Public Law 95–626
95th Congress

An Act

To amend the Public Health Service Act and related health laws to revise and extend the programs of financial assistance for the delivery of health services, the provision of preventive health services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE; REFERENCE TO ACT

SECTION 1. (a) This Act may be cited as the “Health Services and Centers Amendments of 1978”.
(b) Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—HEALTH CENTERS AND PRIMARY HEALTH CARE

PART A—MIGRANT HEALTH CENTERS AND COMMUNITY HEALTH CENTERS

SHORT TITLE

Sec. 101. This part may be cited as the “Migrant and Community Health Centers Amendments of 1978”.

REDESIGNATION OF MIGRANT HEALTH CENTERS PROVISION

Sec. 102. (a) Section 319 is redesignated as section 329 and is transferred and inserted before section 330.
(b) (1) Section 217(g) is amended by striking out “319” and inserting in lieu thereof “329” each place it appears.
(2) Section 6(b) of the Health Maintenance Organization Act of 1973 (Public Law 93–222) is amended by striking out “310” and inserting in lieu thereof “329”.
(3) Section 1903(m)(2)(B)(i) of the Social Security Act is amended by striking out “section 319(d)(1)(A)” and inserting in lieu thereof “section 329(d)(1)(A)”.

AMENDMENTS TO MIGRANT HEALTH CENTERS PROGRAM

Sec. 103. (a) (1) (A) Paragraph (1) of subsection (a) of section 329 (as redesignated by section 102(a) of this part) is amended by inserting “(as determined by the centers)” after “as may be appropriate for particular centers” in subparagraphs (D) and (E).
(B) Subparagraph (G) of such paragraph is amended to read as follows:

"(G) information on the availability and proper use of health services and services which promote and facilitate optimal use of health services, including, if a substantial number of the individuals in the population served by a center are of limited English-speaking ability, the services of appropriate personnel fluent in the language spoken by a predominant number of such individuals."

(C) Such paragraph is further amended by inserting the following before the period at the end thereof: "and individuals who have previously been migratory agricultural workers but can no longer meet the requirements of paragraph (2) of this subsection because of age or disability and members of their families within the area it serves.

(2) Paragraph (6) of such subsection is amended (A) by striking out "and" at the end of subparagraph (E), (B) by striking out the period at the end and inserting in lieu thereof "; and", and (C) by inserting after subparagraph (F) the following new subparagraph:

"(G) pharmaceutical services, as may be appropriate for particular centers."

(3) Paragraph (7) of such subsection is amended—

(A) by striking out "(including nutrition education and social services)" in subparagraph (K) and inserting in lieu thereof "(including, for the social and other nonmedical needs which affect health status, counseling, referral for assistance, and followup services)",

(B) by inserting "(including nutrition education)" in subparagraph (M) after "health education services"; and

(C) by striking out subparagraphs (I) and (N), by inserting "and" at the end of subparagraph (L), and by redesignating subparagraphs (J), (K), (L), and (M), as subparagraphs (I), (J), (K), and (L), respectively.

(b) The second sentence of subsection (b)(1) of such section is amended to read as follows: "The highest priorities for such assistance shall be assigned to areas where the Secretary determines the greatest need exists."

(c) Subsections (a)(5), (c)(1)(B), and (d)(1)(C) of such section are each amended by striking out "six thousand" and inserting in lieu thereof "four thousand".

(d) (1) Subparagraph (B) of subsection (d)(1) of such section is repealed and subparagraph (C) of such subsection is redesignated as subparagraph (B).

(2) (A) Paragraph (2) of subsection (d) of such section is amended by striking out "or (1)(B)".

(B) Paragraphs (1) and (3) of subsection (f) of such section are each amended by striking out "(d)(1)(C)" and inserting in lieu thereof "(d)(1)(B)".

(C) Subsection (h)(2) of such section is amended by striking out "(d)(1)(C)" each place it appears and inserting in lieu thereof "(d)(1)(B)".

(3) (A) Subsection (d)(1) of such section is amended by inserting after subparagraph (B), as so redesignated, the following new subparagraph:

"(C) The Secretary may make grants to migrant health centers to enable the centers to plan and develop the provision of health services"
on a prepaid basis to some or to all of the individuals which the centers serve. Such a grant may only be made for such a center if—

“(i) the center has received grants under subparagraph (A) of this paragraph for at least two consecutive years preceding the year of the grant under this subparagraph;

“(ii) the governing board of the center (described in subsection (f) (3) (G)) requests, in a manner prescribed by the Secretary, that the center provide health services on a prepaid basis to some or to all of the population which the center serves; and

“(iii) the center provides assurances satisfactory to the Secretary that the provision of such services on a prepaid basis will not result in the diminution of health services provided by the center to the population the center served prior to the grant under this subparagraph.

Any such grant may include the acquisition and modernization of existing buildings and providing training related to the management of the provision of health services on a prepaid basis.”.

(B) The fourth sentence of subsection (h) (2) of such section is amended by inserting before the period the following: ”; and not more than 5 per centum of such funds may be made available for grants under subsection (d) (1) (C)”.

(e) Subsection (d) of such section is amended by striking out paragraph (3) and inserting in lieu thereof the following:

“(3) Not more than two grants may be made under paragraph (1) (C) for the same entity.

(4) (A) The amount of any grant made in any fiscal year under subparagraph (A) of paragraph (1) to a health center shall be determined by the Secretary, but may not exceed the amount by which the costs of operation of the center in such fiscal year exceed the total of—

“(i) the State, local, and other funds, and

“(ii) the fees, premiums, and third-party reimbursements, which the center may reasonably be expected to receive for its operations in such fiscal year. In determining the amount of such a grant for a center, if the application for the grant requests funds for a service described in subparagraph (D) or (E) of subsection (a) (1) (other than to the extent the funds would be used for the improvement of private property) or a supplemental health service described in subparagraph (B), (F), (J), or (L) of subsection (a) (7), the Secretary shall include, in an amount determined by the Secretary and to the extent funds are available under appropriation Acts, funds for such service unless the Secretary makes a written finding that such service is not needed and provides the applicant with a copy of such finding.

“(B) Payments under grants under subparagraph (A) of paragraph (1) shall be made in advance or by way of reimbursement and in such installments as the Secretary finds necessary and adjustments may be made for overpayments or underpayments, except that if in any fiscal year the sum of—

“(i) the total of the amounts described in clauses (i) and (ii) of subparagraph (A) of this paragraph received by a center in such fiscal year, and

“(ii) the amount of the grant to the center in such fiscal year, exceeded the costs of the center’s operation in such fiscal year because the amount received by the center from fees, premiums, and third-party reimbursements was greater than expected, an adjustment in the amount of the grant to the center in the succeeding fiscal year shall be made in such a manner that the center may retain such an
amount (equal to not less than one-half of the amount by which such sum exceeded such costs) as the center can demonstrate to the satisfaction of the Secretary will be used to enable the center (I) to expand and improve its services, (II) to increase the number of persons (eligible under subsection (a) to receive services from such a center) it is able to serve, (III) to construct and modernize its facilities, (IV) to improve the administration of its service programs, and (V) to establish the financial reserve required for the furnishing of services on a prepaid basis. Without the approval of the Secretary, not more than one-half of such retained sum may be used for construction and modernization of its facilities."

