THE SENATE OF THE UNITED STATES

OCTOBER 11, 2001

Mr. KENNEDY, from the Committee on Health, Education, Labor, and Pensions, reported the following original bill; which was read twice and placed on the calendar

A BILL

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Health Care Safety Net Amendments of 2001”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CONSOLIDATED HEALTH CENTER PROGRAM
AMENDMENTS

Sec. 101. Health centers.

TITLE II—RURAL HEALTH

Subtitle A—Rural Health Care Services Outreach, Rural Health Network Development, and Small Health Care Provider Quality Improvement Grant Programs

Sec. 201. Grant programs.

Subtitle B—Telehealth Grant Consolidation

Sec. 211. Short title.

Sec. 212. Consolidation and reauthorization of provisions.

Subtitle C—Mental Health Services Telehealth Program and Rural Emergency Medical Service Training and Equipment Assistance Program

Sec. 221. Programs.

Subtitle D—School-Based Health Center Networks

Sec. 231. Networks.

TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM

Sec. 301. National Health Service Corps.

Sec. 302. Designation of health professional shortage areas.

Sec. 303. Assignment of corps personnel.

Sec. 304. Priorities in assignment of corps personnel.

Sec. 305. Cost-sharing.

Sec. 306. Eligibility for Federal funds.

Sec. 307. Facilitation of effective provision of corps services.

Sec. 308. Authorization of appropriations.

Sec. 309. National Health Service Corps Scholarship Program.

Sec. 310. National Health Service Corps Loan Repayment Program.

Sec. 311. Obligated service.

Sec. 312. Private practice.

Sec. 313. Breach of scholarship contract or loan repayment contract.

Sec. 314. Authorization of appropriations.

Sec. 315. Grants to States for loan repayment programs.

Sec. 316. Demonstration grants to States for community scholarship programs.

Sec. 317. Demonstration project.

TITLE IV—HEALTHY COMMUNITIES ACCESS PROGRAM ACT

Sec. 401. Purpose.

Sec. 402. Creation of Healthy Communities Access Program.

Sec. 403. Expanding availability of dental services.

TITLE V—RURAL HEALTH CLINICS

Sec. 501. Exemptions for rural health clinics.

TITLE VI—STUDY

Sec. 601. Guarantee study.

TITLE VII—CONFORMING AMENDMENTS

Sec. 701. Conforming amendments.

1 **TITLE I—CONSOLIDATED**
 2 **HEALTH CENTER PROGRAM**
 3 **AMENDMENTS**

4 **SEC. 101. HEALTH CENTERS.**

5 Section 330 of the Public Health Service Act (42
 6 U.S.C. 254b) is amended—

7 (1) in subsection (b)(1)(A)—

8 (A) in clause (i)(III)(bb), by striking
 9 “screening for breast and cervical cancer” and
 10 inserting “appropriate cancer screening”;

11 (B) in clause (ii), by inserting “(including
 12 specialty referral when medically indicated)”
 13 after “medical services”; and

14 (C) in clause (iii), by inserting “housing,”
 15 after “social,”;

16 (2) in subsection (b)(2)—

17 (A) in subparagraph (A)—

18 (i) in clause (vi), by striking “and”;

1 (ii) by redesignating clause (vii) as
2 clause (x); and

3 (iii) by inserting after clause (vi) the
4 following:

5 “(vii) the detection and alleviation of
6 chemical and pesticide exposures;

7 “(viii) the promotion of indoor and
8 outdoor air quality;

9 “(ix) the detection and remediation of
10 lead exposures; and”;

11 (B) by redesignating subparagraphs (A)
12 and (B) as subparagraphs (D) and (E), respec-
13 tively; and

14 (C) by inserting before subparagraph (D)
15 (as redesignated by subparagraph (B)) the fol-
16 lowing:

17 “(A) behavioral and mental health and
18 substance abuse services;

19 “(B) recuperative care services;

20 “(C) public health services;”;

21 (3) in subsection (c)(1)—

22 (A) in subparagraph (A), in the matter
23 preceding clause (i), by striking “and lease of
24 buildings” and all that follows through “in-
25 clude—” and inserting “, lease, modernization,

1 and expansion of buildings, the construction of
2 buildings, and the purchase or lease of equip-
3 ment (including the costs of amortizing the
4 principal of, and paying the interest on, loans
5 for buildings and equipment) and shall in-
6 clude—”;

7 (B) in subparagraph (B)—

8 (i) in the heading, by striking “COM-
9 PREHENSIVE SERVICE DELIVERY” and in-
10 sserting “MANAGED CARE”;

11 (ii) in the matter preceding clause (i),
12 by striking “network or plan” and all that
13 follows to the period and inserting “man-
14 aged care network or plan.”; and

15 (iii) in the matter following clause (ii),
16 by striking “Any such grant may include”
17 and all that follows through the period;
18 and

19 (C) by adding at the end the following:

20 “(C) PRACTICE MANAGEMENT NET-
21 WORKS.—The Secretary may make grants to
22 health centers that receive assistance under this
23 section to enable the centers to plan and de-
24 velop practice management networks that will
25 enable the centers to—

1 “(i) reduce costs associated with the
2 provision of health care services;

3 “(ii) improve access to, and avail-
4 ability of, health care services provided to
5 individuals served by the centers;

6 “(iii) enhance the quality and coordi-
7 nation of health care services; or

8 “(iv) improve the health status of
9 communities.

10 “(D) USE OF FUNDS.—The activities for
11 which a grant may be made under subpara-
12 graph (B) or (C) may include the purchase or
13 lease of equipment, which may include data and
14 information systems (including paying for the
15 costs of amortizing the principal of, and paying
16 the interest on, loans for equipment), the provi-
17 sion of training and technical assistance related
18 to the provision of health care services on a pre-
19 paid basis or under another managed care ar-
20 rangement, and other activities that promote
21 the development of practice management or
22 managed care networks and plans.”;

23 (4) in subsection (d)—

24 (A) by striking the subsection heading and
25 inserting “LOAN GUARANTEE PROGRAM.—”;

1 (B) in paragraph (1)—

2 (i) in subparagraph (A), by striking
3 “the principal and interest on loans” and
4 all that follows through the period and in-
5 serting “up to 90 percent of the principal
6 and interest on loans made by non-Federal
7 lenders to health centers, funded under
8 this section, for the costs of developing and
9 operating managed care networks or plans
10 described in subsection (c)(1)(B), or prac-
11 tice management networks described in
12 subsection (c)(1)(C), and for the costs of
13 acquiring, leasing, modernizing, or expand-
14 ing buildings, construction of buildings, or
15 purchasing or leasing equipment.”;

16 (ii) in subparagraph (B)—

17 (I) in clause (i), by striking “or”;

18 (II) in clause (ii), by striking the
19 period and inserting “; or”; and

20 (III) by adding at the end the
21 following:

22 “(iii) to refinance an existing loan (as
23 of the date of refinancing) to the center or
24 centers, if the Secretary determines such
25 refinancing will be beneficial to the health

1 center and the Federal Government and
2 will result in more favorable terms.”; and

3 (iii) by adding at the end the fol-
4 lowing:

5 “(D) LOAN GUARANTEES.—Notwith-
6 standing any other provision of law, the fol-
7 lowing funds shall be made available until ex-
8 pended for loan guarantees under this sub-
9 section:

10 “(i) Funds appropriated for fiscal
11 year 1997 under the Departments of
12 Labor, Health and Human Services, and
13 Education, and Related Agencies Appro-
14 priations Act, 1997, which were made
15 available for loan guarantees for loans
16 made by non-Federal lenders for construc-
17 tion, renovation, and modernization of
18 medical facilities that are owned and oper-
19 ated by health centers and for loan guar-
20 antees for loans to health centers for the
21 costs of developing and operating managed
22 care networks or plans, and which have not
23 been expended.

24 “(ii) Funds appropriated for fiscal
25 year 1998 under the Departments of

1 Labor, Health and Human Services, and
2 Education, and Related Agencies Approp-
3 riations Act, 1998, which were made
4 available for loan guarantees for loans
5 made by non-Federal lenders for construc-
6 tion, renovation, and modernization of
7 medical facilities that are owned or oper-
8 ated by health centers and for loan guar-
9 antees for loans to health centers under
10 this subsection (as in effect on the day be-
11 fore the date of enactment of the Health
12 Care Safety Net Amendments of 2001),
13 and which have not been expended.

14 “(E) PROVISION DIRECTLY TO NETWORKS
15 OR PLANS.—At the request of health centers re-
16 ceiving assistance under this section, loan guar-
17 antees provided under this paragraph may be
18 made directly to networks or plans that are at
19 least majority controlled and, as applicable, at
20 least majority owned by those health centers.

21 “(F) FEDERAL CREDIT REFORM.—The re-
22 quirements of the Federal Credit Reform Act of
23 1990 (2 U.S.C. 661 et seq.) shall apply with re-
24 spect to loans refinanced under subparagraph
25 (B)(iii).”; and

1 (C)(i) by striking paragraphs (6) and (7);

2 and

3 (ii) by redesignating paragraph (8) as
4 paragraph (6);

5 (5) in subsection (e)—

6 (A) in paragraph (1)—

7 (i) in subparagraph (B), by striking
8 “subsection (j)(3)” and inserting “sub-
9 section (l)(3)”; and

10 (ii) by adding at the end the fol-
11 lowing:

12 “(C) OPERATION OF NETWORKS AND
13 PLANS.—The Secretary may make grants to
14 health centers that receive assistance under this
15 section, or at the request of the health centers,
16 directly to a network or plan (as described in
17 subparagraphs (B) and (C) of subsection
18 (c)(1)) that is at least majority controlled and,
19 as applicable, at least majority owned by such
20 health centers receiving assistance under this
21 section, for the costs associated with the oper-
22 ation of such network or plan, including the
23 purchase or lease of equipment (including the
24 costs of amortizing the principal of, and paying
25 the interest on, loans for equipment).”;

1 (B) in paragraph (2)—

2 (i) by striking “acquiring and leasing”
3 and inserting “acquiring, leasing, modern-
4 izing, and expanding”;

5 (ii) by striking “and equipment” and
6 inserting “, constructing buildings, and
7 purchasing or leasing equipment”;

8 (iii) by striking “loans)” and inserting
9 “loans for buildings and equipment)”;

10 (iv) by adding at the end the fol-
11 lowing: “The costs for which a grant may
12 be made under paragraph (1)(C) may in-
13 clude the costs of providing such train-
14 ing.”;

15 (C) by striking paragraph (3);

16 (D) in paragraph (5)—

17 (i) in subparagraph (A), by inserting
18 “subparagraphs (A) and (B) of” after
19 “any fiscal year under”;

20 (ii) by redesignating subparagraphs
21 (B) and (C) as subparagraphs (C) and
22 (D), respectively; and

23 (iii) by inserting after subparagraph
24 (A) the following:

1 “(B) NETWORKS AND PLANS.—The total
2 amount of grant funds made available for any
3 fiscal year under paragraph (1)(C) and sub-
4 paragraphs (B) and (C) of subsection (c)(1) to
5 a health center or to a network or plan shall be
6 determined by the Secretary, but may not ex-
7 ceed 2 percent of the total amount appropriated
8 under this section for such fiscal year.”; and

9 (E) by redesignating paragraphs (4) and
10 (5) as paragraphs (3) and (4), respectively;

11 (6) in subsection (g)—

12 (A) in paragraph (2)—

13 (i) in subparagraph (A), by inserting
14 “and seasonal agricultural worker” after
15 “agricultural worker”; and

16 (ii) in subparagraph (B), by striking
17 “and members of their families” and in-
18 serting “and seasonal agricultural workers,
19 and members of their families,”; and

20 (B) in paragraph (3)(A), by striking “on a
21 seasonal basis”;

22 (7) in subsection (h)—

23 (A) in paragraph (1), by striking “home-
24 less children and children at risk of homeless-
25 ness” and inserting “homeless children and

1 youth and children and youth at risk of home-
2 lessness”;

3 (B)(i) by redesignating paragraph (4) as
4 paragraph (5); and

5 (ii) by inserting after paragraph (3) the
6 following:

7 “(4) TEMPORARY CONTINUED PROVISION OF
8 SERVICES TO CERTAIN FORMER HOMELESS INDIVID-
9 UALS.—If any grantee under this subsection has
10 provided services described in this section under the
11 grant to a homeless individual, such grantee may,
12 notwithstanding that the individual is no longer
13 homeless as a result of becoming a resident in per-
14 manent housing, expend the grant to continue to
15 provide such services to the individual for not more
16 than 12 months.”; and

17 (C) in paragraph (5)(C) (as redesignated
18 by subparagraph (B)), by striking “and residen-
19 tial treatment” and inserting “, risk reduction,
20 outpatient treatment, residential treatment, and
21 rehabilitation”;

22 (8) in subsection (j)(3)—

23 (A) in subparagraph (E)—

24 (i) in clause (i)—

1 (I) by striking “(i)” and insert-
2 ing “(i)(I)”;

3 (II) by striking “plan; or” and
4 inserting “plan; and”; and

5 (III) by adding at the end the
6 following:

7 “(II) has or will have a contrac-
8 tual or other arrangement with the
9 State agency administering the pro-
10 gram under title XXI of such Act (42
11 U.S.C. 1397aa et seq.) with respect to
12 individuals who are State children’s
13 health insurance program bene-
14 ficiaries; or”; and

15 (ii) by striking clause (ii) and insert-
16 ing the following:

17 “(ii) has made or will make every rea-
18 sonable effort to enter into arrangements
19 described in subclauses (I) and (II) of
20 clause (i);”;

21 (B) in subparagraph (G)—

22 (i) in clause (ii)(II), by striking “;
23 and” and inserting “;”;

24 (ii) by redesignating clause (iii) as
25 clause (iv); and

1 (iii) by inserting after clause (ii) the
2 following:

3 “(iii)(I) will assure that no patient
4 will be denied health care services due to
5 an individual’s inability to pay for such
6 services; and

7 “(II) will assure that any fees or pay-
8 ments required by the center for such serv-
9 ices will be reduced or waived to enable the
10 center to fulfill the assurance described in
11 subclause (I); and”;

12 (C) in subparagraph (H)—

13 (i) in clause (ii), by inserting “reviews
14 any internal outreach plans for specific
15 subpopulations served by the center,” after
16 “such services will be provided,”; and

17 (ii) in the matter following clause (iii),
18 by striking “or (p)” and inserting “or
19 (q)”;

20 (9)(A) by redesignating subsection (l) as sub-
21 section (s) and moving that subsection (s) to the end
22 of the section;

23 (B) by redesignating subsections (j), (k), and
24 (m) through (q) as subsections (l), (m), and (n)
25 through (r), respectively; and

1 (C) by inserting after subsection (i) the fol-
2 lowing:

3 “(j) ENVIRONMENTAL CONCERNS.—The Secretary
4 may make grants to health centers for the purpose of as-
5 sisting such centers in identifying and detecting environ-
6 mental factors and conditions, and providing services, in-
7 cluding environmental health services described in sub-
8 section (b)(2)(D), to reduce the disease burden related to
9 environmental factors and exposure of populations to such
10 factors, and alleviate environmental conditions that affect
11 the health of individuals and communities served by health
12 centers funded under this section.

