

108TH CONGRESS  
2D SESSION

# S. 2710

To amend the Public Health Service Act to improve the quality and efficiency of health care delivery through improvements in health care information technology, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

JULY 21, 2004

Mr. GREGG (for himself, Mr. SESSIONS, and Mr. FRIST) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Public Health Service Act to improve the quality and efficiency of health care delivery through improvements in health care information technology, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “National Health Infor-  
5 mation Technology Adoption Act”.

1 **SEC. 2. AMENDMENT TO THE PUBLIC HEALTH SERVICE**  
2 **ACT.**

3 The Public Health Service Act (42 U.S.C. 201 et  
4 seq.) is amended by adding at the end thereof the fol-  
5 lowing:

6 **“TITLE XXIX—HEALTH CARE**  
7 **INFORMATION TECHNOLOGY**

8 **“SEC. 2901. DEFINITIONS.**

9 “In this title:

10 “(1) **COVERAGE AREA.**—The term ‘coverage  
11 area’ means the boundaries of a local health infor-  
12 mation infrastructure.

13 “(2) **DEMOGRAPHIC DATA.**—The term ‘demo-  
14 graphic data’ means data that includes race, eth-  
15 nicity, socio-economic status, and primary language.

16 “(3) **DIRECTOR.**—The term ‘Director’ means  
17 the Director of the Office of Health Information  
18 Technology.

19 “(4) **HEALTH CARE PROVIDER.**—The term  
20 ‘health care provider’ means a hospital, skilled nurs-  
21 ing facility, home health entity, health care clinic,  
22 community health center, group practice (as defined  
23 in section 1877(h)(4) of the Social Security Act, in-  
24 cluding practices with only 1 physician), and any  
25 other facility or clinician determined appropriate by  
26 the Director.

1           “(5) LOCAL HEALTH INFORMATION INFRA-  
2           STRUCTURES.—The term ‘local health information  
3           infrastructure’ means an independent organization  
4           of health care entities established for the purpose of  
5           linking health information systems to electronically  
6           share information. A local health information infra-  
7           structure may not be a single business entity.

8           “(6) OFFICE.—The term ‘Office’ means the Of-  
9           fice of Health Information Technology established  
10          under section 2902.

11 **“SEC. 2902. OFFICE OF HEALTH INFORMATION TECH-**  
12 **NOLOGY.**

13          “(a) ESTABLISHMENT.—There is established within  
14 the Office of the Secretary an Office of Health Informa-  
15 tion Technology. The Office shall be headed by a Director  
16 to be appointed by the Secretary after consultation with  
17 the President. The Director shall report directly to the  
18 Secretary.

19          “(b) PURPOSE.—It shall be the purpose of the Office  
20 to—

21               “(1) improve the quality and increase the effi-  
22               ciency of health care delivery through the use of  
23               health information technology;

1           “(2) provide national leadership relating to, and  
2           encourage the adoption of, health information tech-  
3           nology;

4           “(3) direct all health information technology ac-  
5           tivities within the Department of Health and  
6           Human Services;

7           “(4) act as the lead entity responsible for co-  
8           ordinating the health information technology efforts  
9           of the Federal Government; and

10          “(5) facilitate the interaction between the Fed-  
11          eral Government and the private sector relating to  
12          health information technology development and use.

13          “(c) DUTIES AND RESPONSIBILITIES.—The Office  
14          shall be responsible for the following:

15                 “(1) FEDERAL LEADERSHIP.—The Office  
16                 shall—

17                         “(A) serve as the principle advisor to the  
18                         Secretary concerning health information tech-  
19                         nology;

20                         “(B) direct all health information tech-  
21                         nology activity within the Department of Health  
22                         and Human Services;

23                         “(C) work with public and private health  
24                         information technology stakeholders to imple-  
25                         ment a strategic plan for the establishment of

1 a National Health Information Infrastructure;  
2 and

3 “(D) ensure that health information tech-  
4 nology is utilized as fully as practicable in car-  
5 rying out health surveillance efforts.

