

107TH CONGRESS
1ST SESSION

H. R. 3450

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2001

Mr. BILIRAKIS (for himself, Mr. BROWN of Ohio, Mr. TAUZIN, Mr. DINGELL, Mr. BARRETT of Wisconsin, Mr. BRYANT, Mr. BURR of North Carolina, Mr. TOM DAVIS of Virginia, Mr. DEAL of Georgia, Mr. EHRLICH, Mr. GREEN of Texas, Mr. GREENWOOD, Mr. GORDON, Ms. HARMAN, Mr. KENNEDY of Minnesota, Mr. MARKEY, Ms. MCCARTHY of Missouri, Mr. NORWOOD, Mr. PALLONE, Mr. PICKERING, Mr. RUSH, Mr. SHIMKUS, Mr. STRICKLAND, Mr. TOWNS, Mr. UPTON, Mr. WAXMAN, Mr. WHITFIELD, and Mr. WICKER) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Health Care Safety Net Improvement Act”.

- 1 (b) TABLE OF CONTENTS.—The table of contents for
 2 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—CONSOLIDATED HEALTH CENTER PROGRAM AMENDMENTS

Sec. 101. Health centers.

Sec. 102. Migratory and seasonal agricultural workers.

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.

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.

TITLE IV—ADDITIONAL PROVISIONS

Sec. 401. Community access demonstration program.

Sec. 402. Expanding availability of dental services.

Sec. 403. Study regarding barriers to participation of farmworkers in health programs.

Sec. 404. Eligibility of certain entities for grants.

Sec. 405. Conforming amendments.

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

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

5 (a) INCREASE OF AUTHORIZATION OF APPROPRIA-
6 TIONS FROM \$802,124,000 FOR FISCAL YEAR 1997 TO
7 \$1,293,000,000 FOR FISCAL YEAR 2002.—Section
8 330(l)(1) of the Public Health Service Act (42 U.S.C.
9 254b(l(1))) is amended by striking “\$802,124,000” and
10 all that follows and inserting “\$1,293,000,000 for fiscal
11 year 2002, and such sums as may be necessary for each
12 of the fiscal years 2003 through 2006.”.

13 (b) ADDITIONAL AMENDMENTS.—Section 330 of the
14 Public Health Service Act (42 U.S.C. 254b) is amended—

15 (1) in subsection (b)(1)(A)—

16 (A) in clause (i)(III)(bb), by striking
17 “screening for breast and cervical cancer” and
18 inserting “appropriate cancer screening”;

19 (B) in clause (ii), by inserting “(including
20 specialty referral when medically indicated)”
21 after “medical services”; and

22 (C) in clause (iii), by inserting “housing,”
23 after “social,”;

24 (2) in subsection (b)(2)—

(A) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively; and

(B) by inserting before subparagraph (B) (as so redesignated) the following:

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

(3) in subsection (c)(1)—

(A) in subparagraph (B)—

(i) in the heading, by striking “COMPREHENSIVE SERVICE DELIVERY” and inserting “MANAGED CARE”;

(ii) in the matter preceding clause (i), by striking “network or plan” and all that follows to the period and inserting “managed care network or plan.”; and

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

(B) by adding at the end the following:

“(C) PRACTICE MANAGEMENT NETWORKS.—The Secretary may make grants to health centers that receive assistance under this section to enable the centers to plan and de-

velop practice management networks that will
enable the centers to—

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

“(ii) improve access to, and availability of, health care services provided to
individuals served by the centers;

“(iii) enhance the quality and coordination of health care services; or

“(iv) improve the health status of
communities.

“(D) USE OF FUNDS.—The activities for
which a grant may be made under subparagraph (B) or (C) may include the purchase or
lease of equipment, which may include data and
information systems (including paying for the
costs of amortizing the principal of, and paying
the interest on, loans for equipment), the provision of training and technical assistance related
to the provision of health care services on a pre-
paid basis or under another managed care arrangement, and other activities that promote
the development of practice management or
managed care networks and plans.”;

(4) in subsection (d)—

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

3 (B) in paragraph (1)—

4 (i) in subparagraph (A), by striking
5 “the principal and interest on loans” and
6 all that follows through the period and in-
7 serting “the principal and interest on loans
8 made by non-Federal lenders to health cen-
9 ters, funded under this section, for the
10 costs of developing and operating managed
11 care networks or plans described in sub-
12 section (c)(1)(B), or practice management
13 networks described in subsection (c)(1)(C),
14 and for the costs of acquiring or leasing
15 buildings, or purchasing or leasing equip-
16 ment.”;

17 (ii) in subparagraph (B)—

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

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

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

23 “(iii) to refinance a loan to the center
24 or centers, if the Secretary determines
25 that—

1 “(I) such refinancing will result
2 in more favorable terms;

3 “(II) the savings resulting from
4 the refinancing will be beneficial to
5 both the center (or centers) and the
6 Government; and

7 “(III) the center (or centers) can
8 demonstrate an ability to repay the
9 refinanced loan equal to or greater
10 than the ability of the center (or cen-
11 ters) to repay the original loan on the
12 date the original loan was made.”;
13 and

14 (iii) by adding at the end the fol-
15 lowing:

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

24 (C)(i) by striking paragraphs (6) and (7);
25 and

1 (ii) by redesignating paragraph (8) as
 2 paragraph (6);
 3 (5) in subsection (e)—

4 (A) in paragraph (1), by adding at the end
 5 the following:

6 “(C) OPERATION OF NETWORKS AND
 7 PLANS.—

8 “(i) IN GENERAL.—The Secretary
 9 may make grants to health centers that re-
 10 ceive assistance under this section, or at
 11 the request of the health centers, directly
 12 to a network or plan (as described in sub-
 13 paragraphs (B) and (C) of subsection
 14 (c)(1)) that is at least majority controlled
 15 and, as applicable, at least majority owned
 16 by such health centers receiving assistance
 17 under this section, for the costs associated
 18 with the operation of such network or plan,
 19 including the purchase or lease of equip-
 20 ment (including the costs of amortizing the
 21 principal of, and paying the interest on,
 22 loans for equipment).

23 “(ii) CERTAIN REQUIREMENTS.—Sub-
 24 section (j) applies with respect to grants
 25 under clause (i) to the same extent and in

1 the same manner as such subsection ap-
2 plies with respect to grants under subpara-
3 graph (A) or (B), except to the extent that
4 as applied to clause (i) the Secretary
5 waives any requirement under subsection
6 (j) on the basis that the requirement is not
7 necessary with respect to the purposes for
8 which grants under clause (i) are made.”;
9 and

10 (B) in paragraph (5)—

11 (i) in subparagraph (A), by inserting
12 “subparagraphs (A) and (B) of” after
13 “any fiscal year under”;

14 (ii) by redesignating subparagraphs
15 (B) and (C) as subparagraphs (C) and
16 (D), respectively; and

17 (iii) by inserting after subparagraph
18 (A) the following:

19 “(B) NETWORKS AND PLANS.—The total
20 amount of grant funds made available for any
21 fiscal year under paragraph (1)(C) and sub-
22 paragraphs (B) and (C) of subsection (c)(1) to
23 a health center shall be determined by the Sec-
24 retary, but may not exceed 2 percent of the

1 total amount appropriated under this section
2 for such fiscal year.”;

3 (6) in subsection (h)—

4 (A) in paragraph (1), by striking “home-
5 less children and children at risk of homeless-
6 ness” and inserting “homeless children and
7 youth and children and youth at risk of home-
8 lessness”;

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

11 (ii) by inserting after paragraph (3) the
12 following:

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

23 (C) in paragraph (5)(C) (as redesignated
24 by subparagraph (B)), by striking “and residen-
25 tial treatment” and inserting “, risk reduction,

1 outpatient treatment, residential treatment, and
2 rehabilitation”;

3 (7) in subsection (j)(3)—

4 (A) in subparagraph (E)—

5 (i) in clause (i)—

6 (I) by striking “(i)” and insert-
7 ing “(i)(I)”;

8 (II) by striking “plan; or” and
9 inserting “plan; and”; and

10 (III) by adding at the end the
11 following:

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

20 (ii) by striking clause (ii) and insert-
21 ing the following:

22 “(ii) has made or will make every rea-
23 sonable effort to enter into arrangements
24 described in subclauses (I) and (II) of
25 clause (i);”;

1 (B) in subparagraph (G)—

2 (i) in clause (ii)(II), by striking “;
3 and” and inserting “;”;

4 (ii) by redesignating clause (iii) as
5 clause (iv); and

6 (iii) by inserting after clause (ii) the
7 following:

8 “(iii)(I) will assure that no patient
9 will be denied health care services due to
10 an individual’s inability to pay for such
11 services; and

12 “(II) will assure that any fees or pay-
13 ments required by the center for such serv-
14 ices will be reduced or waived to enable the
15 center to fulfill the assurance described in
16 subclause (I); and”;

17 (C) in subparagraph (K)(ii), by striking
18 “and” after the semicolon at the end;

19 (D) in subparagraph (L), by striking the
20 period at the end and inserting “; and”; and

21 (E) by adding at the end the following sub-
22 paragraph:

23 “(M) the center encourages persons receiv-
24 ing or seeking health services from the center to
25 participate in any public or private (including

1 employer-offered) health programs or plans for
2 which the persons are eligible.”;

3 (8) by striking subsection (k) and inserting the
4 following:

5 “(k) TECHNICAL ASSISTANCE.—The Secretary shall
6 establish a program through which the Secretary shall
7 provide technical and other assistance to eligible entities
8 to assist such entities to meet the requirements of para-
9 graphs (2) and (3) of subsection (j) and in developing
10 plans for, and operating health centers. Services provided
11 through the program may include necessary technical and
12 nonfinancial assistance, including fiscal and program man-
13 agement assistance, training in program management,
14 operational and administrative support, and the provision
15 of information to the entities of the variety of resources
16 available under this title and how those resources can be
17 best used to meet the health needs of the communities
18 served by the entities.”;

19 (9)(A) in subsection (l) (as amended by sub-
20 section (a) of this section), by striking “(l) AUTHOR-
21 IZATION”;

22 (B) by transferring such undesignated sub-
23 section to the end of the section;

24 (C) by redesignating subsections (m) through
25 (q) as subsections (l) through (p), respectively; and

(D) in the subsection transferred by subparagraph (B), by inserting “(q) AUTHORIZATION” before “OF APPROPRIATIONS.—”; and

(10) in subsection (q) (as transferred and redesignated by paragraph (9)), in paragraph (2)—

(A) in subparagraph (A), by striking “(j)(3)(G)(ii)” and inserting “(j)(3)(H)”; and

(B) by striking subparagraph (B) and inserting the following:

“(B) DISTRIBUTION OF GRANTS.—For fiscal year 2002 and each of the following fiscal years, the Secretary, in awarding grants under this section, shall ensure that the proportion of the amount made available under each of subsections (g), (h), and (i), relative to the total amount appropriated to carry out this section for that fiscal year, is equal to the proportion of the amount made available under that subsection for fiscal year 2001, relative to the total amount appropriated to carry out this section for fiscal year 2001.”.