13 “(k) LINGUISTIC ACCESS GRANTS.—

14 “(1) IN GENERAL.—The Secretary may award
15 grants to eligible health centers with a substantial
16 number of clients with limited English speaking pro-
17 ficiency to provide translation, interpretation, and
18 other such services for such clients with limited
19 English speaking proficiency.

20 “(2) ELIGIBLE HEALTH CENTER.—In this sub-
21 section, the term ‘eligible health center’ means an
22 entity that—

23 “(A) is a health center as defined under
24 subsection (a); and

1 “(B) provides health care services for cli-
2 ents for whom English is a second language.

3 “(3) GRANT AMOUNT.—The amount of a grant
4 awarded to a center under this subsection shall be
5 determined by the Administrator. Such determina-
6 tion of such amount shall be based on the number
7 of clients for whom English is a second language
8 that is served by such center, and larger grant
9 amounts shall be awarded to centers serving larger
10 numbers of such clients.

11 “(4) USE OF FUNDS.—An eligible health center
12 that receives a grant under this subsection may use
13 funds received through such grant to—

14 “(A) provide translation, interpretation,
15 and other such services for clients for whom
16 English is a second language, including hiring
17 professional translation and interpretation serv-
18 ices; and

19 “(B) compensate bilingual or multilingual
20 staff for language assistance services provided
21 by the staff for such clients.

22 “(5) APPLICATION.—An eligible health center
23 desiring a grant under this subsection shall submit
24 an application to the Secretary at such time, in such

1 manner, and containing such information as the Sec-
2 retary may reasonably require, including—

3 “(A) an estimate of the number of clients
4 that the center serves for whom English is a
5 second language;

6 “(B) the ratio of the number of clients for
7 whom English is a second language to the total
8 number of clients served by the center; and

9 “(C) a description of any language assist-
10 ance services that the center proposes to pro-
11 vide to aid clients for whom English is a second
12 language.

13 “(6) AUTHORIZATION OF APPROPRIATIONS.—
14 There are authorized to be appropriated to carry out
15 this subsection, in addition to any funds authorized
16 to be appropriated or appropriated for health centers
17 under any other subsection of this section,
18 \$10,000,000 for fiscal year 2002, and such sums as
19 may be necessary for each of fiscal years 2003
20 through 2006.”;

21 (10) in subsection (l)(3) (as redesignated by
22 paragraph (9)(B))—

23 (A) in subparagraph (K), by striking
24 “and” at the end;

1 (B) in subparagraph (L), by striking the
2 period and inserting “; and”; and

3 (C) by adding at the end the following:

4 “(M) in the case of a project involving
5 modernization of a building, the application
6 contains a reasonable assurance that all labor-
7 ers and mechanics employed by contractors or
8 subcontractors in the performance of work on
9 the modernization of the building described in
10 the application will be paid wages at rates not
11 less than the rates prevailing on similar work in
12 the locality involved as determined by the Sec-
13 retary of Labor in accordance with the labor
14 standards specified in the Act of March 3, 1931
15 (commonly known as the ‘Davis-Bacon Act’)
16 (46 Stat. 1494, chapter 411; 40 U.S.C. 276a et
17 seq.), and the Secretary of Labor shall have
18 with respect to such labor standards and such
19 project the authority and functions set forth in
20 Reorganization Plan No. 14 of 1950 (5 U.S.C.
21 App.) and section 2 of the Act of June 13,
22 1934 (48 Stat. 948, chapter 482; 40 U.S.C.
23 276c).”;

24 (11) by striking subsection (m) (as redesignated
25 by paragraph (9)(B)) and inserting the following:

1 “(m) TECHNICAL ASSISTANCE.—The Secretary shall
2 establish a program through which the Secretary shall
3 provide technical and other assistance to eligible entities
4 to assist such entities to meet the requirements of sub-
5 section (l)(3) in developing plans for, or operating, health
6 centers. Services provided through the program may in-
7 clude necessary technical and nonfinancial assistance, in-
8 cluding fiscal and program management assistance, train-
9 ing in fiscal and program management, operational and
10 administrative support, and the provision of information
11 to the entities of the variety of resources available under
12 this title and how those resources can be best used to meet
13 the health needs of the communities served by the enti-
14 ties.”;

15 (12) in subsection (q) (as redesignated by para-
16 graph (9)(B)), by striking “(j)(3)(G)” and inserting
17 “(l)(3)(G)”;

18 (13) in subsection (s) (as redesignated by para-
19 graph (9)(A))—

20 (A) in paragraph (1), by striking
21 “\$802,124,000” and all that follows through
22 the period and inserting “\$1,369,000,000 for
23 fiscal year 2002 and such sums as may be nec-
24 essary for each of the fiscal years 2003 through
25 2006.”;

1 (B) in paragraph (2)—

2 (i) in subparagraph (A)—

3 (I) by striking “(j)(3)” and in-
4 sserting “(l)(3)”; and

5 (II) by striking “(j)(3)(G)(ii)”
6 and inserting “(l)(3)(H)”; and

7 (ii) by striking subparagraph (B) and
8 inserting the following:

9 “(B) DISTRIBUTION OF GRANTS.—For fis-
10 cal year 2002 and each of the following fiscal
11 years, the Secretary, in awarding grants under
12 this section, shall ensure that the proportion of
13 the amount made available under each of sub-
14 sections (g), (h), and (i), relative to the total
15 amount appropriated to carry out this section
16 for that fiscal year, is equal to the proportion
17 of the amount made available under that sub-
18 section for fiscal year 2001, relative to the total
19 amount appropriated to carry out this section
20 for fiscal year 2001.”; and

21 (C) by striking paragraph (3) and insert-
22 ing the following:

23 “(3) LIMITATION.—The total amount of grant
24 funds made available in any fiscal year under sub-
25 sections (c)(1)(A) and (e)(2), to support the costs of

1 building construction or building expansion or mod-
 2 ernization projects shall not exceed 5 percent of the
 3 total amount appropriated to carry out this section
 4 for such fiscal year.”.

5 **TITLE II—RURAL HEALTH**
 6 **Subtitle A—Rural Health Care**
 7 **Services Outreach, Rural Health**
 8 **Network Development, and**
 9 **Small Health Care Provider**
 10 **Quality Improvement Grant**
 11 **Programs**

12 **SEC. 201. GRANT PROGRAMS.**

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

15 **“SEC. 330A. RURAL HEALTH CARE SERVICES OUTREACH,**
 16 **RURAL HEALTH NETWORK DEVELOPMENT,**
 17 **AND SMALL HEALTH CARE PROVIDER QUAL-**
 18 **ITY IMPROVEMENT GRANT PROGRAMS.**

19 “(a) **PURPOSE.**—The purpose of this section is to
 20 provide grants for expanded delivery of health care serv-
 21 ices in rural areas, for the planning and implementation
 22 of integrated health care networks in rural areas, and for
 23 the planning and implementation of small health care pro-
 24 vider quality improvement activities.

25 “(b) **DEFINITIONS.**—

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

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

8 “(3) HEALTH PROFESSIONAL SHORTAGE
9 AREA.—The term ‘health professional shortage area’
10 means a health professional shortage area des-
11 ignated under section 332.

12 “(4) MEDICALLY UNDERSERVED COMMUNITY.—
13 The term ‘medically underserved community’ has the
14 meaning given the term in section 799B.

15 “(5) MEDICALLY UNDERSERVED POPU-
16 LATION.—The term ‘medically underserved popu-
17 lation’ has the meaning given the term in section
18 330(b)(3).

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

22 “(d) ADMINISTRATION.—

23 “(1) PROGRAMS.—The rural health care serv-
24 ices outreach, rural health network development, and
25 small health care provider quality improvement

1 grant programs established under section 301 shall
2 be administered by the Director of the Office of
3 Rural Health Policy of the Health Resources and
4 Services Administration, in consultation with State
5 offices of rural health or other appropriate State
6 government entities.

7 “(2) GRANTS.—

8 “(A) IN GENERAL.—In carrying out the
9 programs described in paragraph (1), the Di-
10 rector may award grants under subsections (e),
11 (f), and (g) to expand access to, coordinate, and
12 improve the quality of essential health care
13 services, and enhance the delivery of health
14 care, in rural areas.

15 “(B) TYPES OF GRANTS.—The Director
16 may award the grants—

17 “(i) to promote expanded delivery of
18 health care services in rural areas under
19 subsection (e);

20 “(ii) to provide for the planning and
21 implementation of integrated health care
22 networks in rural areas under subsection
23 (f); and

24 “(iii) to provide for the planning and
25 implementation of small health care pro-

1 vider quality improvement activities under
2 subsection (g).

3 “(e) RURAL HEALTH CARE SERVICES OUTREACH
4 GRANTS.—

5 “(1) GRANTS.—The Director may award grants
6 to eligible entities to promote rural health care serv-
7 ices outreach by expanding the delivery of health
8 care services to include new and enhanced services
9 in rural areas. The Director may award the grants
10 for periods of not more than 3 years.

11 “(2) ELIGIBILITY.—To be eligible to receive a
12 grant under this subsection for a project, an
13 entity—

14 “(A) shall be a rural public or rural non-
15 profit private entity;

16 “(B) shall represent a consortium com-
17 posed of members—

18 “(i) that include 3 or more health
19 care providers; and

20 “(ii) that may be nonprofit or for-
21 profit entities; and

22 “(C) shall not previously have received a
23 grant under this subsection for the same or a
24 similar project, unless the entity is proposing to

1 expand the scope of the project or the area that
2 will be served through the project.

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

11 “(A) a description of the project that the
12 eligible entity will carry out using the funds
13 provided under the grant;

14 “(B) a description of the manner in which
15 the project funded under the grant will meet
16 the health care needs of rural underserved pop-
17 ulations in the local community or region to be
18 served;

19 “(C) a description of how the local commu-
20 nity or region to be served will be involved in
21 the development and ongoing operations of the
22 project;

23 “(D) a plan for sustaining the project after
24 Federal support for the project has ended;

1 “(E) a description of how the project will
2 be evaluated; and

3 “(F) other such information as the Sec-
4 retary determines to be appropriate.

5 “(f) RURAL HEALTH NETWORK DEVELOPMENT
6 GRANTS.—

7 “(1) GRANTS.—

8 “(A) IN GENERAL.—The Director may
9 award rural health network development grants
10 to eligible entities to promote, through planning
11 and implementation, the development of inte-
12 grated health care networks that have combined
13 the functions of the entities participating in the
14 networks in order to—

15 “(i) achieve efficiencies;

16 “(ii) expand access to, coordinate, and
17 improve the quality of essential health care
18 services; and

19 “(iii) strengthen the rural health care
20 system as a whole.

21 “(B) GRANT PERIODS.—The Director may
22 award such a rural health network development
23 grant for implementation activities for a period
24 of 3 years. The Director may also award such
25 a rural health network development grant for

1 planning activities for a period of 1 year, to as-
2 sist in the development of an integrated health
3 care network, if the proposed participants in
4 the network do not have a history of collabo-
5 rative efforts and a 3-year grant would be inap-
6 propriate.

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

9 “(A) shall be a rural public or rural non-
10 profit private entity;

11 “(B) shall represent a network composed
12 of participants—

13 “(i) that include 3 or more health
14 care providers; and

15 “(ii) that may be nonprofit or for-
16 profit entities; and

17 “(C) shall not previously have received a
18 grant under this subsection (other than a grant
19 for planning activities) for the same or a simi-
20 lar project.

21 “(3) APPLICATIONS.—To be eligible to receive a
22 grant under this subsection, an eligible entity, in
23 consultation with the appropriate State office of
24 rural health or another appropriate State entity,
25 shall prepare and submit to the Secretary an appli-

1 cation, at such time, in such manner, and containing
2 such information as the Secretary may require,
3 including—

4 “(A) a description of the project that the
5 eligible entity will carry out using the funds
6 provided under the grant;

7 “(B) an explanation of the reasons why
8 Federal assistance is required to carry out the
9 project;

10 “(C) a description of—

11 “(i) the history of collaborative activi-
12 ties carried out by the participants in the
13 network;

14 “(ii) the degree to which the partici-
15 pants are ready to integrate their func-
16 tions; and

17 “(iii) how the local community or re-
18 gion to be served will benefit from and be
19 involved in the activities carried out by the
20 network;

21 “(D) a description of how the local com-
22 munity or region to be served will experience in-
23 creased access to quality health care services
24 across the continuum of care as a result of the

1 integration activities carried out by the net-
2 work;

3 “(E) a plan for sustaining the project after
4 Federal support for the project has ended;

5 “(F) a description of how the project will
6 be evaluated; and

7 “(G) other such information as the Sec-
8 retary determines to be appropriate.

9 “(g) SMALL HEALTH CARE PROVIDER QUALITY IM-
10 PROVEMENT GRANTS.—

11 “(1) GRANTS.—The Director may award grants
12 to provide for the planning and implementation of
13 small health care provider quality improvement ac-
14 tivities. The Director may award the grants for peri-
15 ods of 1 to 3 years.

16 “(2) ELIGIBILITY.—To be eligible for a grant
17 under this subsection, an entity—

18 “(A)(i) shall be a rural public or rural non-
19 profit private health care provider or provider
20 of health care services, such as a critical access
21 hospital or a rural health clinic; or

22 “(ii) shall be another rural provider or net-
23 work of small rural providers identified by the
24 Secretary as a key source of local care; and

1 “(B) shall not previously have received a
2 grant under this subsection for the same or a
3 similar project.

4 “(3) APPLICATIONS.—To be eligible to receive a
5 grant under this subsection, an eligible entity, in
6 consultation with the appropriate State office of
7 rural health or another appropriate State entity,
8 such as a hospital association, shall prepare and
9 submit to the Secretary an application, at such time,
10 in such manner, and containing such information as
11 the Secretary may require, including—

12 “(A) a description of the project that the
13 eligible entity will carry out using the funds
14 provided under the grant;

15 “(B) an explanation of the reasons why
16 Federal assistance is required to carry out the
17 project;

18 “(C) a description of the manner in which
19 the project funded under the grant will assure
20 continuous quality improvement in the provision
21 of services by the entity;

22 “(D) a description of how the local com-
23 munity or region to be served will experience in-
24 creased access to quality health care services

1 across the continuum of care as a result of the
2 activities carried out by the entity;

3 “(E) a plan for sustaining the project after
4 Federal support for the project has ended;

5 “(F) a description of how the project will
6 be evaluated; and

7 “(G) other such information as the Sec-
8 retary determines to be appropriate.

9 “(4) EXPENDITURES FOR SMALL HEALTH CARE
10 PROVIDER QUALITY IMPROVEMENT GRANTS.—In
11 awarding a grant under this subsection, the Director
12 shall ensure that the funds made available through
13 the grant will be used to provide services to resi-
14 dents of rural areas. The Director shall award not
15 less than 50 percent of the funds made available
16 under this subsection to providers located in and
17 serving rural areas.

18 “(h) GENERAL REQUIREMENTS.—

19 “(1) PROHIBITED USES OF FUNDS.—An entity
20 that receives a grant under this section may not use
21 funds provided through the grant—

22 “(A) to build or acquire real property; or

23 “(B) for construction, except that such
24 funds may be expended for minor renovations
25 relating to the installation of equipment.

1 “(2) COORDINATION WITH OTHER AGENCIES.—

2 The Secretary shall coordinate activities carried out
3 under grant programs described in this section, to
4 the extent practicable, with Federal and State agen-
5 cies and nonprofit organizations that are operating
6 similar grant programs, to maximize the effect of
7 public dollars in funding meritorious proposals.