6 “(2) COORDINATION.—The Office shall—

7 “(A) encourage the development and adop-  
8 tion of clinical, messaging, and decision support  
9 health information data standards, pursuant to  
10 the requirements of section 2903;

11 “(B) ensure the maintenance and imple-  
12 mentation of the data standards described in  
13 subparagraph (A);

14 “(C) oversee and coordinate the health in-  
15 formation technology efforts of the Federal  
16 Government;

17 “(D) ensure the compliance of the Depart-  
18 ment of Health and Human Services with Fed-  
19 erally adopted health information technology  
20 data standards;

21 “(E) serve as the representative of the De-  
22 partment of Health and Human Services with  
23 respect to the Consolidated Health Informatics  
24 Initiative;

1           “(F) ensure that the Federal Government  
2 consults and collaborates on decision making  
3 with respect to health information technology  
4 with the private sector and other interested par-  
5 ties; and

6           “(G) in consultation with private sector,  
7 adopt certification and testing criteria to deter-  
8 mine if electronic health information systems  
9 interoperate.

10          “(3) COMMUNICATION.—The Office shall—

11           “(A) act as the point of contact for the  
12 private sector with respect to the use of health  
13 information technology; and

14           “(B) work with the private sector to collect  
15 and disseminate best health information tech-  
16 nology practices.

17          “(4) EVALUATION AND DISSEMINATION.—The  
18 Office shall coordinate with the Agency for Health  
19 Research and Quality and other Federal agencies  
20 to—

21           “(A) evaluate and disseminate information  
22 relating to evidence of the costs and benefits of  
23 health information technology and to whom  
24 those costs and benefits accrue;

1           “(B) evaluate and disseminate information  
2           on the impact of health information technology  
3           on the quality and efficiency of patient care;  
4           and

5           “(C) review Federal payment structures  
6           and differentials for health care providers that  
7           utilize health information technology systems.

8           “(5) TECHNICAL ASSISTANCE.—The Office  
9           shall utilize existing private sector quality improve-  
10          ment organizations to—

11           “(A) promote the adoption of health infor-  
12          mation technology among healthcare providers;  
13          and

14           “(B) provide technical assistance con-  
15          cerning the implementation of health informa-  
16          tion technology to healthcare providers.

17          “(d) RESOURCES.—The Secretary shall make avail-  
18          able to the Office, the resources, both financial and other-  
19          wise, necessary to enable the Director to carry out the pur-  
20          poses of, and perform the duties and responsibilities of  
21          the Office under, this section.

22          “(e) DETAIL OF FEDERAL EMPLOYEES.—Upon the  
23          request of the Director, the head of any Federal agency  
24          is authorized to detail, without reimbursement from the  
25          Office, any of the personnel of such agency to the Office

1 to assist it in carrying out its duties under this section.  
2 Any such detail shall not interrupt or otherwise affect the  
3 civil service status or privileges of the Federal employee.

4 **“SEC. 2903. PROMOTING THE INTEROPERABILITY OF**  
5 **HEALTH CARE INFORMATION TECHNOLOGY**  
6 **SYSTEMS.**

7 “(a) DEVELOPMENT, AND FEDERAL GOVERNMENT  
8 ADOPTION, OF STANDARDS.—

9 “(1) ADOPTION.—

10 “(A) IN GENERAL.—Not later than 2 years  
11 after the date of the enactment of this title, the  
12 Director shall provide for the adoption by the  
13 Federal Government of national data and com-  
14 munication health information technology  
15 standards that promote the efficient exchange  
16 of data between varieties of provider health in-  
17 formation technology systems. In carrying out  
18 the preceding sentence, the Director may adopt  
19 existing standards. Standards adopted under  
20 this section shall be voluntary for private sector  
21 entities.

22 “(B) GRANTS OR CONTRACTS.—The Direc-  
23 tor may utilize grants or contracts to provide  
24 for the private sector development of standards

1           for adoption by the Federal Government under  
2           subparagraph (A).

3           “(2) REQUIREMENTS.—The standards devel-  
4           oped and adopted under paragraph (1) shall be de-  
5           signed to—

6                   “(A) enable health information technology  
7                   to be used for the collection and use of clinically  
8                   specific data;

9                   “(B) promote the interoperability of health  
10                  care information across health care settings;  
11                  and

12                  “(C) facilitate clinical decision support  
13                  through the use of health information tech-  
14                  nology.

15           “(3) PUBLIC PRIVATE PARTNERSHIP.—Con-  
16           sistent with activities being carried out on the date  
17           of enactment of this title, including the Consolidated  
18           Health Informatics initiative, health information  
19           technology standards shall be adopted by the Direc-  
20           tor under paragraph (1) at the conclusion of a col-  
21           laborative process that includes consultation between  
22           the Federal Government and private sector health  
23           care and information technology stakeholders.