(c) **TELEMEDICINE; INCENTIVE GRANTS REGARDING COORDINATION AMONG STATES.**—

(1) **IN GENERAL.**—The Secretary of Health and Human Services may make grants to State profes-

1 sional licensing boards to carry out programs under
 2 which such licensing boards of various States co-
 3 operate to develop and implement State policies that
 4 will reduce statutory and regulatory barriers to tele-
 5 medicine.

6 (2) AUTHORIZATION OF APPROPRIATIONS.—For
 7 the purpose of carrying out paragraph (1), there are
 8 authorized to be appropriated \$10,000,000 for fiscal
 9 year 2002, and such sums as may be necessary for
 10 each of the fiscal years 2002 through 2006.

11 **SEC. 102. MIGRATORY AND SEASONAL AGRICULTURAL**
 12 **WORKERS.**

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

15 (1) in paragraph (2)—

16 (A) in subparagraph (A), by inserting
 17 “and seasonal agricultural worker” after “agri-
 18 cultural worker”; and

19 (B) in subparagraph (B), by striking “and
 20 members of their families” and inserting “and
 21 seasonal agricultural workers, and members of
 22 their families,”; and

23 (2) in paragraph (3)(A), by striking “on a sea-
 24 sonal basis”.

1 **TITLE II—RURAL HEALTH**
 2 **Subtitle A—Rural Health Care**
 3 **Services Outreach, Rural Health**
 4 **Network Development, and**
 5 **Small Health Care Provider**
 6 **Quality Improvement Grant**
 7 **Programs**

8 **SEC. 201. GRANT PROGRAMS.**

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

11 **“SEC. 330A. RURAL HEALTH CARE SERVICES OUTREACH,**
 12 **RURAL HEALTH NETWORK DEVELOPMENT,**
 13 **AND SMALL HEALTH CARE PROVIDER QUAL-**
 14 **ITY IMPROVEMENT GRANT PROGRAMS.**

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

21 “(b) DEFINITIONS.—

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

24 “(2) FEDERALLY QUALIFIED HEALTH CENTER;
 25 RURAL HEALTH CLINIC.—The terms ‘Federally

1 qualified health center’ and ‘rural health clinic’ have
2 the meanings given the terms in section 1861(aa) of
3 the Social Security Act (42 U.S.C. 1395x(aa)).

4 “(3) HEALTH PROFESSIONAL SHORTAGE
5 AREA.—The term ‘health professional shortage area’
6 means a health professional shortage area des-
7 ignated under section 332.

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

11 “(5) MEDICALLY UNDERSERVED POPU-
12 LATION.—The term ‘medically underserved popu-
13 lation’ has the meaning given the term in section
14 330(b)(3).

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

18 “(d) ADMINISTRATION.—

19 “(1) PROGRAMS.—The rural health care serv-
20 ices outreach, rural health network development, and
21 small health care provider quality improvement
22 grant programs established under section 301 shall
23 be administered by the Director of the Office of
24 Rural Health Policy of the Health Resources and
25 Services Administration, in consultation with State

1 offices of rural health or other appropriate State
2 government entities.

3 “(2) GRANTS.—

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

11 “(B) TYPES OF GRANTS.—The Director
12 may award the grants—

13 “(i) to promote expanded delivery of
14 health care services in rural areas under
15 subsection (e);

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

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

24 “(e) RURAL HEALTH CARE SERVICES OUTREACH
25 GRANTS.—

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

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

10 “(A) shall be a rural public or private enti-
11 ty;

12 “(B) shall represent a consortium com-
13 posed of members—

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

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

18 “(C) shall not previously have received a
19 grant under this subsection for the same or a
20 similar project, unless the entity is proposing to
21 expand the scope of the project or the area that
22 will be served through the project.

23 “(3) APPLICATIONS.—To be eligible to receive a
24 grant under this subsection, an eligible entity, in
25 consultation with the appropriate State office of

1 rural health or another appropriate State entity,
2 shall prepare and submit to the Secretary an appli-
3 cation, at such time, in such manner, and containing
4 such information as the Secretary may require,
5 including—

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

9 “(B) a description of the manner in which
10 the project funded under the grant will meet
11 the health care needs of rural underserved pop-
12 ulations in the local community or region to be
13 served;

14 “(C) a description of how the local commu-
15 nity or region to be served will be involved in
16 the development and ongoing operations of the
17 project;

18 “(D) a plan for sustaining the project after
19 Federal support for the project has ended; and

20 “(E) a description of how the project will
21 be evaluated.

22 “(f) RURAL HEALTH NETWORK DEVELOPMENT
23 GRANTS.—

24 “(1) GRANTS.—

1 “(A) IN GENERAL.—The Director may
2 award rural health network development grants
3 to eligible entities to promote, through planning
4 and implementation, the development of inte-
5 grated health care networks that have combined
6 the functions of the entities participating in the
7 networks in order to—

8 “(i) achieve efficiencies;

9 “(ii) expand access to, coordinate, and
10 improve the quality of essential health care
11 services; and

12 “(iii) strengthen the rural health care
13 system as a whole.

14 “(B) GRANT PERIODS.—The Director may
15 award such a rural health network development
16 grant for implementation activities for a period
17 of 3 years. The Director may also award such
18 a rural health network development grant for
19 planning activities for a period of 1 year, to as-
20 sist in the development of an integrated health
21 care network, if the proposed participants in
22 the network do not have a history of collabo-
23 rative efforts and a 3-year grant would be inap-
24 propriate.

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

3 “(A) shall be a rural public or private enti-
4 ty;

5 “(B) shall represent a network composed
6 of participants—

7 “(i) that include 3 or more health
8 care providers; and

9 “(ii) that may be nonprofit or for-
10 profit entities; and

11 “(C) shall not previously have received a
12 grant under this subsection (other than a grant
13 for planning activities) for the same or a simi-
14 lar project.

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

23 “(A) a description of the project that the
24 eligible entity will carry out using the funds
25 provided under the grant;

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

4 “(C) a description of—

5 “(i) the history of collaborative activi-
6 ties carried out by the participants in the
7 network;

8 “(ii) the degree to which the partici-
9 pants are ready to integrate their func-
10 tions; and

11 “(iii) how the local community or re-
12 gion to be served will benefit from and be
13 involved in the activities carried out by the
14 network;

15 “(D) a description of how the local com-
16 munity or region to be served will experience in-
17 creased access to quality health care services
18 across the continuum of care as a result of the
19 integration activities carried out by the net-
20 work;

21 “(E) a plan for sustaining the project after
22 Federal support for the project has ended; and

23 “(F) a description of how the project will
24 be evaluated.

1 “(g) SMALL HEALTH CARE PROVIDER QUALITY IM-
2 PROVEMENT GRANTS.—

3 “(1) GRANTS.—The Director may award grants
4 to provide for the planning and implementation of
5 small health care provider quality improvement ac-
6 tivities. The Director may award the grants for peri-
7 ods of 1 to 3 years.

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

10 “(A)(i) shall be a rural public or rural non-
11 profit private health care provider or provider
12 of health care services, such as a critical access
13 hospital or a rural health clinic; or

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

17 “(B) shall not previously have received a
18 grant under this subsection for the same or a
19 similar project.

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

ner, and containing such information as the Secretary may require, including—

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

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

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

“(D) a description of how the local community or region to be served will experience increased access to quality health care services across the continuum of care as a result of the activities carried out by the entity;

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

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

“(4) EXPENDITURES FOR SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANTS.—In awarding a grant under this subsection, the Director shall ensure that the funds made available through

1 the grant will be used to provide services to resi-
2 dents of rural areas. The Director shall award not
3 less than 50 percent of the funds made available
4 under this subsection to providers located in and
5 serving rural areas.

6 “(h) GENERAL REQUIREMENTS.—

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

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

11 “(B) for construction, except that such
12 funds may be expended for minor renovations
13 relating to the installation of equipment.

14 “(2) COORDINATION WITH OTHER AGENCIES.—

15 The Secretary shall coordinate activities carried out
16 under grant programs described in this section, to
17 the extent practicable, with Federal and State agen-
18 cies and nonprofit organizations that are operating
19 similar grant programs, to maximize the effect of
20 public dollars in funding meritorious proposals.

21 “(3) PREFERENCE.—In awarding grants under
22 this section, the Secretary shall give preference to
23 entities that—

24 “(A) are located in health professional
25 shortage areas or medically underserved com-

1 munities, or serve medically underserved popu-
 2 lations; or

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

6 “(i) 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 sub-
 10 sections (e), (f), and (g).

11 “(j) AUTHORIZATION OF APPROPRIATIONS.—There
 12 are authorized to be appropriated to carry out this section
 13 \$40,000,000 for fiscal year 2002, and such sums as may
 14 be necessary for each of fiscal years 2003 through 2006.”.