8 “(3) PREFERENCE.—In awarding grants under
9 this section, the Secretary shall give preference to
10 entities that—

11 “(A) are located in health professional
12 shortage areas or medically underserved com-
13 munities, or serve medically underserved popu-
14 lations; or

15 “(B) propose to develop projects with a
16 focus on primary care, and wellness and preven-
17 tion strategies.

18 “(i) REPORT.—Not later than September 30, 2005,
19 the Secretary shall prepare and submit to the appropriate
20 committees of Congress a report on the progress and ac-
21 complishments of the grant programs described in sub-
22 sections (e), (f), and (g).

23 “(j) AUTHORIZATION OF APPROPRIATIONS.—There
24 are authorized to be appropriated to carry out this section

1 \$40,000,000 for fiscal year 2002, and such sums as may
2 be necessary for each of fiscal years 2003 through 2006.”.

3 **Subtitle B—Telehealth Grant**
4 **Consolidation**

5 **SEC. 211. SHORT TITLE.**

6 This subtitle may be cited as the “Telehealth Grant
7 Consolidation Act of 2001”.

8 **SEC. 212. CONSOLIDATION AND REAUTHORIZATION OF**
9 **PROVISIONS.**

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

13 **“SEC. 330I. TELEHEALTH NETWORK AND TELEHEALTH RE-**
14 **SOURCE CENTERS GRANT PROGRAMS.**

15 “(a) DEFINITIONS.—In this section:

16 “(1) DIRECTOR; OFFICE.—The terms ‘Director’
17 and ‘Office’ mean the Director and Office specified
18 in subsection (c).

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

1 “(3) FRONTIER COMMUNITY.—The term ‘fron-
2 tier community’ shall have the meaning given the
3 term in regulations issued under subsection (r).

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

8 “(5) MEDICALLY UNDERSERVED POPU-
9 LATION.—The term ‘medically underserved popu-
10 lation’ has the meaning given the term in section
11 330(b)(3).

12 “(6) TELEHEALTH SERVICES.—The term ‘tele-
13 health services’ means services provided through
14 telehealth technologies.

15 “(7) TELEHEALTH TECHNOLOGIES.—The term
16 ‘telehealth technologies’ means technologies relating
17 to the use of electronic information, and tele-
18 communications technologies, to support and pro-
19 mote, at a distance, health care, patient and profes-
20 sional health-related education, health administra-
21 tion, and public health.

22 “(b) PROGRAMS.—The Secretary shall establish,
23 under section 301, telehealth network and telehealth re-
24 source centers grant programs.

25 “(c) ADMINISTRATION.—

1 “(1) ESTABLISHMENT.—There is established in
2 the Health and Resources and Services Administra-
3 tion an Office for the Advancement of Telehealth.
4 The Office shall be headed by a Director.

5 “(2) DUTIES.—The telehealth network and tele-
6 health resource centers grant programs established
7 under section 301 shall be administered by the Di-
8 rector, in consultation with the State offices of rural
9 health, State offices concerning primary care, or
10 other appropriate State government entities.

11 “(d) GRANTS.—

12 “(1) TELEHEALTH NETWORK GRANTS.—The
13 Director may, in carrying out the telehealth network
14 grant program referred to in subsection (b), award
15 grants to eligible entities for projects to demonstrate
16 how telehealth technologies can be used through tele-
17 health networks in rural areas, frontier communities,
18 and medically underserved areas, and for medically
19 underserved populations, to—

20 “(A) expand access to, coordinate, and im-
21 prove the quality of health care services;

22 “(B) improve and expand the training of
23 health care providers; and

24 “(C) expand and improve the quality of
25 health information available to health care pro-

1 viders, and patients and their families, for deci-
2 sionmaking.

3 “(2) TELEHEALTH RESOURCE CENTERS
4 GRANTS.—The Director may, in carrying out the
5 telehealth resource centers grant program referred
6 to in subsection (b), award grants to eligible entities
7 for projects to demonstrate how telehealth tech-
8 nologies can be used in the areas and communities,
9 and for the populations, described in paragraph (1),
10 to establish telehealth resource centers.

11 “(e) GRANT PERIODS.—The Director may award
12 grants under this section for periods of not more than 4
13 years.

14 “(f) ELIGIBLE ENTITIES.—

15 “(1) TELEHEALTH NETWORK GRANTS.—

16 “(A) GRANT RECIPIENT.—To be eligible to
17 receive a grant under subsection (d)(1), an enti-
18 ty shall be a nonprofit entity.

19 “(B) TELEHEALTH NETWORKS.—

20 “(i) IN GENERAL.—To be eligible to
21 receive a grant under subsection (d)(1), an
22 entity shall demonstrate that the entity
23 will provide services through a telehealth
24 network.

1 “(ii) NATURE OF ENTITIES.—Each
2 entity participating in the telehealth net-
3 work may be a nonprofit or for-profit enti-
4 ty.

5 “(iii) COMPOSITION OF NETWORK.—
6 The telehealth network shall include at
7 least 2 of the following entities (at least 1
8 of which shall be a community-based
9 health care provider):

10 “(I) Community or migrant
11 health centers or other Federally
12 qualified health centers.

13 “(II) Health care providers, in-
14 cluding pharmacists, in private prac-
15 tice.

16 “(III) Entities operating clinics,
17 including rural health clinics.

18 “(IV) Local health departments.

19 “(V) Nonprofit hospitals, includ-
20 ing community access hospitals.

21 “(VI) Other publicly funded
22 health or social service agencies.

23 “(VII) Long-term care providers.

24 “(VIII) Providers of health care
25 services in the home.

1 “(IX) Providers of outpatient
2 mental health services and entities op-
3 erating outpatient mental health fa-
4 cilities.

5 “(X) Local or regional emergency
6 health care providers.

7 “(XI) Institutions of higher edu-
8 cation.

9 “(XII) Entities operating dental
10 clinics.

11 “(2) TELEHEALTH RESOURCE CENTERS
12 GRANTS.—To be eligible to receive a grant under
13 subsection (d)(2), an entity shall be a nonprofit enti-
14 ty.

15 “(g) APPLICATIONS.—To be eligible to receive a
16 grant under subsection (d), an eligible entity, in consulta-
17 tion with the appropriate State office of rural health or
18 another appropriate State entity, shall prepare and submit
19 to the Secretary an application, at such time, in such man-
20 ner, and containing such information as the Secretary may
21 require, including—

22 “(1) a description of the project that the eligi-
23 ble entity will carry out using the funds provided
24 under the grant;

1 “(2) a description of the manner in which the
2 project funded under the grant will meet the health
3 care needs of rural or other populations to be served
4 through the project, or improve the access to serv-
5 ices of, and the quality of the services received by,
6 those populations;

7 “(3) evidence of local support for the project,
8 and a description of how the areas, communities, or
9 populations to be served will be involved in the devel-
10 opment and ongoing operations of the project;

11 “(4) a plan for sustaining the project after Fed-
12 eral support for the project has ended;

13 “(5) information on the source and amount of
14 non-Federal funds that the entity will provide for
15 the project;

16 “(6) information demonstrating the long-term
17 viability of the project, and other evidence of institu-
18 tional commitment of the entity to the project;

19 “(7) in the case of an application for a project
20 involving a telehealth network, information dem-
21 onstrating how the project will promote the integra-
22 tion of telehealth technologies into the operations of
23 health care providers, to avoid redundancy, and im-
24 prove access to and the quality of care; and

1 “(8) other such information as the Secretary
2 determines to be appropriate.

3 “(h) TERMS; CONDITIONS; MAXIMUM AMOUNT OF
4 ASSISTANCE.—The Secretary shall establish the terms
5 and conditions of each grant program described in sub-
6 section (b) and the maximum amount of a grant to be
7 awarded to an individual recipient for each fiscal year
8 under this section. The Secretary shall publish, in a publi-
9 cation of the Health Resources and Services Administra-
10 tion, notice of the application requirements for each grant
11 program described in subsection (b) for each fiscal year.

12 “(i) PREFERENCES.—

13 “(1) TELEHEALTH NETWORKS.—In awarding
14 grants under subsection (d)(1) for projects involving
15 telehealth networks, the Secretary shall give pref-
16 erence to an eligible entity that meets at least 1 of
17 the following requirements:

18 “(A) ORGANIZATION.—The eligible entity
19 is a rural community-based organization or an-
20 other community-based organization.

21 “(B) SERVICES.—The eligible entity pro-
22 poses to use Federal funds made available
23 through such a grant to develop plans for, or to
24 establish, telehealth networks that provide men-

1 tal health, public health, long-term care, home
2 care, preventive, or case management services.

3 “(C) COORDINATION.—The eligible entity
4 demonstrates how the project to be carried out
5 under the grant will be coordinated with other
6 relevant federally funded projects in the areas,
7 communities, and populations to be served
8 through the grant.

9 “(D) NETWORK.—The eligible entity dem-
10 onstrates that the project involves a telehealth
11 network that includes an entity that—

12 “(i) provides clinical health care serv-
13 ices, or educational services for health care
14 providers and for patients or their families;
15 and

16 “(ii) is—

17 “(I) a public school;

18 “(II) a public library;

19 “(III) an institution of higher
20 education; or

21 “(IV) a local government entity.

22 “(E) CONNECTIVITY.—The eligible entity
23 proposes a project that promotes local
24 connectivity within areas, communities, or pop-
25 ulations to be served through the project.

1 “(F) INTEGRATION.—The eligible entity
2 demonstrates that health care information has
3 been integrated into the project.

4 “(2) TELEHEALTH RESOURCE CENTERS.—In
5 awarding grants under subsection (d)(2) for projects
6 involving telehealth resource centers, the Secretary
7 shall give preference to an eligible entity that meets
8 at least 1 of the following requirements:

9 “(A) PROVISION OF SERVICES.—The eligi-
10 ble entity has a record of success in the provi-
11 sion of telehealth services to medically under-
12 served areas or medically underserved popu-
13 lations.

14 “(B) COLLABORATION AND SHARING OF
15 EXPERTISE.—The eligible entity has a dem-
16 onstrated record of collaborating and sharing
17 expertise with providers of telehealth services at
18 the national, regional, State, and local levels.

19 “(C) BROAD RANGE OF TELEHEALTH
20 SERVICES.—The eligible entity has a record of
21 providing a broad range of telehealth services,
22 which may include—

23 “(i) a variety of clinical specialty serv-
24 ices;

25 “(ii) patient or family education;

1 “(iii) health care professional edu-
2 cation; and

3 “(iv) rural residency support pro-
4 grams.

5 “(j) DISTRIBUTION OF FUNDS.—

6 “(1) IN GENERAL.—In awarding grants under
7 this section, the Director shall ensure, to the great-
8 est extent possible, that such grants are equitably
9 distributed among the geographical regions of the
10 United States.

11 “(2) TELEHEALTH NETWORKS.—In awarding
12 grants under subsection (d)(1) for a fiscal year, the
13 Director shall ensure that—

14 “(A) not less than 50 percent of the funds
15 awarded shall be awarded for projects in rural
16 areas; and

17 “(B) the total amount of funds awarded
18 for such projects for that fiscal year shall be
19 not less than the total amount of funds award-
20 ed for such projects for fiscal year 2001 under
21 section 330A (as in effect on the day before the
22 date of enactment of the Health Care Safety
23 Net Amendments of 2001).

24 “(k) USE OF FUNDS.—

1 “(1) TELEHEALTH NETWORK PROGRAM.—The
2 recipient of a grant under subsection (d)(1) may use
3 funds received through such grant for salaries,
4 equipment, and operating or other costs, including
5 the cost of—

6 “(A) developing and delivering clinical tele-
7 health services that enhance access to commu-
8 nity-based health care services in rural areas,
9 frontier communities, or medically underserved
10 areas, or for medically underserved populations;

11 “(B) developing and acquiring, through
12 lease or purchase, computer hardware and soft-
13 ware, audio and video equipment, computer net-
14 work equipment, interactive equipment, data
15 terminal equipment, and other equipment that
16 furthers the objectives of the telehealth network
17 grant program;

18 “(C)(i) developing and providing distance
19 education, in a manner that enhances access to
20 care in rural areas, frontier communities, or
21 medically underserved areas, or for medically
22 underserved populations; or

23 “(ii) mentoring, precepting, or supervising
24 health care providers and students seeking to
25 become health care providers, in a manner that

1 enhances access to care in the areas and com-
2 munities, or for the populations, described in
3 clause (i);

4 “(D) developing and acquiring instruc-
5 tional programming;

6 “(E)(i) providing for transmission of med-
7 ical data, and maintenance of equipment; and

8 “(ii) providing for compensation (including
9 travel expenses) of specialists, and referring
10 health care providers, who are providing tele-
11 health services through the telehealth network,
12 if no third party payment is available for the
13 telehealth services delivered through the tele-
14 health network;

15 “(F) developing projects to use telehealth
16 technology to facilitate collaboration between
17 health care providers;

18 “(G) collecting and analyzing usage statis-
19 tics and data to document the cost-effectiveness
20 of the telehealth services; and

21 “(H) carrying out such other activities as
22 are consistent with achieving the objectives of
23 this section, as determined by the Secretary.

24 “(2) TELEHEALTH RESOURCE CENTERS.—The
25 recipient of a grant under subsection (d)(2) may use

1 funds received through such grant for salaries,
2 equipment, and operating or other costs for—

3 “(A) providing technical assistance, train-
4 ing, and support, and providing for travel ex-
5 penses, for health care providers and a range of
6 health care entities that provide or will provide
7 telehealth services;

8 “(B) disseminating information and re-
9 search findings related to telehealth services;

10 “(C) promoting effective collaboration
11 among telehealth resource centers and the Of-
12 fice;

13 “(D) conducting evaluations to determine
14 the best utilization of telehealth technologies to
15 meet health care needs;

16 “(E) promoting the integration of the tech-
17 nologies used in clinical information systems
18 with other telehealth technologies;

19 “(F) fostering the use of telehealth tech-
20 nologies to provide health care information and
21 education for health care providers and con-
22 sumers in a more effective manner; and

23 “(G) implementing special projects or
24 studies under the direction of the Office.

1 “(1) PROHIBITED USES OF FUNDS.—An entity that
2 receives a grant under this section may not use funds
3 made available through the grant—

4 “(1) to acquire real property;

5 “(2) for expenditures to purchase or lease
6 equipment, to the extent that the expenditures would
7 exceed 40 percent of the total grant funds;

8 “(3) in the case of a project involving a tele-
9 health network, to purchase or install transmission
10 equipment (such as laying cable or telephone lines,
11 or purchasing or installing microwave towers, sat-
12 ellite dishes, amplifiers, or digital switching equip-
13 ment), except on the premises of an entity partici-
14 pating in the telehealth network;

15 “(4) to pay for any equipment or transmission
16 costs not directly related to the purposes for which
17 the grant is awarded;

18 “(5) to purchase or install general purpose
19 voice telephone systems;

20 “(6) for construction, except that such funds
21 may be expended for minor renovations relating to
22 the installation of equipment; or

23 “(7) for expenditures for indirect costs (as de-
24 termined by the Secretary), to the extent that the

1 expenditures would exceed 20 percent of the total
2 grant funds.