24           “(4) PRIVACY AND SECURITY.—The regulations  
25           promulgated by the Secretary under part C of title

1 XI of the Social Security Act (42 U.S.C. 1320d et  
2 seq.) and sections 261, 262, 263, and 264 of the  
3 Health Insurance Portability and Accountability Act  
4 of 1996 (42 U.S.C. 1320d–2 note) with respect to  
5 the privacy, confidentiality, and security of health  
6 information shall apply to the implementation of  
7 programs and activities under this title.

8 “(5) PILOT TESTS.—To the maximum extent  
9 practical, the Director shall pilot test the health in-  
10 formation technology data standards developed  
11 under paragraph (1) prior to their implementation  
12 under this section.

13 “(6) DISSEMINATION.—

14 “(A) IN GENERAL.—The Director shall en-  
15 sure that the standards adopted under para-  
16 graph (1) are widely disseminated to interested  
17 stakeholders.

18 “(B) LICENSING.—To facilitate the dis-  
19 semination and implementation of the stand-  
20 ards developed and adopted under paragraph  
21 (1), the Director may license such standards, or  
22 utilize other means, to ensure the widespread  
23 use of such standards.

24 “(b) IMPLEMENTATION OF STANDARDS.—

1           “(1) PURCHASE OF SYSTEMS BY THE SEC-  
2           RETARY.—Effective beginning on the date that is 5  
3           years after the date of enactment of this title, the  
4           Secretary shall not purchase any health care infor-  
5           mation technology system unless such system is in  
6           compliance with the standards adopted under sub-  
7           section (a).

8           “(2) RECIPIENTS OF FEDERAL FUNDS.—Effec-  
9           tive on the date described in paragraph (1), the Sec-  
10          retary shall require that funds not appropriated  
11          under this title that are designated for Federal  
12          health information technology purposes shall be used  
13          to purchase health care information technology sys-  
14          tems that are in compliance with the standards  
15          adopted under subsection (a).

16          “(c) MODIFICATION OF STANDARDS.—The Director  
17          shall provide for ongoing oversight of the health informa-  
18          tion technology standards developed under subsection (a)  
19          to—

20                 “(1) identify gaps or other shortcomings in  
21                 such standards; and

22                 “(2) modify such standards when determined  
23                 appropriate or develop additional standards, in col-  
24                 laboration with standard setting organizations.

1 **“SEC. 2904. LOAN GUARANTEES FOR THE ADOPTION OF**  
2 **HEALTH INFORMATION TECHNOLOGY.**

3 “(a) IN GENERAL.—The Director shall guarantee  
4 payment of the principal of and the interest on loans made  
5 to eligible entities to enable such entities—

6 “(1) to implement local health information in-  
7 frastructures to facilitate the development of inter-  
8 operability across health care settings to improve  
9 quality and efficiency; or

10 “(2) to facilitate the purchase and adoption of  
11 health information technology to improve quality and  
12 efficiency.

13 “(b) ELIGIBILITY.—To be eligible to receive a loan  
14 guarantee under subsection (a) an entity shall—

15 “(1) with respect to an entity desiring a loan  
16 guarantee—

17 “(A) under subsection (a)(1), be a coalition  
18 of entities that represent an independent con-  
19 sortium of health care stakeholders within a  
20 community that—

21 “(i) includes—

22 “(I) physicians (as defined in  
23 section 1881(r)(1) of the Social Secu-  
24 rity Act), including physicians that  
25 provide services to low income and un-  
26 derserved populations;

1                   “(II) hospitals (including hos-  
2                   pitals that provide services to low in-  
3                   come and underserved populations);  
4                   and

5                   “(III) group health plans or  
6                   other health insurance issuers (as  
7                   such terms are defined in section  
8                   2791); and

9                   “(ii) may include any other health  
10                  care providers; or

11                  “(B) under subsection (a)(2) be a health  
12                  care provider that provides health care services  
13                  to low-income and underserved populations;

14                  “(2) to the extent practicable, adopt the na-  
15                  tional health information technology standards  
16                  adopted under section 2903; and

17                  “(3) prepare and submit to the Director an ap-  
18                  plication at such time, in such manner, and con-  
19                  taining such information as the Director may re-  
20                  quire.