15 **Subtitle B—Telehealth Grant** 16 **Consolidation**

17 **SEC. 211. SHORT TITLE.**

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

20 **SEC. 212. CONSOLIDATION AND REAUTHORIZATION OF** 21 **PROVISIONS.**

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

1 **“SEC. 330I. TELEHEALTH NETWORK AND TELEHEALTH RE-**
2 **SOURCE CENTERS GRANT PROGRAMS.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) DIRECTOR; OFFICE.—The terms ‘Director’
5 and ‘Office’ mean the Director and Office specified
6 in subsection (c).

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

12 “(3) FRONTIER COMMUNITY.—The term ‘fron-
13 tier community’ means an area with fewer than 6
14 residents per square mile, based on the latest popu-
15 lation data published by the Bureau of the Census.

16 “(4) MEDICALLY UNDERSERVED AREA.—The
17 term ‘medically underserved area’ has the meaning
18 given the term ‘medically underserved community’ in
19 section 799B.

20 “(5) MEDICALLY UNDERSERVED POPU-
21 LATION.—The term ‘medically underserved popu-
22 lation’ has the meaning given the term in section
23 330(b)(3).

24 “(6) TELEHEALTH SERVICES.—The term ‘tele-
25 health services’ means services provided through
26 telehealth technologies.

1 “(7) TELEHEALTH TECHNOLOGIES.—The term
2 ‘telehealth technologies’ means technologies relating
3 to the use of electronic information, and tele-
4 communications technologies, to support and pro-
5 mote, at a distance, health care, patient and profes-
6 sional health-related education, health administra-
7 tion, and public health.

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

11 “(c) ADMINISTRATION.—

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

16 “(2) DUTIES.—The telehealth network and tele-
17 health resource centers grant programs established
18 under section 301 shall be administered by the Di-
19 rector, in consultation with the State offices of rural
20 health, State offices concerning primary care, or
21 other appropriate State government entities.

22 “(d) GRANTS.—

23 “(1) TELEHEALTH NETWORK GRANTS.—The
24 Director may, in carrying out the telehealth network
25 grant program referred to in subsection (b), award

1 grants to eligible entities for projects to demonstrate
2 how telehealth technologies can be used through tele-
3 health networks in rural areas, frontier communities,
4 and medically underserved areas, and for medically
5 underserved populations, to—

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

8 “(B) improve and expand the training of
9 health care providers; and

10 “(C) expand and improve the quality of
11 health information available to health care pro-
12 viders, and patients and their families, for deci-
13 sionmaking.

14 “(2) TELEHEALTH RESOURCE CENTERS
15 GRANTS.—The Director may, in carrying out the
16 telehealth resource centers grant program referred
17 to in subsection (b), award grants to eligible entities
18 for projects to demonstrate how telehealth tech-
19 nologies can be used in the areas and communities,
20 and for the populations, described in paragraph (1),
21 to establish telehealth resource centers.

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

25 “(f) ELIGIBLE ENTITIES.—

1 “(1) TELEHEALTH NETWORK GRANTS.—

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

5 “(B) TELEHEALTH NETWORKS.—

6 “(i) IN GENERAL.—To be eligible to
7 receive a grant under subsection (d)(1), an
8 entity shall demonstrate that the entity
9 will provide services through a telehealth
10 network.

11 “(ii) NATURE OF ENTITIES.—Each
12 entity participating in the telehealth net-
13 work may be a nonprofit or for-profit enti-
14 ty.

15 “(iii) COMPOSITION OF NETWORK.—
16 The telehealth network shall include at
17 least 2 of the following entities (at least 1
18 of which shall be a community-based
19 health care provider):

20 “(I) Community or migrant
21 health centers or other Federally
22 qualified health centers.

23 “(II) Health care providers, in-
24 cluding pharmacists, in private prac-
25 tice.

1 “(III) Entities operating clinics,
2 including rural health clinics.

3 “(IV) Local health departments.

4 “(V) Nonprofit hospitals, includ-
5 ing community access hospitals.

6 “(VI) Other publicly funded
7 health or social service agencies.

8 “(VII) Long-term care providers.

9 “(VIII) Providers of health care
10 services in the home.

11 “(IX) Providers of outpatient
12 mental health services and entities op-
13 erating outpatient mental health fa-
14 cilities.

15 “(X) Local or regional emergency
16 health care providers.

17 “(XI) Institutions of higher edu-
18 cation.

19 “(XII) Entities operating dental
20 clinics.

21 “(2) TELEHEALTH RESOURCE CENTERS
22 GRANTS.—To be eligible to receive a grant under
23 subsection (d)(2), an entity shall be a nonprofit enti-
24 ty.

1 “(g) APPLICATIONS.—To be eligible to receive a
2 grant under subsection (d), an eligible entity, in consulta-
3 tion with the appropriate State office of rural health or
4 another appropriate State entity, shall prepare and submit
5 to the Secretary an application, at such time, in such man-
6 ner, and containing such information as the Secretary may
7 require, including—

8 “(1) a description of the project that the eligi-
9 ble entity will carry out using the funds provided
10 under the grant;

11 “(2) a description of the manner in which the
12 project funded under the grant will meet the health
13 care needs of rural or other populations to be served
14 through the project, or improve the access to serv-
15 ices of, and the quality of the services received by,
16 those populations;

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

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

23 “(5) information on the source and amount of
24 non-Federal funds that the entity will provide for
25 the project;

1 “(6) information demonstrating the long-term
2 viability of the project, and other evidence of institu-
3 tional commitment of the entity to the project; and

4 “(7) in the case of an application for a project
5 involving a telehealth network, information dem-
6 onstrating how the project will promote the integra-
7 tion of telehealth technologies into the operations of
8 health care providers, to avoid redundancy, and im-
9 prove access to and the quality of care.

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

19 “(i) PREFERENCES.—

20 “(1) TELEHEALTH NETWORKS.—In awarding
21 grants under subsection (d)(1) for projects involving
22 telehealth networks, the Secretary shall give pref-
23 erence to an eligible entity that meets at least 1 of
24 the following requirements:

1 “(A) ORGANIZATION.—The eligible entity
2 is a rural community-based organization or an-
3 other community-based organization.

4 “(B) SERVICES.—The eligible entity pro-
5 poses to use Federal funds made available
6 through such a grant to develop plans for, or to
7 establish, telehealth networks that provide men-
8 tal health, public health, long-term care, home
9 care, preventive, or case management services.

10 “(C) COORDINATION.—The eligible entity
11 demonstrates how the project to be carried out
12 under the grant will be coordinated with other
13 relevant federally funded projects in the areas,
14 communities, and populations to be served
15 through the grant.

16 “(D) NETWORK.—The eligible entity dem-
17 onstrates that the project involves a telehealth
18 network that includes an entity that—

19 “(i) provides clinical health care serv-
20 ices, or educational services for health care
21 providers and for patients or their families;
22 and

23 “(ii) is—

24 “(I) a public school;

25 “(II) a public library;

1 “(III) an institution of higher
2 education; or

3 “(IV) a local government entity.

4 “(E) CONNECTIVITY.—The eligible entity
5 proposes a project that promotes local
6 connectivity within areas, communities, or pop-
7 ulations to be served through the project.

8 “(F) INTEGRATION.—The eligible entity
9 demonstrates that health care information has
10 been integrated into the project.

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

16 “(A) PROVISION OF SERVICES.—The eligi-
17 ble entity has a record of success in the provi-
18 sion of telehealth services to medically under-
19 served areas or medically underserved popu-
20 lations.

21 “(B) COLLABORATION AND SHARING OF
22 EXPERTISE.—The eligible entity has a dem-
23 onstrated record of collaborating and sharing
24 expertise with providers of telehealth services at
25 the national, regional, State, and local levels.

1 “(C) BROAD RANGE OF TELEHEALTH
2 SERVICES.—The eligible entity has a record of
3 providing a broad range of telehealth services,
4 which may include—

5 “(i) a variety of clinical specialty serv-
6 ices;

7 “(ii) patient or family education;

8 “(iii) health care professional edu-
9 cation; and

10 “(iv) rural residency support pro-
11 grams.

12 “(j) DISTRIBUTION OF FUNDS.—

13 “(1) IN GENERAL.—In awarding grants under
14 this section, the Director shall ensure, to the great-
15 est extent possible, that such grants are equitably
16 distributed among the geographical regions of the
17 United States.

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

21 “(A) not less than 50 percent of the funds
22 awarded shall be awarded for projects in rural
23 areas; and

24 “(B) the total amount of funds awarded
25 for such projects for that fiscal year shall be

1 not less than the total amount of funds award-
2 ed for such projects for fiscal year 2001 under
3 section 330A (as in effect on the day before the
4 date of enactment of the Health Care Safety
5 Net Improvement Act).