3 “(m) COLLABORATION.—In providing services under
4 this section, an eligible entity shall collaborate, if feasible,
5 with entities that—

6 “(1)(A) are private or public organizations, that
7 receive Federal or State assistance; or

8 “(B) are public or private entities that operate
9 centers, or carry out programs, that receive Federal
10 or State assistance; and

11 “(2) provide telehealth services or related activi-
12 ties.

13 “(n) COORDINATION WITH OTHER AGENCIES.—The
14 Secretary shall coordinate activities carried out under
15 grant programs described in subsection (b), to the extent
16 practicable, with Federal and State agencies and nonprofit
17 organizations that are operating similar programs, to
18 maximize the effect of public dollars in funding meri-
19 torious proposals.

20 “(o) OUTREACH ACTIVITIES.—The Secretary shall
21 establish and implement procedures to carry out outreach
22 activities to advise potential end users of telehealth serv-
23 ices in rural areas, frontier communities, medically under-
24 served areas, and medically underserved populations in

1 each State about the grant programs described in sub-
2 section (b).

3 “(p) TELEHEALTH.—It is the sense of Congress that,
4 for purposes of this section, States should develop reci-
5 procity agreements so that a provider of services under
6 this section who is a licensed or otherwise authorized
7 health care provider under the law of 1 or more States,
8 and who, through telehealth technology, consults with a
9 licensed or otherwise authorized health care provider in
10 another State, is exempt, with respect to such consulta-
11 tion, from any State law of the other State that prohibits
12 such consultation on the basis that the first health care
13 provider is not a licensed or authorized health care pro-
14 vider under the law of that State.

15 “(q) REPORT.—Not later than September 30, 2005,
16 the Secretary shall prepare and submit to the appropriate
17 committees of Congress a report on the progress and ac-
18 complishments of the grant programs described in sub-
19 section (b).

20 “(r) REGULATIONS.—The Secretary shall issue regu-
21 lations specifying, for purposes of this section, a definition
22 of the term ‘frontier area’. The definition shall be based
23 on factors that include population density, travel distance
24 in miles to the nearest medical facility, travel time in min-
25 utes to the nearest medical facility, and such other factors

1 as the Secretary determines to be appropriate. The Sec-
2 retary shall develop the definition in consultation with the
3 Director of the Bureau of the Census and the Adminis-
4 trator of the Economic Research Service of the Depart-
5 ment of Agriculture.

6 “(s) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this
8 section—

9 “(1) for grants under subsection (d)(1),
10 \$40,000,000 for fiscal year 2002, and such sums as
11 may be necessary for each of fiscal years 2003
12 through 2006; and

13 “(2) for grants under subsection (d)(2),
14 \$20,000,000 for fiscal year 2002, and such sums as
15 may be necessary for each of fiscal years 2003
16 through 2006.

17 **“SEC. 330J. TELEHOMECARE DEMONSTRATION PROJECT.**

18 “(a) DEFINITIONS.—In this section:

19 “(1) DISTANT SITE.—The term ‘distant site’
20 means a site at which a certified home care provider
21 is located at the time at which a health care service
22 (including a health care item) is provided through a
23 telecommunications system.

24 “(2) TELEHOMECARE.—The term
25 ‘telehomecare’ means the provision of health care

1 services through technology relating to the use of
2 electronic information, or through telemedicine or
3 telecommunication technology, to support and pro-
4 mote, at a distant site, the monitoring and manage-
5 ment of home health care services for a resident of
6 a rural area.

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

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

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

21 “(e) APPLICATIONS.—To be eligible to receive a grant
22 under this section, a certified home care provider shall
23 submit an application to the Secretary at such time, in
24 such manner, and containing such information as the Sec-
25 retary may require.

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

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

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

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

18 “(g) COVERAGE.—Nothing in this section shall be
19 construed to supersede or modify the provisions relating
20 to exclusion of coverage under section 1862(a) of the So-
21 cial Security Act (42 U.S.C 1395y(a)), or the provisions
22 relating to the amount payable to a home health agency
23 under section 1895 of that Act (42 U.S.C. 1395fff).

24 “(h) REPORT.—

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

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

8 “(A) describing the results of the dem-
9 onstration project; and

10 “(B) including an evaluation of the impact
11 of the use of telehomecare, including telemedi-
12 cine and telecommunications, on—

13 “(i) access to care for home care pa-
14 tients; and

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

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

1 **Subtitle C—Mental Health Services**
2 **Telehealth Program and Rural**
3 **Emergency Medical Service**
4 **Training and Equipment Assist-**
5 **ance Program**

6 **SEC. 221. PROGRAMS.**

7 Subpart I of part D of title III of the Public Health
8 Service Act (42 U.S.C. 254b et seq.) (as amended by sec-
9 tion 212) is further amended by adding at the end the
10 following:

11 **“SEC. 330K. RURAL EMERGENCY MEDICAL SERVICE TRAIN-**
12 **ING AND EQUIPMENT ASSISTANCE PROGRAM.**

13 “(a) GRANTS.—The Secretary, acting through the
14 Administrator of the Health Resources and Services Ad-
15 ministration (referred to in this section as the ‘Secretary’)
16 shall award grants to eligible entities to enable such enti-
17 ties to provide for improved emergency medical services
18 in rural areas.

19 “(b) ELIGIBILITY.—To be eligible to receive a grant
20 under this section, an entity shall—

21 “(1) be—

22 “(A) a State emergency medical services
23 office;

24 “(B) a State emergency medical services
25 association;

1 “(C) a State office of rural health;

2 “(D) a local government entity;

3 “(E) a State or local ambulance provider;

4 or

5 “(F) any other entity determined appro-
6 priate by the Secretary; and

7 “(2) prepare and submit to the Secretary an
8 application at such time, in such manner, and con-
9 taining such information as the Secretary may re-
10 quire, that includes—

11 “(A) a description of the activities to be
12 carried out under the grant; and

13 “(B) an assurance that the eligible entity
14 will comply with the matching requirement of
15 subsection (e).

16 “(c) USE OF FUNDS.—An entity shall use amounts
17 received under a grant made under subsection (a), either
18 directly or through grants to emergency medical service
19 squads that are located in, or that serve residents of, a
20 nonmetropolitan statistical area, an area designated as a
21 rural area by any law or regulation of a State, or a rural
22 census tract of a metropolitan statistical area (as deter-
23 mined under the most recent Goldsmith Modification,
24 originally published in a notice of availability of funds in

1 the Federal Register on February 27, 1992, 57 Fed. Reg.
2 6725), to—

3 “(1) recruit emergency medical service per-
4 sonnel;

5 “(2) recruit volunteer emergency medical serv-
6 ice personnel;

7 “(3) train emergency medical service personnel
8 in emergency response, injury prevention, safety
9 awareness, and other topics relevant to the delivery
10 of emergency medical services;

11 “(4) fund specific training to meet Federal or
12 State certification requirements;

13 “(5) develop new ways to educate emergency
14 health care providers through the use of technology-
15 enhanced educational methods (such as distance
16 learning);

17 “(6) acquire emergency medical services equip-
18 ment, including cardiac defibrillators;

19 “(7) acquire personal protective equipment for
20 emergency medical services personnel as required by
21 the Occupational Safety and Health Administration;
22 and

23 “(8) educate the public concerning
24 cardiopulmonary resuscitation, first aid, injury pre-

1 vention, safety awareness, illness prevention, and
2 other related emergency preparedness topics.

3 “(d) PREFERENCE.—In awarding grants under this
4 section the Secretary shall give preference to—

5 “(1) applications that reflect a collaborative ef-
6 fort by 2 or more of the entities described in sub-
7 paragraphs (A) through (F) of subsection (b)(1);
8 and

9 “(2) applications submitted by entities that in-
10 tend to use amounts provided under the grant to
11 fund activities described in any of paragraphs (1)
12 through (5) of subsection (c).

13 “(e) MATCHING REQUIREMENT.—The Secretary may
14 not award a grant under this section to an entity unless
15 the entity agrees that the entity will make available (di-
16 rectly or through contributions from other public or pri-
17 vate entities) non-Federal contributions toward the activi-
18 ties to be carried out under the grant in an amount equal
19 to 25 percent of the amount received under the grant.

20 “(f) EMERGENCY MEDICAL SERVICES.—In this sec-
21 tion, the term ‘emergency medical services’—

22 “(1) means resources used by a qualified public
23 or private nonprofit entity, or by any other entity
24 recognized as qualified by the State involved, to de-

1 liver medical care outside of a medical facility under
2 emergency conditions that occur—

3 “(A) as a result of the condition of the pa-
4 tient; or

5 “(B) as a result of a natural disaster or
6 similar situation; and

7 “(2) includes services delivered by an emer-
8 gency medical services provider (either compensated
9 or volunteer) or other provider recognized by the
10 State involved that is licensed or certified by the
11 State as an emergency medical technician or its
12 equivalent (as determined by the State), a registered
13 nurse, a physician assistant, or a physician that pro-
14 vides services similar to services provided by such an
15 emergency medical services provider.

16 “(g) AUTHORIZATION OF APPROPRIATIONS.—

17 “(1) IN GENERAL.—There are authorized to be
18 appropriated to carry out this section such sums as
19 may be necessary for each of fiscal years 2002
20 through 2006.

21 “(2) ADMINISTRATIVE COSTS.—The Secretary
22 may use not more than 10 percent of the amount
23 appropriated under paragraph (1) for a fiscal year
24 for the administrative expenses of carrying out this
25 section.

1 **“SEC. 330L. MENTAL HEALTH SERVICES DELIVERED VIA**
2 **TELEHEALTH.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
5 tity’ means a public or nonprofit private telehealth
6 provider network that offers services that include
7 mental health services provided by qualified mental
8 health providers.

9 “(2) QUALIFIED MENTAL HEALTH EDUCATION
10 PROFESSIONALS.—The term ‘qualified mental health
11 education professionals’ refers to teachers, commu-
12 nity mental health professionals, nurses, and other
13 entities as determined by the Secretary who have ad-
14 ditional training in the delivery of information on
15 mental illness to children and adolescents or who
16 have additional training in the delivery of informa-
17 tion on mental illness to the elderly.

18 “(3) QUALIFIED MENTAL HEALTH PROFES-
19 SIONALS.—The term ‘qualified mental health profes-
20 sionals’ refers to providers of mental health services
21 reimbursed under the medicare program carried out
22 under title XVIII of the Social Security Act (42
23 U.S.C. 1395 et seq.) who have additional training in
24 the treatment of mental illness in children and ado-
25 lescents or who have additional training in the treat-
26 ment of mental illness in the elderly.

1 “(4) SPECIAL POPULATIONS.—The term ‘spe-
2 cial populations’ refers to the following 2 distinct
3 groups:

4 “(A) Children and adolescents located in
5 public elementary and public secondary schools
6 in mental health underserved rural areas or in
7 mental health underserved urban areas.

8 “(B) Elderly individuals located in long-
9 term care facilities in mental health under-
10 served rural areas.

11 “(5) TELEHEALTH.—The term ‘telehealth’
12 means the use of electronic information and tele-
13 communications technologies to support long dis-
14 tance clinical health care, patient and professional
15 health-related education, public health, and health
16 administration.

17 “(b) PROGRAM AUTHORIZED.—

18 “(1) IN GENERAL.—The Secretary, acting
19 through the Director of the Office for the Advance-
20 ment of Telehealth of the Health Resources and
21 Services Administration, shall award grants to eligi-
22 ble entities to establish demonstration projects for
23 the provision of mental health services to special
24 populations as delivered remotely by qualified mental
25 health professionals using telehealth and for the pro-

1 vision of education regarding mental illness as deliv-
2 ered remotely by qualified mental health profes-
3 sionals and qualified mental health education profes-
4 sionals using telehealth.

5 “(2) POPULATIONS SERVED.—The Secretary
6 shall award the grants under paragraph (1) in a
7 manner that distributes the grants so as to serve eq-
8 uitably the populations described in subparagraphs
9 (A) and (B) of subsection (a)(4).

10 “(c) AMOUNT.—Each entity that receives a grant
11 under subsection (b) shall receive not less than \$1,200,000
12 under the grant, and shall use not more than 40 percent
13 of the grant funds for equipment.

14 “(d) USE OF FUNDS.—

15 “(1) IN GENERAL.—An eligible entity that re-
16 ceives a grant under this section shall use the grant
17 funds—

18 “(A) for the populations described in sub-
19 section (a)(4)(A)—

20 “(i) to provide mental health services,
21 including diagnosis and treatment of men-
22 tal illness, in public elementary and public
23 secondary schools as delivered remotely by
24 qualified mental health professionals using
25 telehealth;

1 “(ii) to provide education regarding
2 mental illness (including suicide and vio-
3 lence) in public elementary and public sec-
4 ondary schools as delivered remotely by
5 qualified mental health professionals and
6 qualified mental health education profes-
7 sionals using telehealth, including edu-
8 cation regarding early recognition of the
9 signs and symptoms of mental illness, and
10 instruction on coping and dealing with
11 stressful experiences of childhood and ado-
12 lescence (such as violence, social isolation,
13 and depression); and

14 “(iii) to collaborate with local public
15 health entities to provide the mental health
16 services; and

17 “(B) for the populations described in sub-
18 section (a)(4)(B)—

19 “(i) to provide mental health services,
20 including diagnosis and treatment of men-
21 tal illness, in long-term care facilities as
22 delivered remotely by qualified mental
23 health professionals using telehealth;

24 “(ii) to provide education regarding
25 mental illness to primary staff (including

1 physicians, nurses, and nursing aides) as
2 delivered remotely by qualified mental
3 health professionals and qualified mental
4 health education professionals using tele-
5 health, including education regarding early
6 recognition of the signs and symptoms of
7 mental illness, and instruction on coping
8 and dealing with stressful experiences of
9 old age (such as loss of physical and cog-
10 nitive capabilities, death of loved ones and
11 friends, social isolation, and depression);
12 and

13 “(iii) to collaborate with local public
14 health entities to provide the mental health
15 services.

16 “(2) OTHER USES.—An eligible entity that re-
17 ceives a grant under this section may also use the
18 grant funds to—

19 “(A) acquire telehealth equipment to use
20 in public elementary and public secondary
21 schools and long-term care facilities for the ob-
22 jectives of this section;

23 “(B) develop curricula to support activities
24 described in subparagraphs (A)(ii) and (B)(ii)
25 of paragraph (1);

1 “(C) pay telecommunications costs; and

2 “(D) pay qualified mental health profes-
3 sionals and qualified mental health education
4 professionals on a reasonable cost basis as de-
5 termined by the Secretary for services rendered.

6 “(3) PROHIBITED USES.—An eligible entity
7 that receives a grant under this section shall not use
8 the grant funds to—

9 “(A) purchase or install transmission
10 equipment (other than such equipment used by
11 qualified mental health professionals to deliver
12 mental health services using telehealth under
13 the project involved); or

14 “(B) build upon or acquire real property
15 (except for minor renovations related to the in-
16 stallation of reimbursable equipment).

17 “(e) EQUITABLE DISTRIBUTION.—In awarding
18 grants under this section, the Secretary shall ensure, to
19 the greatest extent possible, that such grants are equitably
20 distributed among geographical regions of the United
21 States.

22 “(f) APPLICATION.—An entity that desires a grant
23 under this section shall submit an application to the Sec-
24 retary at such time, in such manner, and containing such
25 information as the Secretary determines to be reasonable.