(f) Subsection (f) of such section is amended—

(1) by redesignating paragraphs (2), (3), and (4), as paragraphs (3), (4), and (6), respectively;
(2) by inserting after paragraph (1) the following new paragraph:

"(2) An application for a grant under subparagraph (A) of subsection (d)(1) for a migrant health center shall include—

(A) a description of the need in the center's catchment area for each of the health services described in subparagraphs (D) and (E) of subsection (a)(1) and in subparagraphs (B), (F), (J), and (L) of subsection (a)(7),

(B) if the applicant determines that any such service is not needed, the basis for such determination, and

(C) if the applicant does not request funds for any such service which the applicant determines is needed, the reason for not making such a request.

In considering an application for a grant under subparagraph (A) of subsection (d)(1), the Secretary may require as a condition to the approval of such application assurance that the applicant will provide any specified health service described in subsection (a) which the Secretary finds is needed to meet specific health needs of the area to be served by the applicant. Such a finding shall be made in writing and a copy shall be provided the applicant.";

and

(3) by inserting after paragraph (4), as so redesignated, the following new paragraph:

"(5) The Secretary, in making a grant under this section to a migrant health center for the provision of environmental health services described in subsection (a)(1)(D), may designate a portion of the grant to be expended for improvements to private property for which the written consent of the owner has been obtained and which are necessary to alleviate a hazard to the health of those residing on, or otherwise using, the property and of other persons in the center's catchment area. A center may make such an expenditure for an improvement under a grant only after the Secretary has specifically approved such expenditure and has determined that funds for the improvement are not available from any other source.

The Secretary shall annually notify the appropriate committees of Congress of the amounts so expended and the improvements for which they were spent.".

(g)(1)(A) Clause (ii) of subparagraph (G) of paragraph (3) (as so redesignated) of subsection (f) of such section is amended to read as follows: "(ii) selects the services to be provided by the center, schedules the hours during which such services will be provided, approves the center's annual budget, approves the selection of a director for the center, and, except in the case of a public center (as
defined in the second sentence of this paragraph), establishes general policies for the center; and if the application is for a second or subsequent grant for a public center, the governing body of the center has approved the application or if the governing body has not approved the application, the failure of the governing body to approve the application was unreasonable:”.

(B) Such paragraph is amended by adding at the end after and below subparagraph (J) the following sentence: “For purposes of subparagraph (G) and subsection (h)(4), the term ‘public center’ means a migrant health center funded (or to be funded) through a grant under this section to a public agency.”.

(C) The change in the governing board requirements for migrant health centers made by the amendment by subparagraph (A) to section 329(f)(3)(G)(ii) of the Public Health Service Act shall not apply with respect to any public migrant health center which met the governing board requirements in effect under section 319(f)(2)(G)(ii) of such Act before October 1, 1978.

(2) Subparagraph (H) of subsection (f)(3) of such section is amended (A) by striking out “and (IV)” and inserting in lieu thereof “(IV)”, and (B) by inserting before the semicolon at the end the following: “, and (V) expenditures made from any amount the center was permitted to retain under subsection (d)(4)(B)”.

(h) Subsection (g) of such section is amended—
   (1) by inserting “(1)” after “(g)”, and
   (2) by adding at the end the following new paragraph:
   “(2) The Secretary shall make available to each grant recipient under this section a list of available Federal and non-Federal resources to improve the environmental and nutritional status of individuals in the recipient’s catchment area.”.

(i)(1)(A) The first sentence of subsection (h)(1) of such section is amended by striking out “and” after “1977,” and by inserting before the period a comma and the following: “$2,200,000 for the fiscal year ending September 30, 1979, $2,500,000 for the fiscal year ending September 30, 1980, and $2,900,000 for the fiscal year ending September 30, 1981”.

(B) The second sentence of such subsection is amended by striking out “two fiscal years” and inserting in lieu thereof “five fiscal years”.

(2) (A) The first sentence of subsection (h)(2) of such section is amended by striking out “and” after “1977,” and by inserting before the period a comma and the following: “$40,800,000 for the fiscal year ending September 30, 1979, $46,000,000 for the fiscal year ending September 30, 1980, and $52,100,000 for the fiscal year ending September 30, 1981”.

(B) The third sentence of such subsection is amended by striking out “fiscal years ending September 30, 1977, and September 30, 1978” and inserting in lieu thereof “any fiscal year”.

(3) Subsection (h)(3) of such section is amended to read as follows: “(3) In any fiscal year, the Secretary shall obligate for payments under grants and contracts in such fiscal year under subsection (d)(1) for the provision of inpatient and outpatient hospital services not less than 10 per centum of the amount appropriated in such fiscal year under paragraph (2).”.

(4) Subsection (h) of such section is amended by adding at the end thereof the following new paragraph:
   “(4) The Secretary may not expend in any fiscal year, for grants under this section to public centers (as defined in the second sentence of subsection (f)(3)) the governing boards of which (as described in
subsection (f)(3)(G)(ii)) do not establish general policies for such
centers, an amount which exceeds 5 per centum of the funds appro­
priated under this section for that fiscal year.

(j) The amendments made by this section shall apply with respect
grants and contracts made under section 329 of the Public Health
Service Act from appropriations for the fiscal years ending after

COMMUNITY HEALTH CENTERS

Sec. 104. (a) Paragraph (4) of subsection (a) of section 330 is
amended to read as follows:

“(4) environmental health services, including, as may be appro­
priate for particular centers (as determined by the centers), the
detection and alleviation of unhealthful conditions associated with
water supply, sewage treatment, solid waste disposal, rodent and
parasitic infestation, field sanitation, housing, and other environ­
mental factors related to health, and”.

(b) (1) Paragraph (1) of subsection (b) of such section is amended
(A) by striking out “and” at the end of subparagraph (E), (B) by
striking out the period at the end and inserting in lieu thereof “; and”,
and (C) by inserting after subparagraph (F) the following new
subparagraph:

“(G) pharmaceutical services, as may be appropriate for par­
ticular centers.”.

(2) Paragraph (2) of such subsection is amended—
(A) by striking out “including nutrition education and social
services)” in subparagraph (K) and inserting in lieu thereof
“(including, for the social and other nonmedical needs which
affect health status, counseling, referral for assistance, and
followup services)”;

(B) by inserting “(including nutrition education)” in sub­
paragraph (M) after “health education services”;

(C) by striking out “outreach workers” in subparagraph (N)
and inserting in lieu thereof “appropriate personnel”; and

(D) by striking out subparagraph (I) and by redesignating
subparagraphs (J) through (N) as subparagraphs (I) through
(M), respectively.

(c) (1) (A) Paragraph (1) of subsection (d) of such section is
amended by adding at the end the following new subparagraph:

“(C) The Secretary may make grants to community health centers
to enable the centers to plan and develop the provision of health serv­
ces on a prepaid basis to some or to all of the individuals which the
centers serve. Such a grant may only be made for such a center if—
“(i) the center has received grants under subparagraph (A)
of this paragraph for at least two consecutive years preceding the
year of the grant under this subparagraph;

“(ii) the governing board of the center (described in subsec­
tion (e)(3)(G)) requests, in a manner prescribed by the Sec­
retary, that the center provide health services on a prepaid basis
to some or to all of the population which the center serves; and

“(iii) the center provides assurances satisfactory to the Sec­
retary that the provision of such services on a prepaid basis will
not result in the diminution of health services provided by the
center to the population the center served prior to the grant under
this subparagraph.