21                  “(c) USE OF FUNDS.—Amounts received under a  
22                  loan guarantee under subsection (a) shall be used—

23                  “(1) with respect to a loan guarantee described  
24                  in subsection (a)(1)—

1           “(A) to develop a plan for the implementa-  
2           tion of a local health information infrastructure  
3           under this section;

4           “(B) to establish systems for the sharing  
5           of data in accordance with the national health  
6           information technology standards developed  
7           under section 2903;

8           “(C) to purchase directly related inte-  
9           grated hardware and software to establish an  
10          interoperable health information technology sys-  
11          tem that is capable of linking to a local health  
12          care information infrastructure; and

13          “(D) to train staff, maintain health infor-  
14          mation technology systems, and maintain ade-  
15          quate security and privacy protocols;

16          “(2) with respect to a loan or loan guarantee  
17          described in subsection (a)(2)—

18                 “(A) to develop a plan for the purchase  
19                 and installation of health information tech-  
20                 nology;

21                 “(B) to purchase directly related inte-  
22                 grated hardware and software to establish an  
23                 interoperable health information technology sys-  
24                 tem that is capable of linking to a local health  
25                 care information infrastructure; and

1           “(C) to train staff, maintain health infor-  
2           mation technology systems, and maintain ade-  
3           quate security and privacy protocols; and

4           “(3) to carry out any other activities deter-  
5           mined appropriate by the Director.

6           “(d) SPECIAL CONSIDERATIONS.—In awarding loan  
7           guarantees under this section to local health information  
8           infrastructures, the Director shall give special consider-  
9           ation to eligible entities that—

10           “(1) include at least 50 percent of the patients  
11           living in the designated coverage area;

12           “(2) incorporate public health surveillance and  
13           reporting into the overall architecture of the pro-  
14           posed infrastructure; and

15           “(3) link local health information infrastruc-  
16           tures.

17           “(e) AREAS OF SPECIFIC INTEREST.—In awarding  
18           loan guarantees under this section, the Director shall in-  
19           clude—

20           “(1) entities with a coverage area that includes  
21           an entire State; and

22           “(2) entities with a multi-state coverage area.

23           “(f) ADMINISTRATIVE PROVISIONS.—

24           “(1) AGGREGATE AMOUNT.—

1           “(A) IN GENERAL.—Except as provided in  
2           subparagraph (B), the aggregate amount of  
3           principal of loans guaranteed under subsection  
4           (a) with respect to an eligible entity may not  
5           exceed \$5,000,000. In any 12-month period the  
6           amount disbursed to an eligible entity under  
7           this section (by a lender under a guaranteed  
8           loan) may not exceed \$5,000,000.

9           “(B) EXCEPTION.—The cumulative total  
10          of the principal of the loans outstanding at any  
11          time to which guarantees have been issued  
12          under subsection (a) may not exceed such limi-  
13          tations as may be specified in appropriation  
14          Acts.

15          “(2) PROTECTION OF FEDERAL GOVERN-  
16          MENT.—

17                 “(A) IN GENERAL.—The Director may not  
18                 approve an application for a loan guarantee  
19                 under this section unless the Director deter-  
20                 mines that—

21                         “(i) the terms, conditions, security (if  
22                         any), and schedule and amount of repay-  
23                         ments with respect to the loan are suffi-  
24                         cient to protect the financial interests of  
25                         the United States and are otherwise rea-

1 sonable, including a determination that the  
2 rate of interest does not exceed such per-  
3 cent per annum on the principal obligation  
4 outstanding as the Director determines to  
5 be reasonable, taking into account the  
6 range of interest rates prevailing in the  
7 private market for loans with similar ma-  
8 turities, terms, conditions, and security  
9 and the risks assumed by the United  
10 States; and

11 “(ii) the loan would not be available  
12 on reasonable terms and conditions with-  
13 out the enactment of this section.

14 “(B) RECOVERY.—

15 “(i) IN GENERAL.—The United States  
16 shall be entitled to recover from the appli-  
17 cant for a loan guarantee under this sec-  
18 tion the amount of any payment made pur-  
19 suant to such loan guarantee, unless the  
20 Director for good cause waives such right  
21 of recovery, and, upon making any such  
22 payment, the United States shall be sub-  
23 rogated to all of the rights of the recipient  
24 of the payments with respect to which the  
25 loan was made.