1 “(g) REPORT.—Not later than 4 years after the date
2 of enactment of the Health Care Safety Net Amendments
3 of 2001, the Secretary shall prepare and submit to the
4 appropriate committees of Congress a report that shall
5 evaluate activities funded with grants under this section.

6 “(h) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to carry out this section,
8 \$20,000,000 for fiscal year 2002 and such sums as may
9 be necessary for fiscal years 2003 through 2006.”.

10 **Subtitle D—School-Based Health** 11 **Center Networks**

12 **SEC. 231. NETWORKS.**

13 Subpart I of part D of title III of the Public Health
14 Service Act (42 U.S.C. 254b et seq.), as amended in sec-
15 tion 221, is further amended by adding at the end the
16 following:

17 **“SEC. 330M. SCHOOL-BASED HEALTH CENTER NETWORKS.**

18 “(a) ELIGIBLE ENTITY.—In this section, the term
19 ‘eligible entity’ means a nonprofit organization, such as
20 a State school-based health center association, academic
21 institution, or primary care association, that has experi-
22 ence working with low-income communities, schools, fami-
23 lies, and school-based health centers.

24 “(b) PROGRAM AUTHORIZED.—The Secretary shall
25 award grants to eligible entities to establish statewide

1 technical assistance centers and carry out activities de-
2 scribed in subsection (c) through the centers.

3 “(c) USE OF FUNDS.—An eligible entity that receives
4 a grant under this section may use funds received through
5 such grant to—

6 “(1) establish a statewide technical assistance
7 center that shall coordinate local, State, and Federal
8 health care services, including primary, dental, and
9 behavioral and mental health services, that con-
10 tribute to the delivery of school-based health care for
11 medically underserved individuals;

12 “(2) conduct operational and administrative
13 support activities for statewide school-based health
14 center networks to maximize operational effective-
15 ness and efficiency;

16 “(3) provide technical support training, includ-
17 ing training on topics regarding—

18 “(A) identifying parent and community in-
19 terests and priorities;

20 “(B) assessing community health needs
21 and resources;

22 “(C) implementing accountability and
23 management information systems;

24 “(D) integrating school-based health cen-
25 ters with care provided by any other school-

1 linked provider, and with community-based pri-
2 mary and specialty health care systems;

3 “(E) securing third party payments
4 through effective billing and collection systems;

5 “(F) developing shared services and joint
6 purchasing arrangements across provider net-
7 works;

8 “(G) linking services with health care serv-
9 ices provided by other programs, especially serv-
10 ices provided under the medicaid program
11 under title XIX of the Social Security Act (42
12 U.S.C. 1396 et seq.) and the State Children’s
13 Health Insurance Program under title XXI of
14 the Social Security Act (42 U.S.C. 1397aa et
15 seq.);

16 “(H) contracting with managed care orga-
17 nizations; and

18 “(I) assuring and improving clinical quality
19 and improvement; and

20 “(4) provide to interested communities technical
21 assistance for the planning and implementation of
22 school-based health centers.

23 “(d) APPLICATION.—An eligible entity desiring a
24 grant under this section shall submit an application to the
25 Secretary at such time, in such manner, and containing

1 such information as the Secretary may reasonably require,
 2 including—

3 “(1) a description of the region that will receive
 4 service and the potential partners in such region;

5 “(2) a description of the policy and program
 6 environment and the needs of the community that
 7 will receive service;

8 “(3) a 1- to 3-year work plan that describes the
 9 goals and objectives of the entity, and any activities
 10 that the entity proposes to carry out; and

11 “(4) a description of the organizational capacity
 12 of the entity and its experience in serving the re-
 13 gion’s school-based health center community.

14 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
 15 is authorized to be appropriated to carry out this section,
 16 \$5,000,000 for fiscal year 2002, and such sums as may
 17 be necessary for subsequent fiscal years.”.

18 **TITLE III—NATIONAL HEALTH**
 19 **SERVICE CORPS PROGRAM**

20 **SEC. 301. NATIONAL HEALTH SERVICE CORPS.**

21 (a) IN GENERAL.—Section 331 of the Public Health
 22 Service Act (42 U.S.C. 254d) is amended—

23 (1) by adding at the end of subsection (a)(3)
 24 the following:

1 “(E)(i) The term ‘behavioral and mental health
2 professionals’ means health service psychologists, li-
3 censed clinical social workers, licensed professional
4 counselors, marriage and family therapists, psy-
5 chiatric nurse specialists, and psychiatrists.

6 “(ii) The term ‘graduate program of behavioral
7 and mental health’ means a program that trains be-
8 havioral and mental health professionals.”;

9 (2) in subsection (b)—

10 (A) in paragraph (1), by striking “health
11 professions” and inserting “health professions,
12 including schools at which graduate programs
13 of behavioral and mental health are offered,”;
14 and

15 (B) in paragraph (2), by inserting “behav-
16 ioral and mental health professionals,” after
17 “dentists,”; and

18 (3) by striking subsection (c) and inserting the
19 following:

20 “(c)(1) The Secretary may reimburse an applicant
21 for a position in the Corps (including an individual consid-
22 ering entering into a written agreement pursuant to sec-
23 tion 338D) for the actual and reasonable expenses in-
24 curred in traveling to and from the applicant’s place of
25 residence to an eligible site to which the applicant may

1 be assigned under section 333 for the purpose of evalu-
2 ating such site with regard to being assigned at such site.
3 The Secretary may establish a maximum total amount
4 that may be paid to an individual as reimbursement for
5 such expenses.

6 “(2) The Secretary may also reimburse the applicant
7 for the actual and reasonable expenses incurred for the
8 travel of 1 family member to accompany the applicant to
9 such site. The Secretary may establish a maximum total
10 amount that may be paid to an individual as reimburse-
11 ment for such expenses.

12 “(3) In the case of an individual who has entered into
13 a contract for obligated service under the Scholarship Pro-
14 gram or under the Loan Repayment Program, the Sec-
15 retary may reimburse such individual for all or part of
16 the actual and reasonable expenses incurred in trans-
17 porting the individual, the individual’s family, and the
18 family’s possessions to the site of the individual’s assign-
19 ment under section 333. The Secretary may establish a
20 maximum total amount that may be paid to an individual
21 as reimbursement for such expenses.”.

22 (b) DEMONSTRATION PROJECTS.—Section 331 of the
23 Public Health Service Act (42 U.S.C. 254d) is amended—

24 (1) by redesignating subsection (i) as subsection
25 (j); and

1 (2) by inserting after subsection (h) the fol-
2 lowing:

3 “(i)(1) In carrying out subpart III, the Secretary
4 may, in accordance with this subsection, carry out dem-
5 onstration projects in which individuals who have entered
6 into a contract for obligated service under the Loan Re-
7 payment Program receive waivers under which the individ-
8 uals are authorized to satisfy the requirement of obligated
9 service through providing clinical service that is not full-
10 time.

11 “(2) A waiver described in paragraph (1) may be pro-
12 vided by the Secretary only if—

13 “(A) the entity for which the service is to be
14 performed—

15 “(i) has been approved under section 333A
16 for assignment of a Corps member; and

17 “(ii) has requested in writing assignment
18 of a health professional who would serve less
19 than full time;

20 “(B) the Secretary has determined that assign-
21 ment of a health professional who would serve less
22 than full time would be appropriate for the area
23 where the entity is located;

24 “(C) a Corps member who is required to per-
25 form obligated service has agreed in writing to be

1 assigned for less than full-time service to an entity
2 described in subparagraph (A);

3 “(D) the entity and the Corps member agree in
4 writing that the less than full-time service provided
5 by the Corps member will not be less than 16 hours
6 of clinical service per week;

7 “(E) the Corps member agrees in writing that
8 the period of obligated service pursuant to section
9 338B will be extended so that the aggregate amount
10 of less than full-time service performed will equal the
11 amount of service that would be performed through
12 full-time service under section 338C; and

13 “(F) the Corps member agrees in writing that
14 if the Corps member begins providing less than full-
15 time service but fails to begin or complete the period
16 of obligated service, the method stated in 338E(c)
17 for determining the damages for breach of the indi-
18 vidual’s written contract will be used after con-
19 verting periods of obligated service or of service per-
20 formed into their full-time equivalents.

21 “(3) In evaluating a demonstration project described
22 in paragraph (1), the Secretary shall examine the effect
23 of multidisciplinary teams.”.

1 **SEC. 302. DESIGNATION OF HEALTH PROFESSIONAL**
2 **SHORTAGE AREAS.**

3 (a) IN GENERAL.—Section 332 of the Public Health
4 Service Act (42 U.S.C. 254e) is amended—

5 (1) in subsection (a)—

6 (A) in paragraph (1), by inserting after
7 the first sentence the following: “All Federally
8 qualified health centers and rural health clinics,
9 as defined in section 1861(aa) of the Social Se-
10 curity Act (42 U.S.C. 1395x(aa)), that meet the
11 requirements of section 334 shall be automati-
12 cally designated, on the date of enactment of
13 the Health Care Safety Net Amendments of
14 2001, as having such a shortage. Not later than
15 5 years after such date of enactment, and every
16 5 years thereafter, each such center or clinic
17 shall demonstrate that the center or clinic
18 meets the applicable requirements of the Fed-
19 eral regulations, issued after the date of enact-
20 ment of this Act, that revise the definition of a
21 health professional shortage area for purposes
22 of this section.”; and

23 (B) in paragraph (3), by striking “340(r)
24 may be a population group” and inserting
25 “330(h)(4)), seasonal agricultural workers (as
26 defined in section 330(g)(3)) and migratory ag-

1 ricultural workers (as so defined), and resi-
 2 dents of public housing (as defined in section
 3 3(b)(1) of the United States Housing Act of
 4 1937 (42 U.S.C. 1437a(b)(1))) may be popu-
 5 lation groups”;

6 (2) in subsection (b)(2), by striking “with spe-
 7 cial consideration to the indicators of” and all that
 8 follows through “services.” and inserting a period;
 9 and

10 (3) in subsection (c)(2)(B), by striking “XVIII
 11 or XIX” and inserting “XVIII, XIX, or XXI”.

12 (b) REGULATIONS.—

13 (1) REPORT.—

14 (A) IN GENERAL.—The Secretary shall
 15 submit the report described in subparagraph
 16 (B) if the Secretary, acting through the Admin-
 17 istrator of the Health Resources and Services
 18 Administration, issues—

19 (i) a regulation that revises the defini-
 20 tion of a health professional shortage area
 21 for purposes of section 332 of the Public
 22 Health Service Act (42 U.S.C. 254e); or

23 (ii) a regulation that revises the
 24 standards concerning priority of such an

1 area under section 333A of that Act (42
2 U.S.C. 254f-1).

3 (B) REPORT.—On issuing a regulation de-
4 scribed in subparagraph (A), the Secretary shall
5 prepare and submit to the Committee on En-
6 ergy and Commerce of the House of Represent-
7 atives and the Committee on Health, Edu-
8 cation, Labor, and Pensions of the Senate a re-
9 port that describes the regulation.

10 (2) EFFECTIVE DATE.—Each regulation de-
11 scribed in paragraph (1)(A) shall take effect 180
12 days after the committees described in paragraph
13 (1)(B) receive a report referred to in paragraph
14 (1)(B) describing the regulation.

15 (c) SCHOLARSHIP AND LOAN REPAYMENT PRO-
16 GRAMS.—The Secretary of Health and Human Services,
17 in consultation with the American Dental Association, the
18 American Dental Education Association, the American
19 Dental Hygienists Association, the American Academy of
20 Pediatric Dentistry, the Association of State and Terri-
21 torial Dental Directors, and the National Association of
22 Community Health Centers, shall develop and implement
23 a plan for increasing the participation of dentists and den-
24 tal hygienists in the National Health Service Corps Schol-
25 arship Program under section 338A of the Public Health

1 Service Act (42 U.S.C. 254l) and the Loan Repayment
2 Program under section 338B of such Act (42 U.S.C.
3 254l–1).

4 (d) SITE DESIGNATION PROCESS.—

5 (1) IMPROVEMENT OF DESIGNATION PROC-
6 ESS.—The Administrator of the Health Resources
7 and Services Administration, in consultation with
8 the Association of State and Territorial Dental Di-
9 rectors, dental societies, and other interested parties,
10 shall revise the criteria on which the designations of
11 dental health professional shortage areas are based
12 so that such criteria provide a more accurate reflec-
13 tion of oral health care need, particularly in rural
14 areas.

15 (2) PUBLIC HEALTH SERVICE ACT.—Section
16 332 of the Public Health Service Act (42 U.S.C.
17 254e) is amended by adding at the end the fol-
18 lowing:

19 “(i) DISSEMINATION.—The Administrator of the
20 Health Resources and Services Administration shall dis-
21 seminate information concerning the designation criteria
22 described in subsection (b) to—

23 “(1) the Governor of each State;

1 “(2) the representative of any area, population
2 group, or facility selected by any such Governor to
3 receive such information;

4 “(3) the representative of any area, population
5 group, or facility that requests such information;
6 and

7 “(4) the representative of any area, population
8 group, or facility determined by the Administrator to
9 be likely to meet the criteria described in subsection
10 (b).”.

11 **SEC. 303. ASSIGNMENT OF CORPS PERSONNEL.**

12 Section 333 of the Public Health Service Act (42
13 U.S.C. 254f) is amended—

14 (1) in subsection (a)—

15 (A) in paragraph (1)—

16 (i) in the matter before subparagraph
17 (A), by striking “(specified in the agree-
18 ment described in section 334)”;

19 (ii) in subparagraph (A), by striking
20 “nonprofit”; and

21 (iii) by striking subparagraph (C) and
22 inserting the following:

23 “(C) the entity agrees to comply with the
24 requirements of section 334; and”;

1 (B) in paragraph (3), by adding at the end
2 “In approving such applications, the Secretary
3 shall give preference to applications in which a
4 nonprofit entity or public entity shall provide a
5 site to which Corps members may be as-
6 signed.”; and

7 (2) in subsection (d)—

8 (A) in paragraphs (1), (2), and (4), by
9 striking “nonprofit” each place it appears; and

10 (B) in paragraph (1)—

11 (i) in the first sentence, by striking
12 “may” and inserting “shall”;

13 (ii) in the second sentence—

14 (I) in subparagraph (C), by strik-
15 ing “and” at the end; and

16 (II) by striking the period and
17 inserting “, and (E) developing long-
18 term plans for addressing health pro-
19 fessional shortages and improving ac-
20 cess to health care.”; and

21 (iii) by adding at the end the fol-
22 lowing: “The Secretary shall encourage en-
23 tities that receive technical assistance
24 under this paragraph to communicate with
25 other communities, State Offices of Rural

1 Health, State Primary Care Associations
2 and Offices, and other entities concerned
3 with site development and community
4 needs assessment.”.