Grants.
Any such grant may include the acquisition and modernization of existing buildings and providing training related to management of the provision of health services on a prepaid basis.

(B) Paragraph (2) of such subsection is amended by striking out “paragraph (1)” and inserting in lieu thereof “paragraph (1)(A) or (1)(B)”.

(C) Paragraph (3) of such subsection is amended by inserting “or” after “(1)(B)”.

(2) Paragraph (4) of such subsection is amended to read as follows:

“(A) The amount of any grant made in any fiscal year under paragraph (1) (other than subparagraph (C)) to a community health center shall be determined by the Secretary, but may not exceed the amount by which the costs of operation of the center in such fiscal year exceed the total of—

“(i) the State, local, and other funds, and

“(ii) the fees, premiums, and third-party reimbursements, which the center may reasonably be expected to receive for its operations in such fiscal year. In determining the amount of such a grant for a center, if the application for the grant requests funds for a service described in subsection (a) (4) (other than to the extent the funds would be used for the improvement of private property) or a supplemental health service described in subparagraph (B), (F), (L), or (M) of subsection (b) (2), the Secretary shall include, in an amount determined by the Secretary and to the extent funds are available under appropriation Acts, funds for such service unless the Secretary makes a written finding that such service is not needed and provides the applicant with a copy of such finding.

“(B) Payments under grants under subparagraph (A) or (B) of paragraph (1) shall be made in advance or by way of reimbursement and in such installments as the Secretary finds necessary and adjustments may be made for overpayments or underpayments, except that if in any fiscal year the sum of—

“(i) the total of the amounts described in clauses (i) and (ii) of subparagraph (A) received by a center in such fiscal year, and

“(ii) the amount of the grant to the center in such fiscal year, exceeded the costs of the center’s operation in such fiscal year because the amount received by the center from fees, premiums, and third-party reimbursements was greater than expected, an adjustment in the amount of the grant to the center in the succeeding fiscal year shall be made in such a manner that the center may retain such an amount (equal to not less than one-half of the amount by which such sum exceeded such costs) as the center can demonstrate to the satisfaction of the Secretary will be used to enable the center (I) to expand and improve its services, (II) to increase the number of persons (eligible to receive services from such a center) it is able to serve, (III) to construct and modernize its facilities, (IV) to improve the administration of its service programs, and (V) to establish the financial reserve required for the furnishing of services on a prepaid basis. Without the approval of the Secretary, not more than one-half of such retained sum may be used for construction and modernization of its facilities.”

(d)(1) Paragraph (2) of subsection (e) of such section is amended—

(A) by striking out “and” at the end of subparagraph (I),

(B) by striking out the period at the end of subparagraph (J) and inserting in lieu thereof “; and”, and

(C) by adding at the end the following new subparagraph:
Grant applications.

"(K) the center, in accordance with regulations prescribed by
the Secretary, has developed an on-going referral relationship
with one or more hospitals?.

(2) Such subsection is amended by redesignating paragraph (2) as
paragraph (3) and by adding after paragraph (1) the following new
paragraph:

"(2) An application for a grant under subparagraph (A) or (B) of
subsection (d) (1) for a community health center shall include—

(A) a description of the need in the center's catchment area
for each of the health services described in subsection (a) (4) and
in subparagraphs (B), (F), (L), and (M) of subsection (b) (2),

(B) if the applicant determines that any such service is not
needed, the basis for such determination,

(C) if the applicant does not request funds for any such
service which the applicant determines is needed, the reason for
not making such a request.

In considering an application for a grant under subparagraph (A) or
(B) of subsection (d) (1), the Secretary may require as a condition to
the approval of such application assurance that the applicant will
provide any specified health services described in subsection (a) or
(b) which the Secretary finds is needed to meet specific health needs
of the area to be served by the applicant. Such a finding shall be made
in writing and a copy shall be provided the applicant."

(3) (A) Clause (ii) of subparagraph (G) of paragraph (3) (as so
redesignated) of such subsection is amended to read as follows: "(ii)
meets at least once a month, selects the services to be provided by the
center, schedules the hours during which such services will be pro-
vided, approves the center's annual budget, approves the selection of
a director for the center, and, except in the case of a governing board
of a public center (as defined in the second sentence of this para-
graph), establishes general policies for the center; and if the applica-
tion is for a second or subsequent grant for a public center, the
governing body has approved the application or if the governing body
has not approved the application, the failure of the governing body to
approve the application was unreasonable;"

(B) Such paragraph is amended by adding at the end after and
below subparagraph (K) the following sentence: "For purposes of sub-
paragraph (G) and subsection (g) (4), the term 'public center' means
a community health center funded (or to be funded) through a grant
under this section to a public agency."

(C) The change in the governing board requirements for public
community health centers made by the amendment by subparagraph
(A) to section 330(e) (3) (G) (ii) of the Public Health Service Act
shall not apply with respect to any public community health center
which met the governing board requirements in effect under section
330(e) (2) (G) (ii) of such Act before October 1, 1978.

(4) Subparagraph (H) of such paragraph is amended (A) by
striking out "and (IV)" and inserting in lieu thereof "(IV)", and (B)
by inserting before the semicolon at the end the following: "; and (V)
expenditures made from any amount the center was permitted to
retain under subsection (d) (4) (B)"

(a) (A) Paragraph (2) of subsection (e) of such section is amended
by inserting "paragraph (1) (A) or (1) (B) of" before "subsection (d)
unless"

(B) Such subsection is further amended by adding at the end the
following new paragraphs:
“(4) The Secretary shall approve applications for grants under paragraph (1) (A) or (1) (B) of subsection (d) for community health centers which—

“(A) have not received a previous grant under such paragraph, or

“(B) have applied for such a grant to expand their services, in such a manner that the ratio of the medical underserved populations in rural areas which may be expected to use the services provided by such centers to the medical underserved populations in urban areas which may be expected to use the services provided by such centers is not less than two to three or greater than three to two.

“(5) The Secretary, in making a grant under this section to a community health center for the provision of environmental health services described in subsection (a) (4), may designate a portion of the grant to be expended for improvements to private property for which the written consent of the owner has been obtained and which are necessary to alleviate a hazard to the health of those residing on, or otherwise using, the property and of other persons in the center's catchment area. A center may make such an expenditure for an improvement under a grant only after the Secretary has specifically approved such expenditure and has determined that funds for the improvement are not available from any other source. The Secretary shall annually notify the appropriate committees of Congress of the amounts so expended and the improvements for which they were spent.

“(e) Subsection (f) of such section is amended—

(1) by inserting “(1)” after “(f)”, and

(2) by adding at the end the following new paragraph:

“(2) The Secretary shall make available to each grant recipient under this section a list of available Federal and non-Federal resources to improve the environmental and nutritional status of individuals in the recipient's catchment area.

(f) (1) Paragraph (1) of subsection (g) of such section is amended by striking out “and” after “1977,” and by inserting before the period a comma and the following: “$6,300,000 for the fiscal year ending September 30, 1979, $7,500,000 for the fiscal year ending September 30, 1980, and $9,000,000 for the fiscal year ending September 30, 1981”.