6 “(k) USE OF FUNDS.—

7 “(1) TELEHEALTH NETWORK PROGRAM.—The
8 recipient of a grant under subsection (d)(1) may use
9 funds received through such grant for salaries,
10 equipment, and operating or other costs, including
11 the cost of—

12 “(A) developing and delivering clinical tele-
13 health services that enhance access to commu-
14 nity-based health care services in rural areas,
15 frontier communities, or medically underserved
16 areas, or for medically underserved populations;

17 “(B) developing and acquiring, through
18 lease or purchase, computer hardware and soft-
19 ware, audio and video equipment, computer net-
20 work equipment, interactive equipment, data
21 terminal equipment, and other equipment that
22 furthers the objectives of the telehealth network
23 grant program;

24 “(C)(i) developing and providing distance
25 education, in a manner that enhances access to

1 care in rural areas, frontier communities, or
2 medically underserved areas, or for medically
3 underserved populations; or

4 “(ii) mentoring, precepting, or supervising
5 health care providers and students seeking to
6 become health care providers, in a manner that
7 enhances access to care in the areas and com-
8 munities, or for the populations, described in
9 clause (i);

10 “(D) developing and acquiring instruc-
11 tional programming;

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

14 “(ii) providing for compensation (including
15 travel expenses) of specialists, and referring
16 health care providers, who are providing tele-
17 health services through the telehealth network,
18 if no third party payment is available for the
19 telehealth services delivered through the tele-
20 health network;

21 “(F) developing projects to use telehealth
22 technology to facilitate collaboration between
23 health care providers;

1 “(G) collecting and analyzing usage statis-
2 tics and data to document the cost-effectiveness
3 of the telehealth services; and

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

7 “(2) TELEHEALTH RESOURCE CENTERS.—The
8 recipient of a grant under subsection (d)(2) may use
9 funds received through such grant for salaries,
10 equipment, and operating or other costs for—

11 “(A) providing technical assistance, train-
12 ing, and support, and providing for travel ex-
13 penses, for health care providers and a range of
14 health care entities that provide or will provide
15 telehealth services;

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

18 “(C) promoting effective collaboration
19 among telehealth resource centers and the Of-
20 fice;

21 “(D) conducting evaluations to determine
22 the best utilization of telehealth technologies to
23 meet health care needs;

1 “(E) promoting the integration of the tech-
2 nologies used in clinical information systems
3 with other telehealth technologies;

4 “(F) fostering the use of telehealth tech-
5 nologies to provide health care information and
6 education for health care providers and con-
7 sumers in a more effective manner; and

8 “(G) implementing special projects or
9 studies under the direction of the Office.

10 “(I) PROHIBITED USES OF FUNDS.—An entity that
11 receives a grant under this section may not use funds
12 made available through the grant—

13 “(1) to acquire real property;

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

17 “(3) in the case of a project involving a tele-
18 health network, to purchase or install transmission
19 equipment (such as laying cable or telephone lines,
20 or purchasing or installing microwave towers, sat-
21 ellite dishes, amplifiers, or digital switching equip-
22 ment);

23 “(4) to pay for any equipment or transmission
24 costs not directly related to the purposes for which
25 the grant is awarded;

1 “(5) to purchase or install general purpose
2 voice telephone systems;

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

6 “(7) for expenditures for indirect costs (as de-
7 termined by the Secretary), to the extent that the
8 expenditures would exceed 10 percent of the total
9 grant funds.

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

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

15 “(B) are public or private entities that operate
16 centers, or carry out programs, that receive Federal
17 or State assistance; and

18 “(2) provide telehealth services or related activi-
19 ties.

20 “(n) COORDINATION WITH OTHER AGENCIES.—The
21 Secretary shall coordinate activities carried out under
22 grant programs described in subsection (b), to the extent
23 practicable, with Federal and State agencies and nonprofit
24 organizations that are operating similar programs, to

1 maximize the effect of public dollars in funding meri-
2 torious proposals.

3 “(o) OUTREACH ACTIVITIES.—The Secretary shall
4 establish and implement procedures to carry out outreach
5 activities to advise potential end users of telehealth serv-
6 ices in rural areas, frontier communities, medically under-
7 served areas, and medically underserved populations in
8 each State about the grant programs described in sub-
9 section (b).

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

22 “(q) REPORT.—Not later than September 30, 2005,
23 the Secretary shall prepare and submit to the appropriate
24 committees of Congress a report on the progress and ac-

1 accomplishments of the grant programs described in sub-
 2 section (b).

3 “(r) AUTHORIZATION OF APPROPRIATIONS.—There
 4 are authorized to be appropriated to carry out this
 5 section—

6 “(1) for grants under subsection (d)(1),
 7 \$40,000,000 for fiscal year 2002, and such sums as
 8 may be necessary for each of fiscal years 2003
 9 through 2006; and

10 “(2) for grants under subsection (d)(2),
 11 \$20,000,000 for fiscal year 2002, and such sums as
 12 may be necessary for each of fiscal years 2003
 13 through 2006.”.

14 **Subtitle C—Mental Health Services**
 15 **Telehealth Program and Rural**
 16 **Emergency Medical Service**
 17 **Training and Equipment Assist-**
 18 **ance Program**

19 **SEC. 221. PROGRAMS.**

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

1 **“SEC. 330J. RURAL EMERGENCY MEDICAL SERVICE TRAIN-**
2 **ING AND EQUIPMENT ASSISTANCE PROGRAM.**

3 “(a) GRANTS.—The Secretary, acting through the
4 Administrator of the Health Resources and Services Ad-
5 ministration (referred to in this section as the ‘Secretary’)
6 shall award grants to eligible entities to enable such enti-
7 ties to provide for improved emergency medical services
8 in rural areas.

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

11 “(1) be—

12 “(A) a State emergency medical services
13 office;

14 “(B) a State emergency medical services
15 association;

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

17 “(D) a local government entity;

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

19 or

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

22 “(2) prepare and submit to the Secretary an
23 application at such time, in such manner, and con-
24 taining such information as the Secretary may re-
25 quire, that includes—

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

3 “(B) an assurance that the eligible entity
4 will comply with the matching requirement of
5 subsection (e).

6 “(c) USE OF FUNDS.—An entity shall use amounts
7 received under a grant made under subsection (a), either
8 directly or through grants to emergency medical service
9 squads that are located in, or that serve residents of, a
10 nonmetropolitan statistical area, an area designated as a
11 rural area by any law or regulation of a State, or a rural
12 census tract of a metropolitan statistical area (as deter-
13 mined under the most recent Goldsmith Modification,
14 originally published in a notice of availability of funds in
15 the Federal Register on February 27, 1992, 57 Fed. Reg.
16 6725), to—

17 “(1) recruit emergency medical service per-
18 sonnel;

19 “(2) recruit volunteer emergency medical serv-
20 ice personnel;

21 “(3) train emergency medical service personnel
22 in emergency response, injury prevention, safety
23 awareness, and other topics relevant to the delivery
24 of emergency medical services;

1 “(4) fund specific training to meet Federal or
2 State certification requirements;

3 “(5) develop new ways to educate emergency
4 health care providers through the use of technology-
5 enhanced educational methods (such as distance
6 learning);

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

9 “(7) acquire personal protective equipment for
10 emergency medical services personnel as required by
11 the Occupational Safety and Health Administration;
12 and

13 “(8) educate the public concerning
14 cardiopulmonary resuscitation, first aid, injury pre-
15 vention, safety awareness, illness prevention, and
16 other related emergency preparedness topics.

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

19 “(1) applications that reflect a collaborative ef-
20 fort by 2 or more of the entities described in sub-
21 paragraphs (A) through (F) of subsection (b)(1);
22 and

23 “(2) applications submitted by entities that in-
24 tend to use amounts provided under the grant to

1 fund activities described in any of paragraphs (1)
2 through (5) of subsection (c).

3 “(e) MATCHING REQUIREMENT.—The Secretary may
4 not award a grant under this section to an entity unless
5 the entity agrees that the entity will make available (di-
6 rectly or through contributions from other public or pri-
7 vate entities) non-Federal contributions toward the activi-
8 ties to be carried out under the grant in an amount equal
9 to 25 percent of the amount received under the grant.

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

12 “(1) means resources used by a qualified public
13 or private nonprofit entity, or by any other entity
14 recognized as qualified by the State involved, to de-
15 liver medical care outside of a medical facility under
16 emergency conditions that occur—

17 “(A) as a result of the condition of the pa-
18 tient; or

19 “(B) as a result of a natural disaster or
20 similar situation; and

21 “(2) includes services delivered by an emer-
22 gency medical services provider (either compensated
23 or volunteer) or other provider recognized by the
24 State involved that is licensed or certified by the
25 State as an emergency medical technician or its

1 equivalent (as determined by the State), a registered
 2 nurse, a physician assistant, or a physician that pro-
 3 vides services similar to services provided by such an
 4 emergency medical services provider.

5 “(g) AUTHORIZATION OF APPROPRIATIONS.—

6 “(1) IN GENERAL.—There are authorized to be
 7 appropriated to carry out this section such sums as
 8 may be necessary for each of fiscal years 2002
 9 through 2006.

10 “(2) ADMINISTRATIVE COSTS.—The Secretary
 11 may use not more than 10 percent of the amount
 12 appropriated under paragraph (1) for a fiscal year
 13 for the administrative expenses of carrying out this
 14 section.

15 **“SEC. 330K. MENTAL HEALTH SERVICES DELIVERED VIA**
 16 **TELEHEALTH.**

17 “(a) DEFINITIONS.—In this section:

18 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
 19 tity’ means a public or nonprofit private telehealth
 20 provider network that offers services that include
 21 mental health services provided by qualified mental
 22 health providers.

23 “(2) QUALIFIED MENTAL HEALTH PROFES-
 24 SIONALS.—The term ‘qualified mental health profes-
 25 sionals’ refers to providers of mental health services

1 reimbursed under the medicare program carried out
2 under title XVIII of the Social Security Act (42
3 U.S.C. 1395 et seq.) who have additional training in
4 the treatment of mental illness in children and ado-
5 lescents or who have additional training in the treat-
6 ment of mental illness in the elderly.

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

10 “(A) Children and adolescents in mental
11 health underserved rural areas or in mental
12 health underserved urban areas.

13 “(B) Elderly individuals located in long-
14 term care facilities in mental health under-
15 served rural areas or in mental health under-
16 served urban areas.

17 “(4) TELEHEALTH.—The term ‘telehealth’
18 means the use of electronic information and tele-
19 communications technologies to support long dis-
20 tance clinical health care, patient and professional
21 health-related education, public health, and health
22 administration.

23 “(b) PROGRAM AUTHORIZED.—

24 “(1) IN GENERAL.—The Secretary, acting
25 through the Director of the Office for the Advance-

1 ment of Telehealth of the Health Resources and
2 Services Administration, shall award grants to eligi-
3 ble entities to establish demonstration projects for
4 the provision of mental health services to special
5 populations as delivered remotely by qualified mental
6 health professionals using telehealth and for the pro-
7 vision of education regarding mental illness as deliv-
8 ered remotely by qualified mental health profes-
9 sionals and qualified mental health education profes-
10 sionals using telehealth.