5 **SEC. 304. PRIORITIES IN ASSIGNMENT OF CORPS PER-**
6 **SONNEL.**

7 Section 333A of the Public Health Service Act (42
8 U.S.C. 254f-1) is amended—

9 (1) in subsection (a)(1)(A), by striking “, as de-
10 termined in accordance with subsection (b)”;

11 (2) by striking subsection (b);

12 (3) in subsection (c), by striking the second
13 sentence;

14 (4) in subsection (d)—

15 (A) by redesignating paragraphs (1)
16 through (3) as paragraphs (2) through (4), re-
17 spectively;

18 (B) by inserting before paragraph (2) (as
19 redesignated by subparagraph (A)) the fol-
20 lowing:

21 “(1) PROPOSED LIST.—The Secretary shall pre-
22 pare and publish a proposed list of health profes-
23 sional shortage areas and entities that would receive
24 priority under subsection (a)(1) in the assignment of
25 Corps members. The list shall contain the informa-

1 tion described in paragraph (2), and the relative
2 scores and relative priorities of the entities submit-
3 ting applications under section 333, in a proposed
4 format. All such entities shall have 30 days after the
5 date of publication of the list to provide additional
6 data and information in support of inclusion on the
7 list or in support of a higher priority determination
8 and the Secretary shall reasonably consider such
9 data and information in preparing the final list
10 under paragraph (2).”;

11 (C) in paragraph (2) (as redesignated by
12 subparagraph (A)), in the matter before sub-
13 paragraph (A)—

14 (i) by striking “paragraph (2)” and
15 inserting “paragraph (3)”;

16 (ii) by striking “prepare a list of
17 health professional shortage areas” and in-
18 serting “prepare and, as appropriate, up-
19 date a list of health professional shortage
20 areas and entities”; and

21 (iii) by striking “for the period appli-
22 cable under subsection (f)”;

23 (D) by striking paragraph (3) (as redesign-
24 ated by subparagraph (A)) and inserting the
25 following:

1 “(3) NOTIFICATION OF AFFECTED PARTIES.—

2 “(A) ENTITIES.—Not later than 30 days
3 after the Secretary has added to a list under
4 paragraph (2) an entity specified as described
5 in subparagraph (A) of such paragraph, the
6 Secretary shall notify such entity that the entity
7 has been provided an authorization to receive
8 assignments of Corps members in the event
9 that Corps members are available for the as-
10 signments.

11 “(B) INDIVIDUALS.—In the case of an in-
12 dividual obligated to provide service under the
13 Scholarship Program, not later than 3 months
14 before the date described in section 338C(b)(5),
15 the Secretary shall provide to such individual
16 the names of each of the entities specified as
17 described in paragraph (2)(B)(i) that is appro-
18 priate for the individual’s medical specialty and
19 discipline.”; and

20 (E) by striking paragraph (4) (as redesign-
21 ated by subparagraph (A)) and inserting the
22 following:

23 “(4) REVISIONS.—If the Secretary proposes to
24 make a revision in the list under paragraph (2), and
25 the revision would adversely alter the status of an

1 entity with respect to the list, the Secretary shall no-
2 tify the entity of the revision. Any entity adversely
3 affected by such a revision shall be notified in writ-
4 ing by the Secretary of the reasons for the revision
5 and shall have 30 days to file a written appeal of the
6 determination involved which shall be reasonably
7 considered by the Secretary before the revision to
8 the list becomes final. The revision to the list shall
9 be effective with respect to assignment of Corps
10 members beginning on the date that the revision be-
11 comes final.”;

12 (5) by striking subsection (e) and inserting the
13 following:

14 “(e) LIMITATION ON NUMBER OF ENTITIES OF-
15 FERED AS ASSIGNMENT CHOICES IN SCHOLARSHIP PRO-
16 GRAM.—

17 “(1) DETERMINATION OF AVAILABLE CORPS
18 MEMBERS.—By April 1 of each calendar year, the
19 Secretary shall determine the number of participants
20 in the Scholarship Program who will be available for
21 assignments under section 333 during the program
22 year beginning on July 1 of that calendar year.

23 “(2) DETERMINATION OF NUMBER OF ENTI-
24 TIES.—At all times during a program year, the

1 number of entities specified under subsection
2 (c)(2)(B)(i) shall be—

3 “(A) not less than the number of partici-
4 pants determined with respect to that program
5 year under paragraph (1); and

6 “(B) not greater than twice the number of
7 participants determined with respect to that
8 program year under paragraph (1).”;

9 (6) by striking subsection (f); and

10 (7) by redesignating subsections (c), (d), and
11 (e) as subsections (b), (c), and (d) respectively.

12 **SEC. 305. COST-SHARING.**

13 Subpart II of part D of title III of the Public Health
14 Service Act (42 U.S.C. 254d et seq.) is amended by strik-
15 ing section 334 and inserting the following:

16 **“SEC. 334. CHARGES FOR SERVICES BY ENTITIES USING**
17 **CORPS MEMBERS.**

18 “(a) AVAILABILITY OF SERVICES REGARDLESS OF
19 ABILITY TO PAY OR PAYMENT SOURCE.—An entity to
20 which a Corps member is assigned shall not deny re-
21 quested health care services, and shall not discriminate in
22 the provision of services to an individual—

23 “(1) because the individual is unable to pay for
24 the services; or

1 “(2) because payment for the services would be
2 made under—

3 “(A) the medicare program under title
4 XVIII of the Social Security Act (42 U.S.C.
5 1395 et seq.);

6 “(B) the medicaid program under title
7 XIX of such Act (42 U.S.C. 1396 et seq.); or

8 “(C) the State children’s health insurance
9 program under title XXI of such Act (42
10 U.S.C. 1397aa et seq.).

11 “(b) CHARGES FOR SERVICES.—The following rules
12 shall apply to charges for health care services provided by
13 an entity to which a Corps member is assigned:

14 “(1) IN GENERAL.—

15 “(A) SCHEDULE OF FEES OR PAY-
16 MENTS.—Except as provided in paragraph (2),
17 the entity shall prepare a schedule of fees or
18 payments for the entity’s services, consistent
19 with locally prevailing rates or charges and de-
20 signed to cover the entity’s reasonable cost of
21 operation.

22 “(B) SCHEDULE OF DISCOUNTS.—Except
23 as provided in paragraph (2), the entity shall
24 prepare a corresponding schedule of discounts
25 (including, in appropriate cases, waivers) to be

1 applied to such fees or payments. In preparing
2 the schedule, the entity shall adjust the dis-
3 counts on the basis of a patient's ability to pay.

4 “(C) USE OF SCHEDULES.—The entity
5 shall make every reasonable effort to secure
6 from patients fees and payments for services in
7 accordance with such schedules, and fees or
8 payments shall be sufficiently discounted in ac-
9 cordance with the schedule described in sub-
10 paragraph (B).

11 “(2) SERVICES TO BENEFICIARIES OF FEDERAL
12 AND FEDERALLY ASSISTED PROGRAMS.—In the case
13 of health care services furnished to an individual
14 who is a beneficiary of a program listed in sub-
15 section (a)(2), the entity—

16 “(A) shall accept an assignment pursuant
17 to section 1842(b)(3)(B)(ii) of the Social Secu-
18 rity Act (42 U.S.C. 1395u(b)(3)(B)(ii)) with re-
19 spect to an individual who is a beneficiary
20 under the medicare program; and

21 “(B) shall enter into an appropriate agree-
22 ment with—

23 “(i) the State agency administering
24 the program under title XIX of such Act

1 with respect to an individual who is a ben-
2 eficiary under the medicaid program; and

3 “(ii) the State agency administering
4 the program under title XXI of such Act
5 with respect to an individual who is a ben-
6 eficiary under the State children’s health
7 insurance program.

8 “(3) COLLECTION OF PAYMENTS.—The entity
9 shall take reasonable and appropriate steps to collect
10 all payments due for health care services provided by
11 the entity, including payments from any third party
12 (including a Federal, State, or local government
13 agency and any other third party) that is responsible
14 for part or all of the charge for such services.”.

15 **SEC. 306. ELIGIBILITY FOR FEDERAL FUNDS.**

16 Section 335(e)(1)(B) of the Public Health Service
17 Act (42 U.S.C. 254h(e)(1)(B)) is amended by striking
18 “XVIII or XIX” and inserting “XVIII, XIX, or XXI”.

19 **SEC. 307. FACILITATION OF EFFECTIVE PROVISION OF**
20 **CORPS SERVICES.**

21 (a) HEALTH PROFESSIONAL SHORTAGE AREAS.—
22 Section 336 of the Public Health Service Act (42 U.S.C.
23 254h–1) is amended—

24 (1) in subsection (c), by striking “health man-
25 power” and inserting “health professional”; and

1 (2) in subsection (f)(1), by striking “health
2 manpower” and inserting “health professional”.

3 (b) **TECHNICAL AMENDMENT.**—Section 336A(8) of
4 the Public Health Service Act (42 U.S.C. 254i(8)) is
5 amended by striking “agreements under”.

6 **SEC. 308. AUTHORIZATION OF APPROPRIATIONS.**

7 Section 338(a) of the Public Health Service Act (42
8 U.S.C. 254k(a)) is amended—

9 (1) by striking “(1) For” and inserting “For”;

10 (2) by striking “1991 through 2000” and in-
11 serting “2002 through 2006”; and

12 (3) by striking paragraph (2).

13 **SEC. 309. NATIONAL HEALTH SERVICE CORPS SCHOLAR-**
14 **SHIP PROGRAM.**

15 Section 338A of the Public Health Service Act (42
16 U.S.C. 254l) is amended—

17 (1) in subsection (a)(1), by inserting “behav-
18 ioral and mental health professionals,” after “den-
19 tists,”;

20 (2) in subsection (b)(1)(B), by inserting “, or
21 an appropriate degree from a graduate program of
22 behavioral and mental health” after “other health
23 profession”;

24 (3) in subsection (c)(1)—

1 (A) in subparagraph (A), by striking
2 “338D” and inserting “338E”; and

3 (B) in subparagraph (B), by striking
4 “338C” and inserting “338D”;

5 (4) in subsection (d)(1)—

6 (A) in subparagraph (A), by striking
7 “and” at the end;

8 (B) by redesignating subparagraph (B) as
9 subparagraph (C); and

10 (C) by inserting after subparagraph (A)
11 the following:

12 “(B) the Secretary, in considering applica-
13 tions from individuals accepted for enrollment
14 or enrolled in dental school, shall consider ap-
15 plications from all individuals accepted for en-
16 rollment or enrolled in any accredited dental
17 school in a State; and”;

18 (5) in subsection (f)—

19 (A) in paragraph (1)(B)—

20 (i) in clause (iii), by striking “and”
21 after the semicolon;

22 (ii) by redesignating clause (iv) as
23 clause (v); and

24 (iii) by inserting after clause (iii) the
25 following new clause:

1 “(iv) if pursuing a degree from a
2 school of medicine or osteopathic medicine,
3 to complete a residency in a specialty that
4 the Secretary determines is consistent with
5 the needs of the Corps; and”;

6 (B) in paragraph (3), by striking “338D”
7 and inserting “338E”; and
8 (6) by striking subsection (i).

9 **SEC. 310. NATIONAL HEALTH SERVICE CORPS LOAN REPAY-**
10 **MENT PROGRAM.**

11 Section 338B of the Public Health Service Act (42
12 U.S.C. 2541–1) is amended—

13 (1) in subsection (a)—

14 (A) in paragraph (1), by inserting “behav-
15 ioral and mental health professionals,” after
16 “dentists,”; and

17 (B) in paragraph (2), by striking “(includ-
18 ing mental health professionals)”;

19 (2) in subsection (b)(1), by striking subpara-
20 graph (A) and inserting the following:

21 “(A) have a degree in medicine, osteopathic
22 medicine, dentistry, or another health profession, or
23 an appropriate degree from a graduate program of
24 behavioral and mental health, or be certified as a

1 nurse midwife, nurse practitioner, or physician as-
 2 sistant;”;

3 (3) in subsection (e), by striking “(1) IN GEN-
 4 ERAL.—”; and

5 (4) by striking subsection (i).

6 **SEC. 311. OBLIGATED SERVICE.**

7 Section 338C of the Public Health Service Act (42
 8 U.S.C. 254m) is amended—

9 (1) in subsection (b)—

10 (A) in paragraph (1), in the matter pre-
 11 ceding subparagraph (A), by striking “section
 12 338A(f)(1)(B)(iv)” and inserting “section
 13 338A(f)(1)(B)(v)”; and

14 (B) in paragraph (5)—

15 (i) by striking all that precedes sub-
 16 paragraph (C) and inserting the following:

17 “(5)(A) In the case of the Scholarship Program, the
 18 date referred to in paragraphs (1) through (4) shall be
 19 the date on which the individual completes the training
 20 required for the degree for which the individual receives
 21 the scholarship, except that—

22 “(i) for an individual receiving such a degree
 23 after September 30, 2000, from a school of medicine
 24 or osteopathic medicine, such date shall be the date
 25 the individual completes a residency in a specialty

1 that the Secretary determines is consistent with the
2 needs of the Corps; and

3 “(ii) at the request of an individual, the Sec-
4 retary may, consistent with the needs of the Corps,
5 defer such date until the end of a period of time re-
6 quired for the individual to complete advanced train-
7 ing (including an internship or residency).”;

8 (ii) by striking subparagraph (D);

9 (iii) by redesignating subparagraphs
10 (C) and (E) as subparagraphs (B) and
11 (C), respectively; and

12 (iv) in clause (i) of subparagraph (C)
13 (as redesignated by clause (iii)) by striking
14 “subparagraph (A), (B), or (D)” and in-
15 serting “subparagraph (A)”; and

16 (2) by striking subsection (e).

17 **SEC. 312. PRIVATE PRACTICE.**

18 Section 338D of the Public Health Service Act (42
19 U.S.C. 254n) is amended by striking subsection (b) and
20 inserting the following:

21 “(b)(1) The written agreement described in sub-
22 section (a) shall—

23 “(A) provide that, during the period of private
24 practice by an individual pursuant to the agreement,

1 the individual shall comply with the requirements of
2 section 334 that apply to entities; and

3 “(B) contain such additional provisions as the
4 Secretary may require to carry out the objectives of
5 this section.

6 “(2) The Secretary shall take such action as may be
7 appropriate to ensure that the conditions of the written
8 agreement prescribed by this subsection are adhered to.”.