(2) Paragraph (2) of such subsection is amended by striking out “and” after “1977,” and by inserting before the period a comma and the following: “$341,700,000 for the fiscal year ending September 30, 1979, $397,500,000 for the fiscal year ending September 30, 1980, and $463,000,000 for the fiscal year ending September 30, 1981”.

(3) Such paragraph is amended by adding at the end thereof the following sentence: “The Secretary may not expend for grants under subsection (d) (1) (C) in any fiscal year an amount which exceeds 5 per centum of the funds appropriated under this subsection for that fiscal year.”.

(4) Such subsection is amended by adding at the end thereof the following new paragraph:

“(4) The Secretary may not expend in any fiscal year, for grants under this section to public centers (as defined in the second sentence of subsection (e) (3)) the governing boards of which (as described in subsection (e) (3) (G) (ii)) do not establish general policies for such centers, an amount which exceeds 5 per centum of the funds appropriated under this section for that fiscal year.

(g) The amendments made by this section shall apply with respect to grants made under section 330 of the Public Health Service Act from appropriations for fiscal years ending after September 30, 1978.
42 USC 255.  

Sec. 105. (a) Section 339 is amended—
(1) by amending its heading to read as follows: "RECEIPT, APPREHENSION, DETENTION, TREATMENT, AND RELEASE OF LEPROSY";  
(2) by inserting "(a)" after "Sec. 339.";  
(3) by inserting at the end thereof the following new subsection:
"(b) The Surgeon General may provide by regulation for the apprehension, detention, treatment, and release of persons being treated by the Service for leprosy."; and  
(4) by redesignating such section as section 320 and inserting it in subpart I of part C of title III immediately before section 321.  

42 USC 247e.  

Repeals.
42 USC 256, prec. 255.  

TECHNICAL ASSISTANCE DEMONSTRATION GRANTS AND CONTRACTS  

Sec. 106. (a) Part C of title III is amended by adding after section 338 the following new section:
"TECHNICAL ASSISTANCE DEMONSTRATION GRANTS AND CONTRACTS  

42 USC 256a.  

"Sec. 340A. (a) (1) The Secretary may make grants to, and enter into contracts with, public and private entities to assist such entities in meeting their costs of providing technical assistance to entities engaged in the planning, development, or operation (or in any combination of such activities) of migrant health centers under section 329, community health centers under section 330, or any other centers for the delivery of primary health care. The technical assistance with respect to which a grant may be made under this paragraph includes—  
"(A) assistance in the selection of sites for such centers,  
"(B) assistance in the selection of governing boards for such centers,  
"(C) assistance in the management of the service programs of such centers,  
"(D) assistance in the recruitment, selection, and retention of personnel (including members of the National Health Service Corps) for such centers,  
"(E) assistance in financial management of such centers, and  
"(F) assistance in the procurement of facilities, equipment, and supplies for such centers.  

(2) In making grants and contracts under paragraph (1), the Secretary shall make such grants to, and enter into such contracts with—  
"(A) entities which will provide technical assistance on a statewide basis for the planning, development, and operation of centers to provide primary health care in urban and rural areas,  
"(B) entities which will provide technical assistance solely for the planning, development, and operation of centers to provide primary health care in large, densely populated areas,  
"(C) entities which will provide technical assistance solely for the planning, development, and operation of centers to provide primary health care in rural areas,  
"(D) entities which will provide technical assistance for the planning, development, and operation of centers to provide primary health care on a regional basis in large States, and  
"(E) entities which will provide technical assistance within several contiguous States for the planning, development, and operation of centers to provide primary health care."
Grants and contracts under paragraph (1) (other than those described in subparagraph (E) of this paragraph) to private entities may only be made to such entities to provide technical assistance in the States in which they are primarily engaged in business.

"(b) (1) No grant may be made under subsection (a) unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require by regulation.

"(2) The amount of any grant or contract under subsection (a) shall be determined by the Secretary, except that no grant or contract to any entity in any fiscal year may exceed $500,000.

"(c) The Secretary shall establish a Primary Health Care Advisory Committee (hereinafter in this subsection referred to as the 'Committee') to make recommendations respecting—

"(1) the capabilities of applicants for grants and contracts under subsection (a) to effectively carry out the projects for which the grants and contracts would be made;

"(2) the renewal of grants and contracts under such subsection;

and

"(3) the evaluation to be made under section 106(b) of the Migrant and Community Health Centers Amendments of 1978. The Committee shall consist of five members appointed by the Secretary, in accordance with section 222, from individuals who are not officers or employees of the Federal Government and who because of their expertise in providing technical assistance to primary health care centers are particularly qualified to serve on the Committee.

"(d) (1) For the purpose of carrying out this section, there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1979, $3,000,000 for the fiscal year ending September 30, 1980, and $3,000,000 for the fiscal year ending September 30, 1981.

"(2) The authority of the Secretary to enter into contracts under subsection (a) shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(b) Not later than March 1, 1981, the Secretary of Health, Education, and Welfare shall submit a report to Congress—

(1) on the effectiveness of the entities assisted under section 340A of the Public Health Service Act—

(A) in establishing centers which meet the requirements of section 329 or 330 of the Public Health Service Act or other centers for the provision of primary health care,

(B) in improving the acceptability, in the communities served, of migrant health centers, community health centers, and other centers engaged in the delivery of primary health care,

(C) in improving the ability of such centers to attract and retain health professions personnel, and

(D) in assisting such centers in reducing their dependence on public funding;

(2) on the extent to which the effectiveness of entities assisted under grants and contracts under such section 340A depends on

(A) the type of area to be served by the centers for which planning, development, and operation assistance was provided by such entities, and (B) the organizational structure of such entities;
(3) comparing the effectiveness of entities assisted under such section 340A with the effectiveness of other entities assisted under other provisions of title III of the Public Health Service Act in providing technical assistance described in paragraph (1); and
(4) recommending the most effective methods for providing technical assistance described in paragraph (1).

(c) The Secretary of Health, Education, and Welfare shall conduct an assessment of the various types of continuing education programs available for health professions personnel serving medically underserved populations and the effect such types of programs have on the retention of such personnel by centers engaged in the delivery of primary health care to such populations. The Secretary shall report the results of such assessment to Congress not later than January 1, 1980.

MISCELLANEOUS

Sec. 107. The first sentence of section 1313 is amended by inserting "(except as provided in sections 329, 330, and 340)" after "Act".

PART B—PRIMARY HEALTH CARE

SHORT TITLE

Sec. 111. (a) This part may be cited as the "Primary Health Care Act of 1978".

FINDINGS AND DECLARATION OF PURPOSE

Sec. 112. (a) Congress finds that—
(1) although the achievement of equal access to quality health care at a reasonable cost is a priority of the Federal Government, there remains a wide disparity throughout the Nation regarding the cost, quality, and availability of primary health services;
(2) despite Federal financing programs designed to eliminate barriers to primary health services for the poor and the elderly, there remains a shortage of health resources to provide such services, especially in medically underserved urban and rural areas; and
(3) residents of urban and rural medically underserved areas lack the availability of basic and appropriate services for health promotion, disease prevention, and primary care.

(b) It is the purpose of this part—
(1) to alleviate the shortage of health resources for the provision of primary health services to urban and rural medically underserved populations in the United States; and
(2) to provide authorities for research and demonstration projects which develop innovative approaches for the organization and delivery of primary health services.