1                   “(ii) MODIFICATION OF TERMS.—Any  
2                   terms and conditions applicable to a loan  
3                   guarantee under this section may be modi-  
4                   fied by the Director to the extent he deter-  
5                   mines it to be consistent with the financial  
6                   interest of the United States.

7                   “(3) DEFAULTS.—The Director may take such  
8                   action as the Director deems appropriate to protect  
9                   the interest of the United States in the event of a  
10                  default on a loan guaranteed under this section, in-  
11                  cluding taking possession of, holding, and using real  
12                  property pledged as security for such a loan guar-  
13                  antee.

14                  “(g) AUTHORIZATION OF APPROPRIATIONS.—

15                  “(1) IN GENERAL.—There is authorized to be  
16                  appropriated to carry out this section, \$50,000,000  
17                  for each of fiscal years 2005 through 2010.

18                  “(2) AVAILABILITY.—Amounts appropriated  
19                  under subparagraph (A) shall remain available for  
20                  obligation until expended.

21                  **“SEC. 2905. GRANTS FOR THE PURCHASE OF HEALTH IN-**  
22                  **FORMATION TECHNOLOGY.**

23                  “(a) IN GENERAL.—The Director may award com-  
24                  petitive grants to eligible entities—

1           “(1) to implement local health information in-  
2           frastructures to facilitate the development of inter-  
3           operability across health care settings; or

4           “(2) to facilitate the purchase and adoption of  
5           health information technology.

6           “(b) ELIGIBILITY.—To be eligible to receive a grant  
7           under section (a) an entity shall—

8           “(1) demonstrate financial need to the Director;

9           “(2) with respect to an entity desiring a  
10          grant—

11           “(A) under subsection (a)(1), represent an  
12          independent consortium of health care stake-  
13          holders within a community that—

14           “(i) includes—

15           “(I) physicians (as defined in  
16           section 1881(r)(1) of the Social Secu-  
17           rity Act), including physicians that  
18           provide services to low income and un-  
19           derserved populations;

20           “(II) hospitals (including hos-  
21           pitals that provide services to low in-  
22           come and underserved populations);  
23           and

24           “(III) group health plans or  
25           other health insurance issuers (as

1                   such terms are defined in section  
2                   2791); and

3                   “(ii) may include any other health  
4                   care providers; or

5                   “(B) under subsection (a)(2) be a health  
6                   care provider that provides health care services  
7                   to low-income and underserved populations;

8                   “(3) adopt the national health information tech-  
9                   nology standards developed under section 2903;

10                  “(4) prepare and submit to the Director an ap-  
11                  plication at such time, in such manner, and con-  
12                  taining such information as the Director may re-  
13                  quire; and

14                  “(5) agree to provide matching funds in accord-  
15                  ance with subsection (d).

16                  “(c) USE OF FUNDS.—Amounts received under a  
17                  grant under subsection (a) shall be used to—

18                  “(1) with respect to a grant described in sub-  
19                  section (a)(1)—

20                         “(A) to develop a plan for the implementa-  
21                         tion of a local health information infrastructure  
22                         under this section;

23                         “(B) to establish systems for the sharing  
24                         of data in accordance with the national health

1 information technology standards developed  
2 under section 2903;

3 “(C) to implement, enhance, or upgrade a  
4 comprehensive, electronic health information  
5 technology system; and

6 “(D) to maintain adequate security and  
7 privacy protocols;

8 “(2) with respect to a grant described in sub-  
9 section (a)(2)—

10 “(A) to develop a plan for the purchase  
11 and installation of health information tech-  
12 nology;

13 “(B) to purchase directly related inte-  
14 grated hardware and software to establish an  
15 interoperable health information technology sys-  
16 tem that is capable of linking to a local health  
17 care information infrastructure; and

18 “(C) to train staff, maintain health infor-  
19 mation technology systems, and maintain ade-  
20 quate security and privacy protocols;

21 “(3) maintain adequate security and privacy  
22 protocols; and

23 “(4) to carry out any other activities deter-  
24 mined appropriate by the Director.

25 “(d) MATCHING REQUIREMENT.—

1           “(1) IN GENERAL.—The Director may not  
2           make a grant under this section to an entity unless  
3           the entity agrees that, with respect to the costs to  
4           be incurred by the entity in carrying out the infra-  
5           structure program for which the grant was awarded,  
6           the entity will make available (directly or through  
7           donations from public or private entities) non-Fed-  
8           eral contributions toward such costs in an amount  
9           equal to not less than 20 percent of such costs (\$1  
10          for each \$5 of Federal funds provided under the  
11          grant).