11 “(2) POPULATIONS SERVED.—The Secretary
12 shall award the grants under paragraph (1) in a
13 manner that distributes the grants so as to serve eq-
14 uitably the populations described in subparagraphs
15 (A) and (B) of subsection (a)(4).

16 “(c) USE OF FUNDS.—

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

20 “(A) for the populations described in sub-
21 section (a)(3)(A)—

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

1 qualified mental health professionals using
2 telehealth; and

3 “(ii) to collaborate with local public
4 health entities to provide the mental health
5 services; and

6 “(B) for the populations described in sub-
7 section (a)(3)(B)—

8 “(i) to provide mental health services,
9 including diagnosis and treatment of men-
10 tal illness, in long-term care facilities as
11 delivered remotely by qualified mental
12 health professionals using telehealth; and

13 “(ii) 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) pay telecommunications costs; and

20 “(B) pay qualified mental health profes-
21 sionals on a reasonable basis as determined by
22 the Secretary for services rendered.

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

1 “(A) purchase or install transmission
2 equipment (other than such equipment used by
3 qualified mental health professionals to deliver
4 mental health services using telehealth under
5 the project involved); or

6 “(B) build upon or acquire real property.

7 “(d) EQUITABLE DISTRIBUTION.—In awarding
8 grants under this section, the Secretary shall ensure, to
9 the greatest extent possible, that such grants are equitably
10 distributed among geographical regions of the United
11 States.

12 “(e) APPLICATION.—An entity that desires a grant
13 under this section shall submit an application to the Sec-
14 retary at such time, in such manner, and containing such
15 information as the Secretary determines to be reasonable.

16 “(f) REPORT.—Not later than 4 years after the date
17 of enactment of the Health Care Safety Net Improvement
18 Act, the Secretary shall prepare and submit to the appro-
19 priate committees of Congress a report that shall evaluate
20 activities funded with grants under this section.

21 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to carry out this section,
23 \$20,000,000 for fiscal year 2002 and such sums as may
24 be necessary for fiscal years 2003 through 2006.”.

1 **TITLE III—NATIONAL HEALTH**
2 **SERVICE CORPS PROGRAM**

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

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

6 (1) by adding at the end of subsection (a)(3)
7 the following:

8 “(E)(i) The term ‘behaviorial and mental health
9 professionals’ means health service psychologists, li-
10 censed clinical social workers, licensed professional
11 counselors, marriage and family therapists, psy-
12 chiatric nurse specialists, and psychiatrists.

13 “(ii) The term ‘graduate program of behavioral
14 and mental health’ means a program that trains
15 behaviorial and mental health professionals.”;

16 (2) in subsection (b)—

17 (A) in paragraph (1), by striking “health
18 professions” and inserting “health professions,
19 including schools at which graduate programs
20 of behavioral and mental health are offered,”;
21 and

22 (B) in paragraph (2), by inserting “behav-
23 ioral and mental health professionals,” after
24 “dentists,”; and

1 (3) by striking subsection (c) and inserting the
2 following:

3 “(c)(1) The Secretary may reimburse an applicant
4 for a position in the Corps (including an individual consid-
5 ering entering into a written agreement pursuant to sec-
6 tion 338D) for the actual and reasonable expenses in-
7 curred in traveling to and from the applicant’s place of
8 residence to an eligible site to which the applicant may
9 be assigned under section 333 for the purpose of evalu-
10 ating such site with regard to being assigned at such site.
11 The Secretary may establish a maximum total amount
12 that may be paid to an individual as reimbursement for
13 such expenses.

14 “(2) The Secretary may also reimburse the applicant
15 for the actual and reasonable expenses incurred for the
16 travel of 1 family member to accompany the applicant to
17 such site. The Secretary may establish a maximum total
18 amount that may be paid to an individual as reimburse-
19 ment for such expenses.

20 “(3) In the case of an individual who has entered into
21 a contract for obligated service under the Scholarship Pro-
22 gram or under the Loan Repayment Program, the Sec-
23 retary may reimburse such individual for all or part of
24 the actual and reasonable expenses incurred in trans-
25 porting the individual to the site of the individual’s assign-

1 ment under section 333. The Secretary may establish a
 2 maximum total amount that may be paid to an individual
 3 as reimbursement for such expenses.”.

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

6 (1) by redesignating subsection (i) as subsection
 7 (j); and

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

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

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

20 “(A) the entity for which the service is to be
 21 performed—

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

1 “(ii) has requested in writing assignment
2 of a health professional who would serve less
3 than full time;

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

8 “(C) a Corps member who is required to per-
9 form obligated service has agreed in writing to be
10 assigned for less than full-time service to an entity
11 described in subparagraph (A);

12 “(D) the entity and the Corps member agree in
13 writing that the less than full-time service provided
14 by the Corps member will not be less than 16 hours
15 of clinical service per week;

16 “(E) the Corps member agrees in writing that
17 the period of obligated service pursuant to section
18 338B will be extended so that the aggregate amount
19 of less than full-time service performed will equal the
20 amount of service that would be performed through
21 full-time service under section 338C; and

22 “(F) the Corps member agrees in writing that
23 if the Corps member begins providing less than full-
24 time service but fails to begin or complete the period
25 of obligated service, the method stated in 338E(c)

1 for determining the damages for breach of the indi-
2 vidual's written contract will be used after con-
3 verting periods of obligated service or of service per-
4 formed into their full-time equivalents.”.

5 **SEC. 302. DESIGNATION OF HEALTH PROFESSIONAL**
6 **SHORTAGE AREAS.**

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

9 (1) in subsection (a)—

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

1 (B) in paragraph (3), by striking “340(r))
 2 may be a population group” and inserting
 3 “330(h)(4)), seasonal agricultural workers (as
 4 defined in section 330(g)(3)) and migratory ag-
 5 ricultural workers (as so defined)), and resi-
 6 dents of public housing (as defined in section
 7 3(b)(1) of the United States Housing Act of
 8 1937 (42 U.S.C. 1437a(b)(1))) may be popu-
 9 lation groups”;

10 (2) in subsection (b)(2), by striking “with spe-
 11 cial consideration to the indicators of” and all that
 12 follows through “services.” and inserting a period;
 13 and

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

16 (b) REGULATIONS.—

17 (1) REPORT.—

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

23 (i) a regulation that revises the defini-
 24 tion of a health professional shortage area

1 for purposes of section 332 of the Public
2 Health Service Act (42 U.S.C. 254e); or

3 (ii) a regulation that revises the
4 standards concerning priority of such an
5 area under section 333A of that Act (42
6 U.S.C. 254f–1).

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

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

19 (c) SCHOLARSHIP AND LOAN REPAYMENT PRO-
20 GRAMS.—The Secretary of Health and Human Services,
21 in consultation with organizations representing individuals
22 in the dental field and organizations representing publicly
23 funded health care providers, shall develop and implement
24 a plan for increasing the participation of dentists and den-
25 tal hygienists in the National Health Service Corps Schol-

1 arship Program under section 338A of the Public Health
2 Service Act (42 U.S.C. 254l) and the Loan Repayment
3 Program under section 338B of such Act (42 U.S.C.
4 254l–1).

5 (d) SITE DESIGNATION PROCESS.—

6 (1) IMPROVEMENT OF DESIGNATION PROC-
7 ESS.—The Administrator of the Health Resources
8 and Services Administration, in consultation with
9 appropriate State and territorial dental directors,
10 dental societies, and other interested parties, shall
11 revise the criteria on which the designations of den-
12 tal health professional shortage areas are based so
13 that such criteria provide a more accurate reflection
14 of oral health care need, particularly in rural 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 (e) GAO STUDY.—Not later than February 1, 2005,
12 the Comptroller General of the United States shall submit
13 to the Congress a report on the appropriateness of the
14 criteria, including but not limited to infant mortality rates,
15 access to health services taking into account the distance
16 to primary health services, the rate of poverty and ability
17 to pay for health services, and low birth rates, established
18 by the Secretary of Health and Human Services for the
19 designation of health professional shortage areas and
20 whether the deeming of Federally qualified health centers
21 and rural health clinics as such areas is appropriate and
22 necessary.

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

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

1 (1) in subsection (a)—

2 (A) in paragraph (1)—

3 (i) in the matter before subparagraph
4 (A), by striking “(specified in the agree-
5 ment described in section 334)”;

6 (ii) in subparagraph (A), by striking
7 “nonprofit”; and

8 (iii) by striking subparagraph (C) and
9 inserting the following:

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

12 (B) in paragraph (3), by adding at the end
13 “In approving such applications, the Secretary
14 shall give preference to applications in which a
15 nonprofit entity or public entity shall provide a
16 site to which Corps members may be as-
17 signed.”; and

18 (2) in subsection (d)—

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

21 (B) in paragraph (1)—

22 (i) in the second sentence—

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

1 (II) by striking the period and
 2 inserting “, and (E) developing long-
 3 term plans for addressing health pro-
 4 fessional shortages and improving ac-
 5 cess to health care.”; and

6 (ii) by adding at the end the fol-
 7 lowing: “The Secretary shall encourage en-
 8 tities that receive technical assistance
 9 under this paragraph to communicate with
 10 other communities, State Offices of Rural
 11 Health, State Primary Care Associations
 12 and Offices, and other entities concerned
 13 with site development and community
 14 needs assessment.”.