DESIGNATION OF PRIMARY HEALTH CARE PART IN TITLE III OF PUBLIC HEALTH SERVICE ACT

Sec. 113. (a) Title III is amended—
(1) by striking out the heading to subpart I of part C;
(2) by redesignating section 328 as section 327A; and
(3) by inserting before section 329 (as redesignated by section 102(a) of this Act) the following heading:
"PART D—PRIMARY HEALTH CARE

Subpart I—Primary Health Centers".

(b) Sections 751(f) and 752(d) are each amended by striking out "subpart II of part C" each place it appears and inserting in lieu thereof "subpart II of part D".

HOSPITAL-AFFILIATED PRIMARY CARE CENTERS

SEC. 114. Subpart I of part D of title III (as provided for under section 113(a) of this Act) is amended by inserting before section 329 the following new section:

"HOSPITAL-AFFILIATED PRIMARY CARE CENTERS"

"Sec. 328. (a) For purposes of this section:

"(1) The term ‘community hospital’ means a—

"(A) public general hospital owned and operated by a State, county, or local unit of government or by a public benefit corporation, or

"(B) private nonprofit hospital,

which primarily serves a medical underserved population (as defined in section 330(b)(3)).

"(2) The terms ‘hospital-affiliated primary care center’ and ‘primary care center’ mean a distinct administrative unit of a community hospital which is located in or adjacent to the hospital and which—

"(A) provides primary health services (except that emergency medical services shall be provided to the extent practicable through referral to the emergency room of the community hospital) to a catchment area which is determined by the hospital and approved by the Secretary;

"(B) provides, as may be appropriate for particular centers, supplemental health services necessary for the adequate support of primary health services;

"(C) provides referral to providers of supplemental health services and payment, as appropriate and feasible, for their provision of such services;

"(D) provides for, when the center is closed, at least referral to emergency medical services and authorized access to patient medical records on a twenty-four-hours-a-day, seven-days-a-week basis; and

"(E) provides information on the availability and proper use of health services provided by the community hospital and the center.

"(8) The term ‘primary care group practice’ means, with respect to a primary care center affiliated with a community hospital, any combination of physicians and other health care providers that includes at least three primary care physicians (as defined in section 771(b)(2)(F)(ii))—

"(i) which combination is organized to provide primary health services in a manner which is consistent with the needs of the population to be served by the center, and which uses, where practicable in the provision of such services, nonphysician providers (particularly physician assistants and nurse practitioners) in concert with the physicians of the group practice;"
“(ii) which combination is located in or adjacent to the community hospital;
“(iii) the physicians of which have admitting privileges to the community hospital;
“(iv) (I) the primary care physicians of which are salaried and full time in the hospital and a majority of whom practice full time in the primary care center, or (II) which combination is organized into a partnership, corporation, or professional association which has an agreement with the hospital to fulfill the obligations described in subparagraphs (A) and (C) of subsection (b) (3); and
“(v) the primary care physicians of which are not all personnel serving with the National Health Service Corps;

except that in the case of such a combination serving a health manpower shortage area (designated under section 332), in lieu of one of the primary care physicians required in such a combination there may be a nurse practitioner or physician assistant.

“(4) The term ‘primary care resident’ means a graduate physician in a training program which (A) is in primary care (as defined in section 772(b) (2) (F) (ii)), (B) is approved by an appropriate certifying body, and (C) requires that at least one-third of the time in the last two years of residency training (or in the case of the osteopathic general practice resident, the last year of residency training) be spent in an ambulatory care setting.

“(5) The terms ‘primary health services’ and ‘supplemental health services’ have the meanings given such terms in paragraphs (1) and (2) of section 330 (b), respectively.

“(b) (1) The Secretary may make grants to community hospitals to support demonstration projects in the planning, development, and operation of hospital-affiliated primary care centers. To the extent feasible, the Secretary shall not make a grant for such a center to serve a population whose need for primary health services is being met by a community health center, migrant health center, or other health care provider.

“(2) No grant may be made under paragraph (1) unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe. Insofar as practicable, the Secretary shall approve applications under this subsection in a manner which results in an equitable distribution of primary care centers among urban and rural areas.

“(3) The Secretary may not approve an application for a grant under paragraph (1) with respect to a primary care center affiliated with a community hospital unless the Secretary has made the following determinations:

“(A) The primary health services of the center will be provided through a primary care group practice, and may be provided by a primary care resident if (i) such services are provided under the direction of a member of the practice who is a primary care physician, and (ii) provision of such services by the resident are credited toward the resident’s fulfilling the requirement of the residency training program described in subsection (a) (4) (C).

“(B) Except under unusual circumstances (as established by the Secretary by regulation), primary health services provided by the community hospital will be provided only through the center, and qualified personnel trained in triage will be placed in the
hospital's emergency room, outpatient department, and in the primary care center to screen and direct patients to the appropriate location for care.

"(C) Each patient of the center will have an identified primary care physician who is a member of the primary care group practice and who is responsible for continuous management of the patient, including the referral of the patient for inpatient, outpatient, or emergency services.

"(D) To the extent practicable, existing facilities and equipment which are in or owned by the community hospital, which are not required for the delivery of inpatient or emergency services, and which are needed in the primary care center will be converted for the use of the primary care center.

"(E) The hospital and primary care center will avoid unnecessary duplication of facilities and equipment, except that the primary care center may install appropriate support equipment for the provision of routine primary health services.

"(F) The primary care center will be maintained as a separate and distinct cost and revenue center for accounting purposes. Any costs which are not directly associated with the operation of the center (including inpatient-related costs) will not be assigned to the center. Costs associated with the education and training of residents and medical and other health science students will not be calculated into the costs of operating the primary care center, except that the salaries and other costs associated with the provision of services by residents may be calculated into the costs of operating the center as long as such costs are proportional to the actual percentage of time spent by the resident in the provision of services in the primary care center.

"(G) The primary care center will be operated in accordance with all the requirements of section 330(e)(3) (other than subparagraph (G) thereof) applicable to community health centers.

"(H) Unless the community hospital has a governing board described in subparagraph (G) of section 330(e)(3) for the primary care center, the application for the grant has been reviewed and approved by an advisory board which is established by the community hospital and which—

"(i) is composed of individuals a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center,

"(ii) participates in the development of the application for the grant under this section and in the development of any application for the renewal of such a grant, and

"(iii) once the primary care center becomes operational, meets at least six times each year to review the operations of the center and to develop recommendations to the hospital's governing board concerning the types of services to be provided by, and the operations of, the center.

"(I) The primary care center will provide for an information program for its patients under which patients are fully informed of the covered professional services and referral services offered by the center and of the methods by which patient grievances respecting billing for such services, or the quality of such services, may be resolved.

"(J) The operating hours of the primary care center will include those periods when the community hospital's emergency room and outpatient department are most utilized.
Application priorities.

"(4) In reviewing and approving applications for grants under this section, the Secretary shall give priority to the application of any community hospital—

"(A) which (i) is located in a State whose laws do not prohibit the hospital from establishing a governing board for its affiliated primary care center which board meets the requirements of subparagraph (G) of section 330(e) (3) for the governing board of a private community health center, and (ii) has established such a governing board, or

"(B) which is located in a State whose laws prohibit the hospital from establishing such a board.