12           “(2) DETERMINATION OF AMOUNT CONTRIB-  
13          UTED.—Non-Federal contributions required under  
14          paragraph (1) may be in cash or in kind, fairly eval-  
15          uated, including equipment, technology, or services.  
16          Amounts provided by the Federal Government, or  
17          services assisted or subsidized to any significant ex-  
18          tent by the Federal Government, may not be in-  
19          cluded in determining the amount of such non-Fed-  
20          eral contributions.

21          “(e) AUTHORIZATION OF APPROPRIATIONS.—

22           “(1) IN GENERAL.—There is authorized to be  
23          appropriated to carry out this section, \$50,000,000  
24          for each of fiscal years 2005 through 2010.

1           “(2) AVAILABILITY.—Amounts appropriated  
2           under paragraph (1) shall remain available for obli-  
3           gation until expended.

4   **“SEC. 2906. REPORTS.**

5           “(a) IN GENERAL.—Not later than 1 year after the  
6           date of enactment of this title, and annually thereafter,  
7           an entity that receives a grant or loan guarantee under  
8           this title shall submit to the Director a report on the ac-  
9           tivities carried out under the grant or loan guarantee in-  
10          volved. Each such report shall include—

11           “(1) a description of the financial costs and  
12           benefits of the project involved and of the entities to  
13           which such costs and benefits accrue;

14           “(2) a description of the impact of the project  
15           on health care quality and safety; and

16           “(3) a description of any reduction in duplica-  
17           tive or unnecessary care as a result of the project in-  
18           volved.

19           “(b) PREFERENCE.—In awarding grants and loan  
20           guarantees under this title, the Director may give a pref-  
21           erence to eligible entities that agree to electronically sub-  
22           mit reports on a daily basis.”.

1 **SEC. 3. STANDARDIZED MEASURES OF QUALITY HEALTH**  
2 **CARE AND DATA COLLECTION.**

3 Title XIX of the Public Health Service Act, as added  
4 by section 2, is amended by adding at the end the fol-  
5 lowing:

6 **“SEC. 2907. STANDARDIZED MEASURES OF QUALITY**  
7 **HEALTH CARE.**

8 “(a) IN GENERAL.—

9 “(1) COLLABORATION.—The Secretary of  
10 Health and Human Services, the Secretary of De-  
11 fense, and the Secretary of Veterans Affairs (re-  
12 ferred to in this section as the ‘Secretaries’) shall es-  
13 tablish uniform health care quality measures to as-  
14 sess the effectiveness, timeliness, patient self-man-  
15 agement, efficiency, and safety of care delivered  
16 across all federally supported health delivery pro-  
17 grams, including those in which health care services  
18 are delivered to health disparity populations.

19 “(2) DEVELOPMENT OF MEASURES.—Relying  
20 on earlier work by the Secretary of Health and  
21 Human Services or other Federal departments or  
22 agencies and with an emphasis on health conditions  
23 disproportionately affecting health disparity popu-  
24 lations and taking into account health literacy and  
25 primary language and cultural factors, the Secre-

1       taries shall develop standardized sets of quality  
2       measures for—

3               “(A) 5 common health conditions by not  
4               later than January 1, 2006; and

5               “(B) an additional 10 common health con-  
6               ditions by not later than January 1, 2007.

7               “(3) PILOT TESTING.—Each federally sup-  
8       ported health delivery program may conduct a pilot  
9       test of the quality measures developed under para-  
10      graph (2) that shall include a collection of patient-  
11      level data and a public release of comparative per-  
12      formance reports.

13              “(b) PUBLIC REPORTING REQUIREMENTS.—The  
14      Secretaries shall work collaboratively to establish public  
15      reporting requirements for clinicians, institutional pro-  
16      viders, and health plans in each of the federally supported  
17      health delivery program described in subsection (a).

18              “(c) FULL IMPLEMENTATION.—The Secretaries shall  
19      work collaboratively to implement all sets of quality meas-  
20      ures and reporting systems developed under subsections  
21      (a) and (b) by not later than January 1, 2009.