15 **SEC. 304. PRIORITIES IN ASSIGNMENT OF CORPS PER-**
 16 **SONNEL.**

17 Section 333A of the Public Health Service Act (42
 18 U.S.C. 254f–1) is amended—

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

21 (2) by striking subsection (b);

22 (3) in subsection (c), by striking the second
 23 sentence;

24 (4) in subsection (d)—

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

4 (B) by inserting before paragraph (2) (as
5 redesignated by subparagraph (A)) the fol-
6 lowing:

7 “(1) PROPOSED LIST.—The Secretary shall pre-
8 pare and publish a proposed list of health profes-
9 sional shortage areas and entities that would receive
10 priority under subsection (a)(1) in the assignment of
11 Corps members. The list shall contain the informa-
12 tion described in paragraph (2), and the relative
13 scores and relative priorities of the entities submit-
14 ting applications under section 333, in a proposed
15 format. All such entities shall have 30 days after the
16 date of publication of the list to provide additional
17 data and information in support of inclusion on the
18 list or in support of a higher priority determination
19 and the Secretary shall reasonably consider such
20 data and information in preparing the final list
21 under paragraph (2).”;

22 (C) in paragraph (2) (as redesignated by
23 subparagraph (A)), in the matter before sub-
24 paragraph (A)—

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

3 (ii) by striking “prepare a list of
4 health professional shortage areas” and in-
5 serting “prepare and, as appropriate, up-
6 date a list of health professional shortage
7 areas and entities”; and

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

10 (D) by striking paragraph (3) (as redesign-
11 nated by subparagraph (A)) and inserting the
12 following:

13 “(3) NOTIFICATION OF AFFECTED PARTIES.—

14 “(A) ENTITIES.—Not later than 30 days
15 after the Secretary has added to a list under
16 paragraph (2) an entity specified as described
17 in subparagraph (A) of such paragraph, the
18 Secretary shall notify such entity that the entity
19 has been provided an authorization to receive
20 assignments of Corps members in the event
21 that Corps members are available for the as-
22 signments.

23 “(B) INDIVIDUALS.—In the case of an in-
24 dividual obligated to provide service under the
25 Scholarship Program, not later than 3 months

1 before the date described in section 338C(b)(5),
2 the Secretary shall provide to such individual
3 the names of each of the entities specified as
4 described in paragraph (2)(B)(i) that is appro-
5 priate for the individual's medical specialty and
6 discipline.”; and

7 (E) by striking paragraph (4) (as redesign-
8 nated by subparagraph (A)) and inserting the
9 following:

10 “(4) REVISIONS.—If the Secretary proposes to
11 make a revision in the list under paragraph (2), and
12 the revision would adversely alter the status of an
13 entity with respect to the list, the Secretary shall no-
14 tify the entity of the revision. Any entity adversely
15 affected by such a revision shall be notified in writ-
16 ing by the Secretary of the reasons for the revision
17 and shall have 30 days to file a written appeal of the
18 determination involved which shall be reasonably
19 considered by the Secretary before the revision to
20 the list becomes final. The revision to the list shall
21 be effective with respect to assignment of Corps
22 members beginning on the date that the revision be-
23 comes final.”;

24 (5) by striking subsection (e) and inserting the
25 following:

1 “(e) LIMITATION ON NUMBER OF ENTITIES OF-
2 FERED AS ASSIGNMENT CHOICES IN SCHOLARSHIP PRO-
3 GRAM.—

4 “(1) DETERMINATION OF AVAILABLE CORPS
5 MEMBERS.—By April 1 of each calendar year, the
6 Secretary shall determine the number of participants
7 in the Scholarship Program who will be available for
8 assignments under section 333 during the program
9 year beginning on July 1 of that calendar year.

10 “(2) DETERMINATION OF NUMBER OF ENTI-
11 TIES.—At all times during a program year, the
12 number of entities specified under subsection
13 (c)(2)(B)(i) shall be—

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

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

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

21 (7) by redesignating subsections (c), (d), and
22 (e) as subsections (b), (c), and (d) respectively.

1 **SEC. 305. COST-SHARING.**

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

5 **“SEC. 334. CHARGES FOR SERVICES BY ENTITIES USING**
6 **CORPS MEMBERS.**

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

12 “(1) because the individual is unable to pay for
13 the services; or

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

16 “(A) the medicare program under title
17 XVIII of the Social Security Act (42 U.S.C.
18 1395 et seq.);

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

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

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

1 “(1) IN GENERAL.—

2 “(A) SCHEDULE OF FEES OR PAY-
3 MENTS.—Except as provided in paragraph (2),
4 the entity shall prepare a schedule of fees or
5 payments for the entity’s services, consistent
6 with locally prevailing rates or charges and de-
7 signed to cover the entity’s reasonable cost of
8 operation.

9 “(B) SCHEDULE OF DISCOUNTS.—Except
10 as provided in paragraph (2), the entity shall
11 prepare a corresponding schedule of discounts
12 (including, in appropriate cases, waivers) to be
13 applied to such fees or payments. In preparing
14 the schedule, the entity shall adjust the dis-
15 counts on the basis of a patient’s ability to pay.

16 “(C) USE OF SCHEDULES.—The entity
17 shall make every reasonable effort to secure
18 from patients fees and payments for services in
19 accordance with such schedules, and fees or
20 payments shall be sufficiently discounted in ac-
21 cordance with the schedule described in sub-
22 paragraph (B).

23 “(2) SERVICES TO BENEFICIARIES OF FEDERAL
24 AND FEDERALLY ASSISTED PROGRAMS.—In the case
25 of health care services furnished to an individual

1 who is a beneficiary of a program listed in sub-
2 section (a)(2), the entity—

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

8 “(B) shall enter into an appropriate agree-
9 ment with—

10 “(i) the State agency administering
11 the program under title XIX of such Act
12 with respect to an individual who is a ben-
13 eficiary under the medicaid program; and

14 “(ii) the State agency administering
15 the program under title XXI of such Act
16 with respect to an individual who is a ben-
17 eficiary under the State children’s health
18 insurance program.

19 “(3) COLLECTION OF PAYMENTS.—The entity
20 shall take reasonable and appropriate steps to collect
21 all payments due for health care services provided by
22 the entity, including payments from any third party
23 (including a Federal, State, or local government
24 agency and any other third party) that is responsible
25 for part or all of the charge for such services.”.

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

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

5 **SEC. 307. FACILITATION OF EFFECTIVE PROVISION OF**
6 **CORPS SERVICES.**

7 (a) **HEALTH PROFESSIONAL SHORTAGE AREAS.**—
8 Section 336 of the Public Health Service Act (42 U.S.C.
9 254h–1) is amended—

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

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

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

17 **SEC. 308. AUTHORIZATION OF APPROPRIATIONS.**

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

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

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

23 (3) by striking paragraph (2).

1 **SEC. 309. NATIONAL HEALTH SERVICE CORPS SCHOLAR-**
2 **SHIP PROGRAM.**

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

5 (1) in subsection (a)(1), by inserting “behav-
6 ioral and mental health professionals,” after “den-
7 tists,”;

8 (2) in subsection (b)(1)(B), by inserting “, or
9 an appropriate degree from a graduate program of
10 behavioral and mental health” after “other health
11 profession”;

12 (3) in subsection (c)(1)—

13 (A) in subparagraph (A), by striking
14 “338D” and inserting “338E”; and

15 (B) in subparagraph (B), by striking
16 “338C” and inserting “338D”;

17 (4) in subsection (d)(1)—

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

20 (B) by redesignating subparagraph (B) as
21 subparagraph (C); and

22 (C) by inserting after subparagraph (A)
23 the following:

24 “(B) the Secretary, in considering applica-
25 tions from individuals accepted for enrollment
26 or enrolled in dental school, shall consider ap-

plications from all individuals accepted for enrollment or enrolled in any accredited dental school in a State; and”;

(5) in subsection (f)—

(A) in paragraph (1)(B)—

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

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

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

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

(B) in paragraph (3), by striking “338D” and inserting “338E”; and

(6) by striking subsection (i).

SEC. 310. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM.

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

(1) in subsection (a)—

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

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

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

8 “(A) have a degree in medicine, osteopathic
 9 medicine, dentistry, or another health profession, or
 10 an appropriate degree from a graduate program of
 11 behavioral and mental health, or be certified as a
 12 nurse midwife, nurse practitioner, or physician as-
 13 sistant;”;

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

16 (4) by striking subsection (i).

17 **SEC. 311. OBLIGATED SERVICE.**

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

20 (1) in subsection (b)—

21 (A) in paragraph (1), in the matter pre-
 22 ceding subparagraph (A), by striking “section
 23 338A(f)(1)(B)(iv)” and inserting “section
 24 338A(f)(1)(B)(v)”;

25 (B) in paragraph (5)—

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

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

8 “(i) for an individual receiving such a degree
9 after September 30, 2000, from a school of medicine
10 or osteopathic medicine, such date shall be the date
11 the individual completes a residency in a specialty
12 that the Secretary determines is consistent with the
13 needs of the Corps; and

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

19 (ii) by striking subparagraph (D);

20 (iii) by redesignating subparagraphs
21 (C) and (E) as subparagraphs (B) and
22 (C), respectively; and

23 (iv) in clause (i) of subparagraph (C)
24 (as redesignated by clause (iii)) by striking

1 “subparagraph (A), (B), or (D)” and in-
 2 serting “subparagraph (A)”; and
 3 (2) by striking subsection (e).

4 **SEC. 312. PRIVATE PRACTICE.**

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

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

10 “(A) provide that, during the period of private
 11 practice by an individual pursuant to the agreement,
 12 the individual shall comply with the requirements of
 13 section 334 that apply to entities; and

14 “(B) contain such additional provisions as the
 15 Secretary may require to carry out the objectives of
 16 this section.