"(5) Grants under this subsection may be used for covering the costs of planning, developing, and operating hospital-affiliated primary care centers, including the costs of acquiring and modernizing existing buildings or space located in or adjacent to the community hospital (including the costs of amortizing the principal of, and paying interest on, loans).

"(c) The Secretary may provide (either through the Department of Health, Education, and Welfare or by grant or contract) all necessary technical and other nonfinancial assistance (including fiscal and program management assistance and training in such management) to a community hospital to assist it in developing plans for, and in operating, a primary care center. The authority of the Secretary to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

Report to Congress.

"(d) Not later than March 1, 1981, the Comptroller General shall submit a report to Congress evaluating the operation of hospital-affiliated primary care centers, including, with their voluntary participation, those centers not assisted under this section. With respect to such centers the Comptroller General shall—

"(1) assess the costs of such centers and their methods of allocating costs between the centers and their affiliated hospitals;

"(2) assess the methods of reimbursement used (particularly under titles XVIII and XIX of the Social Security Act) for services provided by such centers;

"(3) compare the cost and effectiveness of providing primary health services through such centers with the cost and effectiveness of providing such services through community health centers and other entities providing similar services, and

"(4) assess the degree to which the hospitals provided assistance under this section are complying with the requirements specified under subsection (b) (3).

Appropriation authorization.

"(e) There are authorized to be appropriated for the purpose of making payments for grants under subsection (a) and for the provision of assistance under subsection (c)—

"(1) for the planning and development of primary care centers, $5,000,000 for the fiscal year ending September 30, 1979, and

"(2) for the planning, development, and operation of primary care centers, $25,000,000 for the fiscal year ending September 30, 1980, and $30,000,000 for the fiscal year ending September 30, 1981.

Limitation.

Not more than $150,000 may be used for the planning and development of any single primary care center."
RESEARCH AND DEMONSTRATION PROJECTS FOR PRIMARY CARE

Sec. 115. Part D of title III is further amended—

(1) by adding after section 338 the following subpart heading:

"Subpart IV—Research and Demonstration Projects in Primary Care";

and

(2) by adding after such subpart heading the following new section:

"PRIMARY CARE RESEARCH AND DEMONSTRATION PROJECTS"

"Sec. 340. (a) The Secretary may make grants to, and enter into contracts with, public and private entities which provide health services—

(1) to demonstrate new and innovative methods for the provision of primary health services and dental health services, or

(2) to conduct research on such methods or on existing methods for the provision of primary health services and dental health services,

to medical underserved populations or to such other populations as the Secretary determines are necessary to demonstrate or conduct research on particular methods.

(b) Grants and contracts may be made under subsection (a) to demonstrate and conduct research on—

(1) methods of attracting and retaining primary care physicians, dentists, physician assistants, nurse practitioners, and other health professionals, both individually and as teams, to train and practice among medical underserved populations;

(2) differing types of organizational models and relationships, including federations of health service centers, designed to meet unique primary health and dental health service needs;

(3) management and technological improvements (including new or improved methods for biomedical communication and medical and financial recordkeeping and billing systems) to increase the productivity, effectiveness, efficiency, and financial stability of primary health and dental health service providers;

(4) methods of providing health promotion, disease prevention, and health education programs, including school health programs;

(5) methods of identifying, coordinating, and integrating existing primary health and dental health service programs with mental health and social service programs to maximize use of available resources, avoid duplication of effort, and ensure a coordinated, comprehensive care system;

(6) specific services or mixtures of services appropriate for a given area, including ambulatory care, home health care, environmental health services (described in section 330(a)(4)), community outreach activities, transportation services, and other supplemental health services (as defined in section 330(b)(2));

(7) the effect of availability of primary health and home health services in terms of reduction of emergency room visits, hospitalizations, and institutionalization in long-term care facilities;

(8) the use of mobile health screening clinics to provide preventive health care services to meet the needs of medical underserved populations; and
“(9) such other projects as the Secretary determines to be necessary to further the purposes of this section.

“(c) (1) The Secretary may not make a grant or enter into a contract under this section for a project if the project can be carried out under the authority of any other provision (other than section 301) of this Act.

“(2) The Secretary shall, to the extent feasible, coordinate demonstration and research projects carried out under this section with any demonstration and research projects carried out under the Social Security Act for the reimbursement of services which are the subject of projects under this section.

“(d) (1) No grant may be made under this section unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe.

“(2) The amount of any grant or contract under this section shall be determined by the Secretary.

“(3) The Secretary may make payments under this section in advance or by way of reimbursement, and at such intervals and on such conditions as the Secretary may find necessary.

“(e) The Secretary shall submit an annual report to Congress not later than March 1 of each year (beginning with 1979) describing—

“(1) the projects conducted under this section during the fiscal year ending in the previous year and why they could not be assisted under the authority of other provisions of this Act;

“(2) the amount of funds expended in such fiscal year for each project area set forth in subsection (b) and, if more than 20 per centum of the amount appropriated for this section was expended on any single such project area, the reasons for such concentration of expenditures; and

“(3) any recommendations resulting from the conduct of such projects.

In the first such report, the Secretary shall include the number of demonstration projects which were funded under section 1110 of the Social Security Act during the fiscal year ending September 30, 1978, which were related to health services in rural medical underserved areas, and which could have been assisted under this section during the fiscal year ending September 30, 1979, but for subsection (c) (1) of this section.

“(f) As used in this section, the term ‘medical underserved population’ has the meaning given such term in section 330(b)(3).

“(g) (1) There are authorized to be appropriated for the purposes of funding grants and contracts under this section in areas that are not urbanized areas (as defined by the Census Bureau) $18,000,000 for the fiscal year ending September 30, 1979, $20,000,000 for the fiscal year ending September 30, 1980, and $22,000,000 for the fiscal year ending September 30, 1981.

“(2) There are authorized to be appropriated for the purposes of funding grants and contracts under this section in urbanized areas (as defined by the Census Bureau) $4,000,000 for the fiscal year ending September 30, 1979, $4,500,000 for the fiscal year ending September 30, 1980, and $5,000,000 for the fiscal year ending September 30, 1981.

“(3) The authority of the Secretary to enter into contracts under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

“(4) The Secretary may continue to support, out of funds appropriated under this section, those demonstration projects which were
funded under section 1110 of the Social Security Act during fiscal year ending September 30, 1978, and which are related to health services in rural medical underserved areas, but only if such projects can not be carried out under the authority of any other provision (other than section 301) of this Act."

SPECIAL REPORTS ON PRIMARY HEALTH CARE NEEDS OF IMMIGRANTS, NATIVE INDIANS, AND ALASKAN ESKIMOS AND ON THE FUTURE OF THE NATIONAL HEALTH SERVICE CORPS

Sec. 116. (a) Not later than June 30, 1979, the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall submit to Congress a special report on the primary health care needs of immigrants. Such report shall be developed through consultation with the Commissioner of the Immigration and Naturalization Service, with leaders in the health care area, and with representatives of immigrants. The report shall contain (1) an assessment of the access of (and barriers to) immigrants in receiving health care services, (2) an assessment of the health needs of such immigrants, and (3) specific recommendations for the development of a national strategy to address these needs, taking into account the fact that significant numbers of immigrants reside in a select number of specific States.