22              “(d) PROGRESS REPORT.—The Secretary of Health  
23      and Human Services shall prepare an annual progress re-  
24      port that details the collaborative efforts carried out under  
25      subsection (a).

1       “(e) COMPARATIVE QUALITY REPORTS.—Beginning  
2 on January 1, 2008, in order to make comparative quality  
3 information available to health care consumers, including  
4 members of health disparity populations, health profes-  
5 sionals, public health officials, researchers, and other ap-  
6 propriate individuals and entities, the Secretaries shall  
7 provide for the pooling, analysis, and dissemination of  
8 quality measures collected under this section. Nothing in  
9 this section shall be construed as modifying the privacy  
10 standards under the Health Insurance Portability and Ac-  
11 countability Act of 1996 (Public Law 104–191).

12       “(f) ONGOING EVALUATION OF USE.—The Secretary  
13 of Health and Human Services shall ensure the ongoing  
14 evaluation of the use of the health care quality measures  
15 established under this section.

16       “(g) EXISTING ACTIVITIES.—Notwithstanding any  
17 other provision of law, the measures and reporting activi-  
18 ties described in this section shall replace, to the extent  
19 practicable and appropriate, any duplicative or redundant  
20 existing measurement and reporting activities currently  
21 utilized by federally supported health care delivery pro-  
22 grams.

23       “(h) EVALUATION AND REGULATIONS.—

24               “(1) EVALUATION.—

1           “(A) IN GENERAL.—The Secretary shall,  
2 directly or indirectly through a contract with  
3 another entity, conduct an evaluation of the col-  
4 laborative efforts of the Secretaries to establish  
5 uniform health care quality measures and re-  
6 porting requirements for federally supported  
7 health care delivery programs as required under  
8 this section.

9           “(B) REPORT.—Not later than 2 years  
10 after the date of enactment of this title, the  
11 Secretary of Health and Human Services shall  
12 submit a report to the appropriate committees  
13 of Congress concerning the results of the eval-  
14 uation under subparagraph (A).

15           “(2) REGULATIONS.—

16           “(A) PROPOSED.—Not later than 18  
17 months after the date on which the report is  
18 submitted under paragraph (1)(B), the Sec-  
19 retary shall publish proposed regulations re-  
20 garding the application of the uniform health  
21 care quality measures and reporting require-  
22 ments described in this section to federally sup-  
23 ported health delivery programs.

24           “(B) FINAL REGULATIONS.—Not later  
25 than 3 years after the date on which the report

1 is submitted under paragraph (1)(B), the Sec-  
2 retary shall publish final regulations regarding  
3 the uniform health care quality measures and  
4 reporting requirements described in this section.

5 “(i) DEFINITIONS.—In this section, the term ‘feder-  
6 ally supported health delivery program’ means a program  
7 that is funded by the Federal Government under which  
8 health care items or services are delivered directly to pa-  
9 tients.

10 **“SEC. 2908. DATA COLLECTION.**

11 “The Secretary shall—

12 “(1) ensure that demographic data collected  
13 under the medicare program are accurate and avail-  
14 able for inclusion in the National Health Disparities  
15 Report;

16 “(2) enforce existing State demographic data  
17 collection and reporting requirements for enrollees in  
18 the medicaid program under title XIX of the Social  
19 Security Act (42 U.S.C. 1396 et seq.) and the State  
20 Children’s Health Insurance Program under title  
21 XXI of such Act (42 U.S.C. 1397aa et seq.), pro-  
22 mote and encourage the collection of such demo-  
23 graphic data in those States that do not have exist-  
24 ing demographic data collection and reporting re-  
25 quirements under these programs, and ensure that

1 such demographic data are available for inclusion in  
2 the National Health Disparities Report;

3 “(3) ensure that any new Federal program ini-  
4 tiatives—

5 “(A) collect and report demographic data  
6 and provide technical assistance to promote  
7 compliance;

8 “(B) address technological difficulties;

9 “(C) ensure privacy and confidentiality of  
10 demographic data collected; and

11 “(D) disseminate an analysis of the demo-  
12 graphic data collection to appropriate stake-  
13 holders;

14 “(4) work with insurers, providers, agencies and  
15 the public to reassure and inform such entities of  
16 the importance of demographic data collection re-  
17 garding health disparity populations to improving  
18 health care access and quality; and

19 “(5) support research on existing best practices  
20 for data collection.”.

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