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

20 **SEC. 313. BREACH OF SCHOLARSHIP CONTRACT OR LOAN**
 21 **REPAYMENT CONTRACT.**

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

24 (1) in subsection (a)(1)—

1 (A) in subparagraph (A), by striking the
2 comma and inserting a semicolon;

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

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

7 (D) by striking subparagraph (D);

8 (2) in subsection (b)—

9 (A) in paragraph (1)(A)—

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

12 (ii) by striking “either”;

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

15 (iv) by inserting “or to complete a re-
16 quired residency as specified in section
17 338A(f)(1)(B)(iv),” before “the United
18 States”; and

19 (B) by adding at the end the following new
20 paragraph:

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

1 “(A) submits a written request for such termi-
2 nation; and

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

5 (3) in subsection (c)—

6 (A) in paragraph (1)—

7 (i) in the matter preceding subpara-
8 graph (A), by striking “338F(d)” and in-
9 serting “338G(d)”; and

10 (ii) by striking subparagraphs (A)
11 through (C) and inserting the following:

12 “(A) the total of the amounts paid by the
13 United States under section 338B(g) on behalf of
14 the individual for any period of obligated service not
15 served;

16 “(B) an amount equal to the product of the
17 number of months of obligated service that were not
18 completed by the individual, multiplied by \$7,500;
19 and

20 “(C) the interest on the amounts described in
21 subparagraphs (A) and (B), at the maximum legal
22 prevailing rate, as determined by the Treasurer of
23 the United States, from the date of the breach;

1 except that the amount the United States is entitled to
2 recover under this paragraph shall not be less than
3 \$31,000.”;

4 (B) by striking paragraphs (2) and (3) and
5 inserting the following:

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

10 “(A) submits a written request for such termi-
11 nation; and

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

14 (C) by redesignating paragraph (4) as
15 paragraph (3);

16 (4) in subsection (d)(3)(A), by striking “only if
17 such discharge is granted after the expiration of the
18 five-year period” and inserting “only if such dis-
19 charge is granted after the expiration of the 7-year
20 period”; and

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

23 “(e) Notwithstanding any other provision of Federal
24 or State law, there shall be no limitation on the period
25 within which suit may be filed, a judgment may be en-

1 forced, or an action relating to an offset or garnishment,
2 or other action, may be initiated or taken by the Secretary,
3 the Attorney General, or the head of another Federal
4 agency, as the case may be, for the repayment of the
5 amount due from an individual under this section.”.

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

11 **SEC. 314. AUTHORIZATION OF APPROPRIATIONS.**

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

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

15 “(a) AUTHORIZATION OF APPROPRIATIONS.—For the
16 purposes of carrying out this subpart, there are authorized
17 to be appropriated \$146,250,000 for fiscal year 2002, and
18 such sums as may be necessary for each of fiscal years
19 2003 through 2006.

20 “(b) SCHOLARSHIPS AND LOAN REPAYMENTS.—
21 With respect to certification as a nurse practitioner, nurse
22 midwife, or physician assistant, the Secretary shall, from
23 amounts appropriated under subsection (a) for a fiscal
24 year, obligate not less than a total of 10 percent for con-
25 tracts for both scholarships under the Scholarship Pro-

1 gram under section 338A and loan repayments under the
 2 Loan Repayment Program under section 338B to individ-
 3 uals who are entering the first year of a course of study
 4 or program described in section 338A(b)(1)(B) that leads
 5 to such a certification or individuals who are eligible for
 6 the loan repayment program as specified in section
 7 338B(b) for a loan related to such certification.”.

8 **SEC. 315. GRANTS TO STATES FOR LOAN REPAYMENT PRO-**
 9 **GRAMS.**

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

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

14 “(1) **AUTHORITY FOR GRANTS.**—The Secretary,
 15 acting through the Administrator of the Health Re-
 16 sources and Services Administration, may make
 17 grants to States for the purpose of assisting the
 18 States in operating programs described in paragraph
 19 (2) in order to provide for the increased availability
 20 of primary health care services in health professional
 21 shortage areas. The National Advisory Council es-
 22 tablished under section 337 shall advise the Admin-
 23 istrator regarding the program under this section.”;

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

1 “(1) to submit to the Secretary such reports re-
 2 garding the States loan repayment program, as are
 3 determined to be appropriate by the Secretary; and”;
 4 and

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

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

12 **SEC. 316. DEMONSTRATION GRANTS TO STATES FOR COM-**
 13 **MUNITY SCHOLARSHIP PROGRAMS.**

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

16 **TITLE IV—ADDITIONAL**
 17 **PROVISIONS**

18 **SEC. 401. COMMUNITY ACCESS DEMONSTRATION PRO-**
 19 **GRAM.**

20 Part D of title III of the Public Health Service Act
 21 (42 U.S.C. 254b et seq.) is amended by inserting after
 22 subpart IV the following new subpart:

1 “Subpart V—Community Access Demonstration Program

2 **“SEC. 340. GRANTS TO STRENGTHEN EFFECTIVENESS, EFFI-**

3 **CIENCY, AND COORDINATION OF SERVICES**

4 **FOR THE UNINSURED AND UNDERINSURED.**

5 “(a) IN GENERAL.—

6 “(1) GRANTS.—The Secretary may make not
7 more than 35 grants for the purpose of carrying out
8 demonstration projects to improve the effectiveness,
9 efficiency, and coordination of services for uninsured
10 and underinsured individuals.

11 “(2) PROJECT PERIOD.—A demonstration
12 project under this section may not receive funding
13 under this section for more than three fiscal years.

14 “(b) ELIGIBLE ENTITIES.—To be eligible to receive
15 a grant under this section, an entity must—

16 “(1) be an entity that is a public or private en-
17 tity such as—

18 “(A) a Federally qualified health center
19 (as defined under section 1861(aa)(4) of the
20 Social Security Act);

21 “(B) a hospital that meets the require-
22 ments of section 340B(a)(4)(L) (or, if none are
23 available in the area, a hospital that is a pro-
24 vider of a substantial volume of non-emergency
25 health services to uninsured individuals and

1 families without regard to their ability to pay)
2 without regard to 340B (a)(4)(L)(iii); or

3 “(C) a public health department; or

4 “(2) represent a consortium of providers and,
5 as appropriate, related agencies or entities—

6 “(A) whose principal purpose is to provide
7 a broad range of coordinated health care serv-
8 ices in a geographic area defined in the entity’s
9 grant application;

10 “(B) that includes health care providers
11 that serve such geographic area and that have
12 traditionally provided care (beyond emergency
13 services) to uninsured and underinsured individ-
14 uals without regard to the individuals’ ability to
15 pay; and

16 “(C) that may include other health care
17 providers and related agencies and organiza-
18 tions;

19 except that preference may be given to applicants that are
20 health care providers identified in paragraph (1).

21 “(c) APPLICATIONS.—To be eligible to receive a grant
22 under this section, an eligible entity shall submit to the
23 Secretary an application, in such form and manner as the
24 Secretary shall prescribe, that shall—

1 “(1) define a geographic area of uninsured and
2 underinsured individuals;

3 “(2) identify the providers who will participate
4 in the consortium’s program under the grant, and
5 specify each one’s contribution to the care of unin-
6 sured and underinsured individuals in such geo-
7 graphic area, including the volume of care it pro-
8 vides to medicare and medicaid beneficiaries, to indi-
9 viduals served by the program under title XXI of the
10 Social Security Act (relating to SCHIP), and to pri-
11 vately paid patients;

12 “(3) describe the activities that the applicant
13 and the consortium propose to perform under the
14 grant to further the purposes of this section;

15 “(4) demonstrate the consortium’s ability to
16 build on the current system for serving uninsured
17 and underinsured individuals by involving providers
18 who have traditionally provided a significant volume
19 of care for that community;

20 “(5) demonstrate the consortium’s ability to de-
21 velop coordinated systems of care that either directly
22 provide or ensure the prompt provision of a broad
23 range of high-quality, accessible services, including,
24 as appropriate, primary, secondary, and tertiary
25 services, as well as substance abuse treatment and

1 mental health services in a manner which assures
2 continuity of care in the community;

3 “(6) provide evidence of community involvement
4 in the development, implementation, and direction of
5 the program that it proposes to operate;

6 “(7) demonstrate the consortium’s ability to en-
7 sure that individuals participating in the program
8 are enrolled in public insurance programs for which
9 they are eligible (or know of private insurance op-
10 tions available to them, if any);

11 “(8) present a plan for leveraging other sources
12 of revenue, which may include State and local
13 sources and private grant funds, and integrating
14 current and proposed new funding sources in a way
15 to assure long-term sustainability;

16 “(9) describe a plan for evaluation of the activi-
17 ties carried out under the grant, including measure-
18 ment of progress toward the goals and objectives of
19 the program;

20 “(10) demonstrate fiscal responsibility through
21 the use of appropriate accounting procedures and
22 appropriate management systems;

23 “(11) include such other information as the
24 Secretary may prescribe; and

1 “(12) demonstrate the commitment to serve in-
2 dividuals in the geographic area without regard to
3 the ability of the individual or family to pay by ar-
4 ranging for or providing free or reduced charge care
5 for the poor.

6 “(d) PRIORITIES.—In awarding grants under this
7 section, the Secretary may accord priority to applicants—

8 “(1) whose consortium includes public hospitals,
9 Federally qualified health centers (as defined in sec-
10 tion 1905(l)(2)(B) of the Social Security Act), and
11 other providers that are covered entities as defined
12 by section 340B(a)(4) of this Act (or that would be
13 covered entities as so defined but for subparagraph
14 (L)(iii) of such section);

15 “(2) that identify a geographic area has a high
16 or increasing percentage of individuals who are unin-
17 sured;

18 “(3) whose consortium includes other health
19 care providers that have a tradition of serving unin-
20 sured individuals and underinsured individuals in
21 the community;

22 “(4) who show evidence that the program would
23 expand utilization of preventive and primary care
24 services for uninsured and underinsured individuals

1 and families in the community, including mental
2 health services or substance abuse services;

3 “(5) whose proposed program would improve
4 coordination between health care providers and ap-
5 propriate social service providers, including local and
6 regional human services agencies, school systems,
7 and agencies on aging;

8 “(6) that demonstrate collaboration with State
9 and local governments;

10 “(7) that make use of non-Federal contribu-
11 tions to the greatest extent possible; or

12 “(8) that demonstrate a significant likelihood
13 that the proposed program will continue after sup-
14 port under this section ceases.