(b) (1) Not later than June 30, 1979, the Secretary shall submit to Congress a special report on the primary health care needs of each of the specific tribes of American Indians and Alaskan Natives. Such report shall be developed with the consultation of the Director of the Indian Health Service, with leaders in the field of health care, and with representatives of tribes of American Indians and of Alaskan Natives and of national Indian organizations. Such report shall contain (1) an assessment of the access of (and barriers to) American Indians and Alaskan Natives in receiving health care services, (2) an examination of the types of alternative health delivery systems (such as mobile health care services) existing or needing to be developed to provide appropriate access of American Indians and Alaskan Natives who are medically underserved populations (as defined in section 330(b)(3) of the Public Health Service Act) to health services, (3) an examination of the types of alternatives to institutionalization existing or needing to be developed for such populations, and (4) specific recommendations on each such issue.

(c) Not later than February 1, 1979, the Secretary shall submit to Congress a special report on the present and future direction of the National Health Service Corps, particularly (1) its role as a health manpower program and as a health services delivery program, (2) the use and placement of members of the Corps in different types of health manpower shortage areas (described in section 332(a)(1) of the Public Health Service Act) in meeting urban and rural health needs, (3) the different types of health professionals which are needed to meet urban and rural health needs and which should be encouraged to participate in the Corps, and (4) the projected size, composition, and use of the manpower of the Corps through 1985. Such report shall be developed through consultation with the National Advisory Council on the National Health Service Corps (established under section 337 of the Public Health Service Act) and with the National Advisory Council on Health Professions Education (established under section 702 of the Public Health Service Act).
SPECIAL PROJECTS FOR GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

Sec. 121. Section 792(b) is amended to read as follows:

"(b) The Secretary may make grants to assist educational institutions in meeting the costs of special projects in—

"(1) biostatistics or epidemiology;

"(2) health administration, health planning, or health policy analysis and planning;

"(3) environmental or occupational health, or

"(4) dietetics and nutrition."

INCREASE IN AUTHORIZATION FOR NATIONAL HEALTH SERVICE CORPS

Sec. 122. Section 338(a) is amended by striking out "$57,000,000" and inserting in lieu thereof "$64,000,000".

PART C—MISCELLANEOUS PROVISIONS

SPECIAL PROJECTS FOR GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

Grants. 42 USC 295h-1.

Sec. 121. Section 792(b) is amended to read as follows:

"(b) The Secretary may make grants to assist educational institutions in meeting the costs of special projects in—

"(1) biostatistics or epidemiology;

"(2) health administration, health planning, or health policy analysis and planning;

"(3) environmental or occupational health, or

"(4) dietetics and nutrition."

TITLE II—HEALTH SERVICES EXTENSION

SHORT TITLE

Sec. 200. This title may be cited as the "Health Services Extension Act of 1978".

HEALTH INCENTIVE GRANTS FOR COMPREHENSIVE PUBLIC HEALTH SERVICES

Sec. 201. (a) (1) Section 314(d) (7) (A) is amended by striking out "and" after "1977," and inserting before the period a comma and the following: "and $103,000,000 for the fiscal year ending September 30, 1979".

(2) Section 314(d) (7) (B) is amended by striking out "and" after "1977," and inserting before the period a comma and the following: "and $20,000,000 for the fiscal year ending September 30, 1979".

(b) (1) The Congress finds and declares that—

(A) individual health status can be effectively and economically improved through an adequate investment in community public health programs and services;

(B) the Federal Government and the States and their communities share in the financial responsibility for funding public health programs;

(C) the Federal contribution to funds for public health programs should serve as an incentive to an additional investment by State and local governments;

(D) existing categorical programs of Federal financial assistance to combat specific public health problems should be supplemented by a national program of stable generic support for such public health activities as the prevention and control of environmental health hazards, prevention and control of diseases, prevention and control of health problems of particularly vulnerable population groups, and development and regulation of health care facilities and health services delivery systems; and

(E) the States and their communities, not the Federal Government, should have primary responsibility for identifying and measuring the impact of public health problems and the allocation of resources for their amelioration.

(2) Effective October 1, 1979, section 314(d) is amended to read as follows:
"COMPREHENSIVE PUBLIC HEALTH SERVICES"

"(d) (1) The Secretary shall make grants to State health authorities to assist in meeting the costs of providing comprehensive public health services.

"(2) No grant may be made under paragraph (1) to the State health authority of any State unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary may require, and shall contain or be supported by assurances satisfactory to the Secretary that—

"(A) the comprehensive public health services which will be provided within the State with funds under a grant under paragraph (1) will be provided in accordance with the State health plan in effect under section 1524(c);

"(B) funds received under grants under paragraph (1) will—

"(i) be used to supplement the level of non-Federal funds that would otherwise be made available for the comprehensive public health services for which the grant funds are provided, and

"(ii) not be used to supplant such non-Federal funds, except that the Secretary may in exceptional circumstances waive clause (i) or (ii) or both clauses;

"(C) the State health authority for which the application is submitted will—

"(i) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds received under grants under paragraph (1);

"(ii) from time to time, as prescribed by the Secretary, report to the Secretary (through a uniform national reporting system and by such categories as the Secretary may prescribe) a description of the comprehensive public health services provided in the State in the fiscal year for which the grant applied for is made and the amount and source of funds expended in that fiscal year and in the preceding fiscal year for the provision of each such category of services; and

"(iii) make such other reports (in such form and containing such information as the Secretary may prescribe) as the Secretary may reasonably require and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports; and

"(D) the State health authority for which the application is submitted will have in effect a method satisfactory to the Secretary which will assure equitable distribution of funds under grants under paragraph (1) among State and local public health entities within the State which have made expenditures which may be used under paragraph (4) to compute the amount of such grants and which method provides that within the limit of the amount of funds received by the State health authority under such grants—

"(i) each local public health entity which makes such expenditures shall receive from such funds in the fiscal year for which grants are made an amount which is equal to the lesser of :

"(I) the product of the total amount of such expenditures in such fiscal year and the applicable grant computation percentage, or

Grants.

Application.

42 USC 300m-3.
“(II) the product of $1.50 and the population of the area served by such entity (as such population and area may be determined pursuant to guidelines established by the Secretary); and

“(ii) amounts which a local public health entity would receive under clause (i) (I) which are in excess of the applicable amount computed under clause (i) (II) shall be distributed for comprehensive public health services within communities which have the greatest need for such services as determined by the State health authority pursuant to guidelines established by the Secretary.

For purposes of subparagraph (D) (i) (I), the term ‘applicable grant computation percentage’ means the percentage applicable under paragraph (4) (A) (i) (II) to the computation of the amount of a grant under paragraph (1).

“(3) (A) The Secretary shall review annually the activities undertaken by each State health authority with an approved application under this subsection to determine if the authority complied with the assurances provided with the application. The Secretary may not approve an application submitted under paragraph (2) if the Secretary determines—

“(i) that the State health authority for which the application was submitted did not comply with assurances provided with a prior application under paragraph (2), and

“(ii) that he cannot be assured that the authority will comply with the assurances provided with the application under consideration.