9 **SEC. 313. BREACH OF SCHOLARSHIP CONTRACT OR LOAN**

10 **REPAYMENT CONTRACT.**

11 (a) IN GENERAL.—Section 338E of the Public
12 Health Service Act (42 U.S.C. 254o) is amended—

13 (1) in subsection (a)(1)—

14 (A) in subparagraph (A), by striking the
15 comma and inserting a semicolon;

16 (B) in subparagraph (B), by striking the
17 comma and inserting “; or”;

18 (C) in subparagraph (C), by striking “or”
19 at the end; and

20 (D) by striking subparagraph (D);

21 (2) in subsection (b)—

22 (A) in paragraph (1)(A)—

23 (i) by striking “338F(d)” and insert-
24 ing “338G(d)”;

25 (ii) by striking “either”;

1 (iii) by striking “338D or” and insert-
2 ing “338D,”; and

3 (iv) by inserting “or to complete a re-
4 quired residency as specified in section
5 338A(f)(1)(B)(iv),” before “the United
6 States”; and

7 (B) by adding at the end the following new
8 paragraph:

9 “(3) The Secretary may terminate a contract with an
10 individual under section 338A if, not later than 30 days
11 before the end of the school year to which the contract
12 pertains, the individual—

13 “(A) submits a written request for such termi-
14 nation; and

15 “(B) repays all amounts paid to, or on behalf
16 of, the individual under section 338A(g).”;

17 (3) in subsection (c)—

18 (A) in paragraph (1)—

19 (i) in the matter preceding subpara-
20 graph (A), by striking “338F(d)” and in-
21 serting “338G(d)”; and

22 (ii) by striking subparagraphs (A)
23 through (C) and inserting the following:

24 “(A) the total of the amounts paid by the
25 United States under section 338B(g) on behalf

1 of the individual for any period of obligated
2 service not served;

3 “(B) an amount equal to the product of
4 the number of months of obligated service that
5 were not completed by the individual, multiplied
6 by \$7,500; and

7 “(C) the interest on the amounts described
8 in subparagraphs (A) and (B), at the maximum
9 legal prevailing rate, as determined by the
10 Treasurer of the United States, from the date
11 of the breach.”;

12 (B) by striking paragraphs (2) and (3) and
13 inserting the following:

14 “(2) The Secretary may terminate a contract with an
15 individual under section 338B if, not later than 45 days
16 before the end of the fiscal year in which the contract was
17 entered into, the individual—

18 “(A) submits a written request for such termi-
19 nation; and

20 “(B) repays all amounts paid on behalf of the
21 individual under section 338B(g).”; and

22 (C) by redesignating paragraph (4) as
23 paragraph (3);

24 (4) in subsection (d)(3)(A), by striking “only if
25 such discharge is granted after the expiration of the

1 five-year period” and inserting “only if such dis-
2 charge is granted after the expiration of the 7-year
3 period”; and

4 (5) by adding at the end the following new sub-
5 section:

6 “(e) Notwithstanding any other provision of Federal
7 or State law, there shall be no limitation on the period
8 within which suit may be filed, a judgment may be en-
9 forced, or an action relating to an offset or garnishment,
10 or other action, may be initiated or taken by the Secretary,
11 the Attorney General, or the head of another Federal
12 agency, as the case may be, for the repayment of the
13 amount due from an individual under this section.”.

14 (b) EFFECTIVE DATE.—The amendment made by
15 subsection (a)(4) shall apply to any obligation for which
16 a discharge in bankruptcy has not been granted before the
17 date that is 31 days after the date of enactment of this
18 Act.

19 **SEC. 314. AUTHORIZATION OF APPROPRIATIONS.**

20 Section 338H of the Public Health Service Act (42
21 U.S.C. 254q) is amended to read as follows:

22 **“SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.**

23 “(a) AUTHORIZATION OF APPROPRIATIONS.—For the
24 purposes of carrying out this subpart, there are authorized
25 to be appropriated \$146,250,000 for fiscal year 2002, and

1 such sums as may be necessary for each of fiscal years
2 2003 through 2006.

3 “(b) SCHOLARSHIPS FOR NEW PARTICIPANTS.—Of
4 the amounts appropriated under subsection (a) for a fiscal
5 year, the Secretary shall obligate not less than 30 percent
6 for the purpose of providing contracts for scholarships
7 under this subpart to individuals who have not previously
8 received such scholarships.

9 “(c) SCHOLARSHIPS AND LOAN REPAYMENTS.—With
10 respect to certification as a nurse practitioner, nurse mid-
11 wife, or physician assistant, the Secretary shall, from
12 amounts appropriated under subsection (a) for a fiscal
13 year, obligate not less than a total of 10 percent for con-
14 tracts for both scholarships under the Scholarship Pro-
15 gram under section 338A and loan repayments under the
16 Loan Repayment Program under section 338B to individ-
17 uals who are entering the first year of a course of study
18 or program described in section 338A(b)(1)(B) that leads
19 to such a certification or individuals who are eligible for
20 the loan repayment program as specified in section
21 338B(b) for a loan related to such certification.”.

22 **SEC. 315. GRANTS TO STATES FOR LOAN REPAYMENT PRO-**
23 **GRAMS.**

24 Section 338I of the Public Health Service Act (42
25 U.S.C. 254q-1) is amended—

1 (1) in subsection (a), by striking paragraph (1)
2 and inserting the following:

3 “(1) AUTHORITY FOR GRANTS.—The Secretary,
4 acting through the Administrator of the Health Re-
5 sources and Services Administration, may make
6 grants to States for the purpose of assisting the
7 States in operating programs described in paragraph
8 (2) in order to provide for the increased availability
9 of primary health care services in health professional
10 shortage areas. The National Advisory Council es-
11 tablished under section 337 shall advise the Admin-
12 istrator regarding the program under this section.”;

13 (2) in subsection (e), by striking paragraph (1)
14 and inserting the following:

15 “(1) to submit to the Secretary such reports re-
16 garding the States loan repayment program, as are
17 determined to be appropriate by the Secretary; and”;
18 and

19 (3) in subsection (i), by striking paragraph (1)
20 and inserting the following:

21 “(1) IN GENERAL.—For the purpose of making
22 grants under subsection (a), there are authorized to
23 be appropriated \$12,000,000 for fiscal year 2002
24 and such sums as may be necessary for each of fis-
25 cal years 2003 through 2006.”.

1 **SEC. 316. DEMONSTRATION GRANTS TO STATES FOR COM-**
2 **MUNITY SCHOLARSHIP PROGRAMS.**

3 Section 338L of the Public Health Service Act (42
4 U.S.C. 254t) is repealed.

5 **SEC. 317. DEMONSTRATION PROJECT.**

6 Subpart III of part D of title III of the Public Health
7 Service Act (42 U.S.C. 254l et seq.) is amended by adding
8 at the end the following:

9 **“SEC. 338L. DEMONSTRATION PROJECT.**

10 “(a) PROGRAM AUTHORIZED.—The Secretary shall
11 establish a demonstration project to provide for the par-
12 ticipation of individuals who are chiropractic doctors or
13 pharmacists in the Loan Repayment Program described
14 in section 338B.

15 “(b) PROCEDURE.—An individual that receives as-
16 sistance under this section with regard to the program de-
17 scribed in section 338B shall comply with all rules and
18 requirements described in such section (other than sub-
19 paragraphs (A) and (B) of section 338B(b)(1)) in order
20 to receive assistance under this section.

21 “(c) LIMITATIONS.—The demonstration project de-
22 scribed in this section shall provide for the participation
23 of individuals who shall provide services in rural and
24 urban areas, and shall also provide for the participation
25 of enough individuals to allow the Secretary to properly
26 analyze the effectiveness of such project.

1 “(d) DESIGNATIONS.—The demonstration project de-
2 scribed in this section, and any providers who are selected
3 to participate in such project, shall not be considered by
4 the Secretary in the designation of a health professional
5 shortage area under section 332 during fiscal years 2002
6 through 2004.

7 “(e) RULE OF CONSTRUCTION.—This section shall
8 not be construed to require any State to participate in the
9 project described in this section.

10 “(f) REPORT.—

11 “(1) IN GENERAL.—The Secretary shall pre-
12 pare and submit a report describing the information
13 described in paragraph (2) to—

14 “(A) the Committee on Health, Education,
15 Labor, and Pensions of the Senate;

16 “(B) the Subcommittee on Labor, Health
17 and Human Services, and Education of the
18 Committee on Appropriations of the Senate;

19 “(C) the Committee on Energy and Com-
20 merce of the House of Representatives; and

21 “(D) the Subcommittee on Labor, Health
22 and Human Services, and Education of the
23 Committee on Appropriations of the House of
24 Representatives.

1 “(2) CONTENT.—The report described in para-
2 graph (1) shall detail—

3 “(A) the manner in which the demonstra-
4 tion project described in this section has af-
5 fected access to primary care services, patient
6 satisfaction, quality of care, and health care
7 services provided for traditionally underserved
8 populations;

9 “(B) how the participation of chiropractic
10 doctors and pharmacists in the Loan Repay-
11 ment Program might affect the designation of
12 health professional shortage areas; and

13 “(C) the feasibility of adding chiropractic
14 doctors and pharmacists as permanent members
15 of the National Health Service Corps.

16 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated to carry out this section,
18 such sums as may be necessary for fiscal years 2002
19 through 2004.”.

20 **TITLE IV—HEALTHY COMMU-**
21 **NITIES ACCESS PROGRAM**
22 **ACT**

23 **SEC. 401. PURPOSE.**

24 The purpose of this title is to provide assistance to
25 communities and consortia of health care providers and

1 others, to develop or strengthen integrated community
2 health care delivery systems that coordinate health care
3 services for individuals who are uninsured or underinsured
4 and to develop or strengthen activities related to providing
5 coordinated care for individuals with chronic conditions
6 who are uninsured or underinsured, through the—

7 (1) coordination of services to allow individuals
8 to receive efficient and higher quality care and to
9 gain entry into and receive services from a com-
10 prehensive system of care;

11 (2) development of the infrastructure for a
12 health care delivery system characterized by effective
13 collaboration, information sharing, and clinical and
14 financial coordination among all providers of care in
15 the community; and

16 (3) provision of new Federal resources that do
17 not supplant funding for existing Federal categorical
18 programs that support entities providing services to
19 low-income populations.

20 **SEC. 402. CREATION OF HEALTHY COMMUNITIES ACCESS**
21 **PROGRAM.**

22 Part D of title III of the Public Health Service Act
23 (42 U.S.C. 254b et seq.) is amended by inserting after
24 subpart IV the following new subpart:

1 **“Subpart V—Healthy Communities Access Program**

2 **“SEC. 340. GRANTS TO STRENGTHEN THE EFFECTIVENESS,**
3 **EFFICIENCY, AND COORDINATION OF SERV-**
4 **ICES FOR THE UNINSURED AND UNDER-**
5 **INSURED.**

6 “(a) IN GENERAL.—The Secretary may award grants
7 to eligible entities to assist in the development of inte-
8 grated health care delivery systems to serve communities
9 of individuals who are uninsured and individuals who are
10 underinsured—

11 “(1) to improve the efficiency of, and coordina-
12 tion among, the providers providing services through
13 such systems;

14 “(2) to assist communities in developing pro-
15 grams targeted toward preventing and managing
16 chronic diseases; and

17 “(3) to expand and enhance the services pro-
18 vided through such systems.

19 “(b) ELIGIBLE ENTITIES.—To be eligible to receive
20 a grant under this section, an entity shall be a public or
21 nonprofit entity that—

22 “(1) represents a consortium—

23 “(A) whose principal purpose is to provide
24 a broad range of coordinated health care serv-
25 ices for a community defined in the entity’s

1 grant application as described in paragraph (2);
2 and

3 “(B) that includes a provider (unless such
4 provider does not exist within the community,
5 declines or refuses to participate, or places un-
6 reasonable conditions on their participation)
7 that—

8 “(i) serves the community; and

9 “(ii)(I) is a Federally qualified health
10 center (as defined in section 1861(aa) of
11 the Social Security Act (42 U.S.C.
12 1395x(aa)));

13 “(II) is a hospital with a low-income
14 utilization rate (as defined in section
15 1923(b)(3) of the Social Security Act (42
16 U.S.C. 1396r-4(b)(3)), that is greater
17 than 25 percent;

18 “(III) is a public health department;
19 and

20 “(IV) is an interested public or pri-
21 vate sector health care provider or an orga-
22 nization that has traditionally served the
23 medically uninsured and underserved;

1 “(2) submits to the Secretary an application, in
2 such form and manner as the Secretary shall pre-
3 scribe, that—

4 “(A) defines a community of uninsured
5 and underinsured individuals that consists of all
6 such individuals—

7 “(i) in a specified geographical area,
8 such as a rural area; or

9 “(ii) in a specified population within
10 such an area, such as American Indians,
11 Native Alaskans, Native Hawaiians, His-
12 panics, homeless individuals, migrant and
13 seasonal farmworkers, individuals with dis-
14 abilities, and public housing residents;

15 “(B) identifies the providers who will par-
16 ticipate in the consortium’s program under the
17 grant, and specifies each provider’s contribution
18 to the care of uninsured and underinsured indi-
19 viduals in the community, including the volume
20 of care the provider provides to beneficiaries
21 under the medicare, medicaid, and State child
22 health insurance programs carried out under ti-
23 tles XVIII, XIX, and XXI of the Social Secu-
24 rity Act (42 U.S.C. 1395 et seq., 1396 et seq.,

1 and 1397aa et seq.) and to patients who pay
2 privately for services;

3 “(C) describes the activities that the appli-
4 cant and the consortium propose to perform
5 under the grant to further the objectives of this
6 section;

7 “(D) demonstrates the consortium’s ability
8 to build on the current system (as of the date
9 of submission of the application) for serving a
10 community of uninsured and underinsured indi-
11 viduals by involving providers who have tradi-
12 tionally provided a significant volume of care
13 for that community;

14 “(E) demonstrates the consortium’s ability
15 to develop coordinated systems of care that ei-
16 ther directly provide or ensure the prompt pro-
17 vision of a broad range of high-quality, acces-
18 sible services, including, as appropriate, pri-
19 mary, secondary, and tertiary services, as well
20 as substance abuse treatment and mental
21 health services in a manner that assures con-
22 tinuity of care in the community;

23 “(F) demonstrates the consortium’s ability
24 to create comprehensive programs to address
25 the prevention and management of chronic dis-

1 eases of high importance within the community,
2 where applicable;

3 “(G) provides evidence of community in-
4 volvement in the development, implementation,
5 and direction of the program that the entity
6 proposes to operate;

7 “(H) demonstrates the consortium’s ability
8 to ensure that individuals participating in the
9 program are enrolled in public insurance pro-
10 grams for which the individuals are eligible;

11 “(I) presents a plan for leveraging other
12 sources of revenue, which may include State
13 and local sources and private grant funds, and
14 integrating current and proposed new funding
15 sources in a way to assure long-term sustain-
16 ability of the program;

17 “(J) describes a plan for evaluation of the
18 activities carried out under the grant, including
19 measurement of progress toward the goals and
20 objectives of the program and the use of evalua-
21 tion findings to improve program performance;

22 “(K) demonstrates fiscal responsibility
23 through the use of appropriate accounting pro-
24 cedures and appropriate management systems;

1 “(L) demonstrates the consortium’s com-
2 mitment to serve the community without regard
3 to the ability of an individual or family to pay
4 by arranging for or providing free or reduced
5 charge care for the poor; and

6 “(M) includes such other information as
7 the Secretary may prescribe;

8 “(3) agrees along with each of the participating
9 providers identified under paragraph (2)(B) that
10 each will commit to use grant funds awarded under
11 this section to supplement, not supplant, any other
12 sources of funding (including the value of any in-
13 kind contributions) available to cover the expendi-
14 tures of the consortium and of the participating pro-
15 viders in carrying out the activities for which the
16 grant would be awarded; and

17 “(4) has established or will establish before the
18 receipt of any grant under this section, a decision-
19 making body that has full and complete authority to
20 determine and oversee all the activities undertaken
21 by the consortium with funds made available
22 through such grant and that includes representation
23 from each of the following providers listed in
24 (b)(1)(B) if they participate in the consortium.