15 “(e) USE OF FUNDS.—

16 “(1) USE BY GRANTEES.—

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

20 “(i) direct expenses associated with
21 operating the greater integration of a
22 health care delivery system so that it either
23 directly provides or ensures the provision
24 of a broad range of services, as appro-
25 priate, including primary, secondary, and

1 tertiary services, as well as substance
2 abuse treatment and mental health serv-
3 ices; 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, when such use meets the con-
10 ditions stated in subparagraph (A):

11 “(i) Increase in outreach activities.

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

14 “(iii) Development of provider net-
15 works.

16 “(iv) Recruitment, training, and com-
17 pensation of necessary personnel.

18 “(v) Acquisition of technology for the
19 purpose of coordinating health care.

20 “(vi) Identifying and closing gaps in
21 health care services being provided.

22 “(vii) Improvements to provider com-
23 munication, including implementation of
24 shared information systems or shared clin-
25 ical systems.

1 “(viii) Other activities that may be
2 appropriate to a community that would in-
3 crease access to the uninsured.

4 “(2) RESERVATION OF FUNDS FOR NATIONAL
5 PROGRAM PURPOSES.—The Secretary may use not
6 more than 3 percent of funds appropriated to carry
7 out this section for technical assistance to grantees,
8 obtaining assistance of experts and consultants,
9 meetings, dissemination of information, evaluation,
10 and activities that will extend the benefits of funded
11 programs to communities other than the one funded.

12 “(f) MAINTENANCE OF EFFORT.—With respect to
13 activities for which a grant under this section is author-
14 ized, the Secretary may award such a grant only if the
15 recipient of the grant and each of the participating pro-
16 viders agree that each one will maintain its expenditures
17 of non-Federal funds for such activities at a level that is
18 not less than the level of such expenditures during the year
19 immediately preceding the fiscal year for which the appli-
20 cant is applying to receive such grant.

21 “(g) REPORTS TO THE SECRETARY.—The recipient
22 of a grant under this section shall report to the Secretary
23 annually regarding—

24 “(1) progress in meeting the goals stated in its
25 grant application; and

1 “(2) such additional information as the Sec-
2 retary may require.

3 The Secretary may not renew an annual grant under this
4 section unless the Secretary is satisfied that the consor-
5 tium has made reasonable and demonstrable progress in
6 meeting the goals set forth in its grant application for the
7 preceding year.

8 “(h) AUDITS.—Each entity which receives a grant
9 under this section shall provide for an independent annual
10 financial audit of all records that relate to the disposition
11 of funds received through this grant.

12 “(i) TECHNICAL ASSISTANCE.—The Secretary may,
13 either directly or by grant or contract, provide any funded
14 entity with technical and other non-financial assistance
15 necessary to meet the requirements of this section.

16 “(j) REPORT.—Not later than September 30, 2005,
17 the Secretary shall submit to the Congress a report de-
18 scribing the extent to which demonstration projects under
19 this section have been successful in improving the effec-
20 tiveness, efficiency, and coordination of services for unin-
21 sured and underinsured individuals in the geographic
22 areas served by such projects, including providing better
23 quality health care for such individuals, and at lower costs,
24 than would have been the case in the absence of such
25 projects.

1 “(k) AUTHORIZATION OF APPROPRIATIONS.—For the
 2 purpose of carrying out this section, there are authorized
 3 to be appropriated \$40,000,000 for fiscal year 2002, and
 4 such sums as may be necessary for each of fiscal years
 5 2003 through 2006.”.

6 **SEC. 402. EXPANDING AVAILABILITY OF DENTAL SERVICES.**

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

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

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

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

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

20 “(a) GRANT PROGRAM AUTHORIZED.—The Sec-
 21 retary, acting through the Administrator of the Health
 22 Resources and Services Administration, is authorized to
 23 award grants to States for the purpose of helping States
 24 develop and implement innovative programs to address the
 25 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 Improvement
23 Act, the Secretary shall prepare and submit to the appro-
24 priate committees of Congress a report containing data
25 relating to whether grants provided under this section

1 have increased access to dental services in designated den-
 2 tal 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 **SEC. 403. STUDY REGARDING BARRIERS TO PARTICIPA-**
 8 **TION OF FARMWORKERS IN HEALTH PRO-**
 9 **GRAMS.**

10 (a) IN GENERAL.—The Secretary shall conduct a
 11 study of the problems experienced by farmworkers (includ-
 12 ing their families) under Medicaid and SCHIP. Specifi-
 13 cally, the Secretary shall examine the following:

14 (1) BARRIERS TO ENROLLMENT.—Barriers to
 15 their enrollment, including a lack of outreach and
 16 outstationed eligibility workers, complicated applica-
 17 tions and eligibility determination procedures, and
 18 linguistic and cultural barriers.

19 (2) LACK OF PORTABILITY.—The lack of port-
 20 ability of Medicaid and SCHIP coverage for farm-
 21 workers who are determined eligible in one State but
 22 who move to other States on a seasonal or other
 23 periodic basis.

24 (3) POSSIBLE SOLUTIONS.—The development of
 25 possible solutions to increase enrollment and access

1 to benefits for farmworkers, because, in part, of the
2 problems identified in paragraphs (1) and (2), and
3 the associated costs of each of the possible solution
4 described in subsection (b).

5 (b) POSSIBLE SOLUTIONS.—Possible solutions to be
6 examined shall include each of the following:

7 (1) INTERSTATE COMPACTS.—The use of inter-
8 state compacts among States that establish port-
9 ability and reciprocity for eligibility for farmworkers
10 under the Medicaid and SCHIP and potential finan-
11 cial incentives for States to enter into such com-
12 pacts.

13 (2) DEMONSTRATION PROJECTS.—The use of
14 multi-state demonstration waiver projects under sec-
15 tion 1115 of the Social Security Act (42 U.S.C.
16 1315) to develop comprehensive migrant coverage
17 demonstration projects.

18 (3) USE OF CURRENT LAW FLEXIBILITY.—Use
19 of current law Medicaid and SCHIP State plan pro-
20 visions relating to coverage of residents and out-of-
21 State coverage.

22 (4) NATIONAL MIGRANT FAMILY COVERAGE.—
23 The development of programs of national migrant
24 family coverage in which States could participate.

1 (5) PUBLIC-PRIVATE PARTNERSHIPS.—The pro-
2 vision of incentives for development of public-private
3 partnerships to develop private coverage alternatives
4 for farmworkers.

5 (6) OTHER POSSIBLE SOLUTIONS.—Such other
6 solutions as the Secretary deems appropriate.

7 (c) CONSULTATIONS.—In conducting the study, the
8 Secretary shall consult with the following:

9 (1) Farmworkers affected by the lack of port-
10 ability of coverage under the Medicaid program or
11 the State children's health insurance program
12 (under titles XIX and XXI of the Social Security
13 Act).

14 (2) Individuals with expertise in providing
15 health care to farmworkers, including designees of
16 national and local organizations representing mi-
17 grant health centers and other providers.

18 (3) Resources with expertise in health care fi-
19 nancing.

20 (4) Representatives of foundations and other
21 nonprofit entities that have conducted or supported
22 research on farmworker health care financial issues.

23 (5) Representatives of Federal agencies which
24 are involved in the provision or financing of health
25 care to farmworkers, including the Health Care Fi-

1 nancing Administration and the Health Research
2 and Services Administration.

3 (6) Representatives of State governments.

4 (7) Representatives from the farm and agricul-
5 tural industries.

6 (8) Designees of labor organizations rep-
7 resenting farmworkers.

8 (d) DEFINITIONS.—For purposes of this section:

9 (1) FARMWORKER.—The term “farmworker”
10 means a migratory agricultural worker or seasonal
11 agricultural worker, as such terms are defined in
12 section 330(g)(3) of the Public Health Service Act
13 (42 U.S.C. 254c(g)(3)), and includes a family mem-
14 ber of such a worker.

15 (2) MEDICAID.—The term “Medicaid” means
16 the program under title XIX of the Social Security
17 Act.

18 (3) SCHIP.—The term “SCHIP” means the
19 State children’s health insurance program under
20 title XXI of the Social Security Act.

21 (e) REPORT.—Not later than one year after the date
22 of the enactment of this Act, the Secretary shall transmit
23 a report to the President and the Congress on the study
24 conducted under this section. The report shall contain a
25 detailed statement of findings and conclusions of the

1 study, together with its recommendations for such legisla-
 2 tion and administrative actions as the Secretary considers
 3 appropriate.

4 **SEC. 404. ELIGIBILITY OF CERTAIN ENTITIES FOR GRANTS.**

5 If under a program established in this Act (other
 6 than section 401), or if pursuant to an amendment made
 7 by this Act, a private entity that is not a nonprofit entity
 8 is eligible for an award of a grant, contract, or cooperative
 9 agreement, such an award may not be made to such pri-
 10 vate entity unless the entity is the only available provider
 11 of quality health services in the geographic area involved.

12 **SEC. 405. CONFORMING AMENDMENTS.**

13 (a) HOMELESS PROGRAMS.—Subsections
 14 (g)(1)(G)(ii), (k)(2), and (n)(1)(C) of section 224, and
 15 sections 317A(a)(2), 317E(c), 318A(e), 332(a)(2)(C),
 16 340D(c)(5), 799B(6)(B), 1313, and 2652(2) of the Public
 17 Health Service Act (42 U.S.C. 233, 247b–1(a)(2), 247b–
 18 6(c), 247c–1(e), 254e(a)(2)(C), 256d(c)(5), 295p(6)(B),
 19 300e–12, and 300ff–52(2)) are amended by striking
 20 “340” and inserting “330(h)”.

21 (b) HOMELESS INDIVIDUAL.—Section 534(2) of the
 22 Public Health Service Act (42 U.S.C. 290cc–34(2)) is
 23 amended by striking “340(r)” and inserting “330(h)(5)”.

○