1 “(c) PRIORITIES.—In awarding grants under this
2 section, the Secretary—

3 “(1) shall accord priority to applicants that
4 demonstrate the extent of unmet need in the com-
5 munity involved for a more coordinated system of
6 care; and

7 “(2) may accord priority to applicants that best
8 promote the objectives of this section, taking into
9 consideration the extent to which the application
10 involved—

11 “(A) identifies a community whose geo-
12 graphical area has a high or increasing percent-
13 age of individuals who are uninsured;

14 “(B) demonstrates that the applicant has
15 included in its consortium providers, support
16 systems, and programs that have a tradition of
17 serving uninsured individuals and underinsured
18 individuals in the community;

19 “(C) shows evidence that the program
20 would expand utilization of preventive and pri-
21 mary care services for uninsured and under-
22 insured individuals and families in the commu-
23 nity, including behavioral and mental health
24 services, oral health services, or substance
25 abuse services;

1 “(D) proposes a program that would im-
2 prove coordination between health care pro-
3 viders and appropriate social service providers,
4 including local and regional human services
5 agencies, school systems, and agencies on aging;

6 “(E) demonstrates collaboration with State
7 and local governments;

8 “(F) demonstrates that the applicant
9 makes use of non-Federal contributions to the
10 greatest extent possible; or

11 “(G) demonstrates a likelihood that the
12 proposed program will continue after support
13 under this section ceases.

14 “(d) USE OF FUNDS.—

15 “(1) USE BY GRANTEES.—

16 “(A) IN GENERAL.—Except as provided in
17 paragraphs (2) and (3), a grantee may use
18 amounts provided under this section only for—

19 “(i) direct expenses associated with
20 planning and developing the greater inte-
21 gration of a health care delivery system,
22 and operating the resulting system, so that
23 the system either directly provides or en-
24 sures the provision of a broad range of cul-
25 turally competent services, as appropriate,

1 including primary, secondary, and tertiary
2 services, as well as substance abuse treat-
3 ment and mental health services; and

4 “(ii) direct patient care and service
5 expansions to fill identified or documented
6 gaps within an integrated delivery system.

7 “(B) SPECIFIC USES.—The following are
8 examples of purposes for which a grantee may
9 use grant funds under this section, when such
10 use meets the conditions stated in subpara-
11 graph (A):

12 “(i) Increases in outreach activities.

13 “(ii) Improvements to case manage-
14 ment.

15 “(iii) Improvements to coordination of
16 transportation to health care facilities.

17 “(iv) Development of provider net-
18 works and other innovative models to en-
19 gage physicians in voluntary efforts to
20 serve the medically underserved within a
21 community.

22 “(v) Recruitment, training, and com-
23 pensation of necessary personnel.

1 “(vi) Acquisition of technology, such
2 as telehealth technologies to increase ac-
3 cess to tertiary care.

4 “(vii) Identifying and closing gaps in
5 health care services being provided.

6 “(viii) Improvements to provider com-
7 munication, including implementation of
8 shared information systems or shared clin-
9 ical systems.

10 “(ix) Development of common proc-
11 esses for determining eligibility for the pro-
12 grams provided through the system, in-
13 cluding creating common identification
14 cards and single sliding scale discounts.

15 “(x) Creation of a triage system to co-
16 ordinate referrals and to screen and route
17 individuals to appropriate locations of pri-
18 mary, specialty, and inpatient care.

19 “(xi) Development of specific preven-
20 tion and disease management tools and
21 processes, including—

22 “(I) carrying out a protocol or
23 plan for each individual patient con-
24 cerning what needs to be done, at

1 what intervals, and by whom, for the
2 patient;

3 “(II) redesigning practices to in-
4 corporate regular patient contact, col-
5 lection of critical data on health and
6 disease status, and use of strategies to
7 meet the educational and psychosocial
8 needs of patients who may need to
9 make lifestyle and other changes to
10 manage their diseases;

11 “(III) the promotion of the avail-
12 ability of specialized expertise through
13 the use of—

14 “(aa) teams of providers
15 with specialized knowledge;

16 “(bb) collaborative care ar-
17 rangements;

18 “(cc) computer decision sup-
19 port services; or

20 “(dd) telehealth tech-
21 nologies.

22 “(IV) providing patient edu-
23 cational and support tools that are
24 culturally competent and meet appro-

1 appropriate health literacy and literacy re-
2 quirements; and

3 “(V) the collection of data re-
4 related to patient care and outcomes.

5 “(xii) Translation services.

6 “(xiii) Carrying out other activities
7 that may be appropriate to a community
8 and that would increase access by the un-
9 insured to health care, such as access ini-
10 tiatives for which private entities provide
11 non-Federal contributions to supplement
12 the Federal funds provided through the
13 grants for the initiatives.

14 “(2) DIRECT PATIENT CARE LIMITATION.—Not
15 more than 15 percent of the funds provided under
16 a grant awarded under this section may be used for
17 providing direct patient care and services.

18 “(3) RESERVATION OF FUNDS FOR NATIONAL
19 PROGRAM PURPOSES.—The Secretary may use not
20 more than 3 percent of funds appropriated to carry
21 out this section for providing technical assistance to
22 grantees, obtaining assistance of experts and con-
23 sultants, holding meetings, development of tools, dis-
24 semination of information, evaluation, and carrying
25 out activities that will extend the benefits of a pro-

1 gram funded under this section to communities
2 other than the community served by the program
3 funded.

4 “(e) GRANTEE REQUIREMENTS.—

5 “(1) IN GENERAL.—A grantee under this sec-
6 tion shall—

7 “(A) report to the Secretary annually
8 regarding—

9 “(i) progress in meeting the goals and
10 measurable objectives set forth in the
11 grant application submitted by the grantee
12 under subsection (b); and

13 “(ii) such additional information as
14 the Secretary may require; and

15 “(B) provide for an independent annual fi-
16 nancial audit of all records that relate to the
17 disposition of funds received through the grant.

18 “(2) PROGRESS.—The Secretary may not renew
19 an annual grant under this section for an entity for
20 a fiscal year unless the Secretary is satisfied that
21 the consortium represented by the entity has made
22 reasonable and demonstrable progress in meeting
23 the goals and measurable objectives set forth in the
24 entity’s grant application for the preceding fiscal
25 year.

1 “(f) TECHNICAL ASSISTANCE.—The Secretary may,
2 either directly or by grant or contract, provide any entity
3 that receives a grant under this section with technical and
4 other nonfinancial assistance necessary to meet the re-
5 quirements of this section.

6 “(g) REPORT.—Not later than September 30, 2005,
7 the Secretary shall prepare and submit to the appropriate
8 committees of Congress a report on the progress and ac-
9 complishments of the grant programs described in this
10 section.

11 “(h) DEMONSTRATION AUTHORITY.—The Secretary
12 may make demonstration awards under this section to his-
13 torically black medical schools for the purposes of—

14 “(1) developing patient-based research infra-
15 structure at historically black medical schools, which
16 have an affiliation, or affiliations, with any of the
17 providers identified in section (b)(1)(B);

18 “(2) establishment of joint and collaborative
19 programs of medical research and data collection be-
20 tween historically black medical schools and such
21 providers, whose goal is to improve the health status
22 of medically underserved populations; or

23 “(3) supporting the research-related costs of
24 patient care, data collection, and academic training
25 resulting from such affiliations.

1 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this section
3 \$125,000,000 for fiscal year 2002 and such sums as may
4 be necessary for each of fiscal years 2003 through 2006.”.

5 **SEC. 403. EXPANDING AVAILABILITY OF DENTAL SERVICES.**

6 Part D of title III of the Public Health Service Act
7 (42 U.S.C. 254b et seq.) is amended by adding at the end
8 the following:

9 **“Subpart X—Primary Dental Programs**

10 **“SEC. 340F. DESIGNATED DENTAL HEALTH PROFESSIONAL**
11 **SHORTAGE AREA.**

12 “In this subpart, the term ‘designated dental health
13 professional shortage area’ means an area, population
14 group, or facility that is designated by the Secretary as
15 a dental health professional shortage area under section
16 332 or designated by the applicable State as having a den-
17 tal health professional shortage.

18 **“SEC. 340G. GRANTS FOR INNOVATIVE PROGRAMS.**

19 “(a) GRANT PROGRAM AUTHORIZED.—The Sec-
20 retary, acting through the Administrator of the Health
21 Resources and Services Administration, is authorized to
22 award grants to States for the purpose of helping States
23 develop and implement innovative programs to address the
24 dental workforce needs of designated dental health profes-

1 sional shortage areas in a manner that is appropriate to
2 the States' individual needs.

3 “(b) STATE ACTIVITIES.—A State receiving a grant
4 under subsection (a) may use funds received under the
5 grant for—

6 “(1) loan forgiveness and repayment programs
7 for dentists who—

8 “(A) agree to practice in designated dental
9 health professional shortage areas;

10 “(B) are dental school graduates who
11 agree to serve as public health dentists for the
12 Federal, State, or local government; and

13 “(C) agree to—

14 “(i) provide services to patients re-
15 gardless of such patients' ability to pay;
16 and

17 “(ii) use a sliding payment scale for
18 patients who are unable to pay the total
19 cost of services;

20 “(2) dental recruitment and retention efforts;

21 “(3) grants and low-interest or no-interest loans
22 to help dentists who participate in the medicaid pro-
23 gram under title XIX of the Social Security Act (42
24 U.S.C. 1396 et seq.) to establish or expand practices
25 in designated dental health professional shortage

1 areas by equipping dental offices or sharing in the
2 overhead costs of such practices;

3 “(4) the establishment or expansion of dental
4 residency programs in coordination with accredited
5 dental training institutions in States without dental
6 schools;

7 “(5) programs developed in consultation with
8 State and local dental societies to expand or estab-
9 lish oral health services and facilities in designated
10 dental health professional shortage areas, including
11 services and facilities for children with special needs,
12 such as—

13 “(A) the expansion or establishment of a
14 community-based dental facility, free-standing
15 dental clinic, consolidated health center dental
16 facility, school-linked dental facility, or United
17 States dental school-based facility;

18 “(B) the establishment of a mobile or port-
19 able dental clinic; and

20 “(C) the establishment or expansion of pri-
21 vate dental services to enhance capacity through
22 additional equipment or additional hours of op-
23 eration;

24 “(6) placement and support of dental students,
25 dental residents, and advanced dentistry trainees;

1 “(7) continuing dental education, including dis-
2 tance-based education;

3 “(8) practice support through teledentistry con-
4 ducted in accordance with State laws;

5 “(9) community-based prevention services such
6 as water fluoridation and dental sealant programs;

7 “(10) coordination with local educational agen-
8 cies within the State to foster programs that pro-
9 mote children going into oral health or science pro-
10 fessions;

11 “(11) the establishment of faculty recruitment
12 programs at accredited dental training institutions
13 whose mission includes community outreach and
14 service and that have a demonstrated record of serv-
15 ing underserved States;

16 “(12) the development of a State dental officer
17 position or the augmentation of a State dental office
18 to coordinate oral health and access issues in the
19 State; and

20 “(13) any other activities determined to be ap-
21 propriate by the Secretary.

22 “(c) APPLICATION.—

23 “(1) IN GENERAL.—Each State desiring a
24 grant under this section shall submit an application
25 to the Secretary at such time, in such manner, and

1 containing such information as the Secretary may
2 reasonably require.

3 “(2) ASSURANCES.—The application shall in-
4 clude assurances that the State will meet the re-
5 quirements of subsection (d) and that the State pos-
6 sesses sufficient infrastructure to manage the activi-
7 ties to be funded through the grant and to evaluate
8 and report on the outcomes resulting from such ac-
9 tivities.

10 “(d) MATCHING REQUIREMENT.—The Secretary may
11 not make a grant to a State under this section unless that
12 State agrees that, with respect to the costs to be incurred
13 by the State in carrying out the activities for which the
14 grant was awarded, the State will provide non-Federal
15 contributions in an amount equal to not less than 40 per-
16 cent of Federal funds provided under the grant. The State
17 may provide the contributions in cash or in kind, fairly
18 evaluated, including plant, equipment, and services and
19 may provide the contributions from State, local, or private
20 sources.

21 “(e) REPORT.—Not later than 5 years after the date
22 of enactment of the Health Care Safety Net Amendments
23 of 2001, the Secretary shall prepare and submit to the
24 appropriate committees of Congress a report containing
25 data relating to whether grants provided under this sec-

1 tion have increased access to dental services in designated
2 dental health professional shortage areas.

3 “(f) AUTHORIZATION OF APPROPRIATIONS.—There
4 is authorized to be appropriated to carry out this section,
5 \$50,000,000 for the 5-fiscal year period beginning with
6 fiscal year 2002.”.

7 **TITLE V—RURAL HEALTH** 8 **CLINICS**

9 **SEC. 501. EXEMPTIONS FOR RURAL HEALTH CLINICS.**

10 (a) EXEMPTIONS FROM COINSURANCE REQUIRE-
11 MENTS.—Section 1128B(b)(3)(D) of the Social Security
12 Act (42 U.S.C. 1320a-7b(b)(3)(D)) is amended by strik-
13 ing “a Federally qualified health care center” and insert-
14 ing “a rural health clinic (as defined in section 1861(aa))
15 to which members of the National Health Service Corps
16 are assigned under section 333 of the Public Health Serv-
17 ice Act, or a Federally qualified health center (as defined
18 in section 1861(aa))”.

19 (b) EXEMPTIONS FROM DEDUCTIBLE REQUIRE-
20 MENTS.—Section 1833(b)(4) of the Social Security Act
21 (42 U.S.C. 1395l(b)(4)) is amended by striking “such de-
22 ductible shall not apply to Federally qualified health cen-
23 ter services.” and inserting “such deductible shall not
24 apply to rural health clinic services made available through
25 a rural health clinic to which members of the National

1 Health Service Corps are assigned under section 333 of
 2 the Public Health Service Act, provided to an individual
 3 who qualifies for subsidized services under the Public
 4 Health Service Act or Federally qualified health center
 5 services.”.

6 **TITLE VI—STUDY**

7 **SEC. 601. GUARANTEE STUDY.**

8 The Secretary of Health and Human Services shall
 9 conduct a study regarding the ability of the Department
 10 of Health and Human Services to provide for solvency for
 11 managed care networks involving health centers receiving
 12 funding under section 330 of the Public Health Service
 13 Act. The Secretary shall prepare and submit a report to
 14 the appropriate Committees of Congress regarding such
 15 ability not later than 2 years after the date of enactment
 16 of the Health Care Safety Net Amendments of 2001.

17 **TITLE VII—CONFORMING** 18 **AMENDMENTS**

19 **SEC. 701. CONFORMING AMENDMENTS.**

20 (a) HOMELESS PROGRAMS.—Subsections
 21 (g)(1)(G)(ii), (k)(2), and (n)(1)(C) of section 224, and
 22 sections 317A(a)(2), 317E(c), 318A(e), 332(a)(2)(C),
 23 340D(c)(5), 799B(6)(B), 1313, and 2652(2) of the Public
 24 Health Service Act (42 U.S.C. 233, 247b–1(a)(2), 247b–
 25 6(c), 247c–1(e), 254e(a)(2)(C), 256d(c)(5), 295p(6)(B),

1 300e-12, and 300ff-52(2)) are amended by striking
2 “340” and inserting “330(h)”.

3 (b) HOMELESS INDIVIDUAL.—Section 534(2) of the
4 Public Health Service Act (42 U.S.C. 290cc-34(2)) is
5 amended by striking “340(r)” and inserting “330(h)(5)”.

Calendar No. 192

107TH CONGRESS
1ST SESSION

S. 1533

[Report No. 107-83]

A BILL

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes.

OCTOBER 11, 2001

Read twice and placed on the calendar