“(B) Whenever the Secretary, after reasonable notice and opportunity for a hearing to the State health authority of a State, finds that, with respect to funds paid to the authority under a grant under paragraph (1), there is a failure to comply with assurances provided under paragraph (2) with respect to the receipt of such grant, the Secretary shall notify the authority that further payments will not be made to it under such grant (or in his discretion that further payments will not be made to it from such grant for activities in which there is such failure), until he is satisfied that there will no longer be such failure. Until he is so satisfied, the Secretary shall make no payment to such authority from such grant or shall limit payment under such grant to activities in which there is no such failure.

“(4) (A) The total amount of grants received by a State health authority under paragraph (1) in any fiscal year shall be the greater of the amount determined under clause (i) or (ii) as follows:

“(i) The total amount of grants to a State health authority in a fiscal year shall be the lesser of—

“(I) an amount determined by the Secretary which may not be less than the product of $1.00 and the population of the State served by such authority or more than the product of $1.50 and such population, or

“(II) in the case of the fiscal year ending September 30, 1980, 10 percent of the amount of State and local expenditures for comprehensive public health services within the State in the State’s fiscal year which ended on or before July 1, 1979, in the case of the fiscal year ending September 30, 1981, 15 percent of the amount of such expenditures in the State’s fiscal year which ended on or before July 1, 1980, and in the case of the fiscal year ending September 30, 1982, 20 percent
of the amount of such expenditures in the State's fiscal year which ended on or before July 1, 1981.

In determining the amount of a grant to a State health authority under subclause (I), the Secretary shall take into account the financial need of such State and the level of State and local expenditures for comprehensive public health services (as defined in subparagraph (C)). In determining the financial need of a State, the Secretary shall consider, as major factors, the proportion of the State's population whose income level is below the poverty income level established by the Secretary and the proportion of its population which is living in medical underserved areas.

"(ii) The total amount of grants to a State health authority in a fiscal year may not be less than the greater of—

"(I) the total amount of grants received by such authority under paragraph (1) for the fiscal year ending September 30, 1979, or

"(II) the product of $1 and the population of the State served by such authority.

Notwithstanding clauses (i) and (ii), if for any fiscal year the amount appropriated for that fiscal year under paragraph (6) is less than the amount needed to make grants in that fiscal year in accordance with such clauses to all State health authorities with approved applications, the total amount of grants in that fiscal year for a State health authority shall not be less than an amount which bears the same ratio to the amounts determined for such authority in accordance with the applicable clause as the amount appropriated under such paragraph bears to the amount needed to make grants in accordance with such clauses in such fiscal year to all State health authorities with approved applications.

"(B) The Secretary, at the request of a State health authority, may reduce the amount of the grants to it under paragraph (1), by—

"(i) the fair market value of any supplies (including vaccines and other prevention agents) or equipment furnished the State health authority, and

"(ii) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State health authority and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of the State health authority and for the purpose of carrying out a program with respect to which its grant under paragraph (1) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the State health authority.

"(C) For purposes of subparagraph (A) (i) (II), the term 'State and local expenditures for comprehensive public health services' means expenditures by State and local public health authorities for public health services designated by the Secretary, but excludes expenditures by such authorities—

"(i) specifically required by Federal statutory law as a condition to the receipt of Federal financial assistance, or
“(ii) for operating inpatient care facilities, construction, or mental health programs.

“(D) For purposes of subparagraph (A) and paragraph (2)(D), populations shall be determined on the basis of the latest figures available from the Department of Commerce.

“(5) The Secretary may make payments under grants under paragraph (1) on the basis of such estimates and in such installments as appropriate with adjustments for any previous overpayments or underpayments.

“(6) (A) For the purpose of making grants under this subsection there are authorized to be appropriated $150,000,000 for the fiscal year ending September 30, 1980, and $170,000,000 for the fiscal year ending September 30, 1981.

“(B) Of the amount appropriated under subparagraph (A) for any fiscal year, the Secretary shall obligate not more than $1,000,000 for the uniform national health program reporting system referred to in paragraph (2)(C)(ii).

“(7) Regulations (including substantive amendments to regulations) under this subsection shall be promulgated by the Secretary after consultation with a conference of State health authorities. The Secretary shall consult with such conference prior to the publication of proposals for such regulations or amendments.”.

**PROJECT GRANTS FOR PREVENTIVE HEALTH SERVICES**

Sec. 202. Effective October 1, 1979, section 317 is amended to read as follows:

“PROJECT GRANTS FOR PREVENTIVE HEALTH SERVICES

“Sec. 317. (a) The Secretary may make grants—

“(1) to State health authorities to assist them in meeting the costs of establishing and maintaining preventive health service programs for screening for, the detection, diagnosis, prevention, and referral for treatment of, and follow-up on compliance with treatment prescribed for, hypertension; and

“(2) to States and, in consultation with State health authorities, to political subdivisions of States and to other public entities to assist them in meeting the costs of establishing and maintaining preventive health service programs (other than programs described in paragraph (1)).

“(b) No grant may be made under section (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form and be submitted in such manner as the Secretary shall by regulation prescribe and shall provide—

“(1) a complete description of the type and extent of the program for which the applicant is seeking a grant under subsection (a);

“(2) with respect to each such program (A) the amount of Federal, State, and other funds obligated by the applicant in its latest annual accounting period for the provision of such program, (B) a description of the services provided by the applicant in such program in such period, (C) the amount of Federal funds needed by the applicant to continue providing such services in such program, and (D) if the applicant proposes changes in the provision of the services in such program, the priorities of such
proposed changes, reasons for such changes, and the amount of Federal funds needed by the applicant to make such changes;

"(3) assurances satisfactory to the Secretary that the program which will be provided with funds under a grant under subsection (a) will be provided in a manner consistent with the State health plan in effect under section 1524(c) and in those cases where the applicant is a State, that such program will be provided, where appropriate, in a manner consistent with any plans in effect under an application approved under section 315;

"(4) assurances satisfactory to the Secretary that the applicant will provide for such fiscal control and fund accounting procedures as the Secretary by regulation prescribes to assure the proper disbursement of and accounting for funds received under grants under subsection (a);

"(5) assurances satisfactory to the Secretary that the applicant will provide for periodic evaluation of its program or programs;

"(6) assurances satisfactory to the Secretary that the applicant will make such reports (in such form and containing such information as the Secretary may by regulation prescribe) as the Secretary may reasonably require and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

"(7) assurances satisfactory to the Secretary that the applicant will comply with any other conditions imposed by this section with respect to grants; and

"(8) such other information as the Secretary may by regulation prescribe.

"(c) (1) The Secretary shall not approve an application submitted under subsection (b) for a grant for a program for which a grant was previously made under subsection (a) unless the Secretary determines—

"(A) the program for which the application was submitted is operating effectively to achieve its stated purpose,

"(B) the applicant complied with the assurances provided the Secretary when applying for such previous grant, and

"(C) the applicant will comply with the assurances provided with the application.

"(2) The Secretary shall review annually the activities undertaken by each recipient of a grant under subsection (a) to determine if the program assisted by such grant is operating effectively to achieve its stated purposes and if the recipient is in compliance with the assurances provided the Secretary when applying for such grant.

"(d) The amount of a grant under subsection (a) shall be determined by the Secretary. Payments under such grants may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

"(e) The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(1) the fair market value of any supplies (including vaccines and other preventive agents) or equipment furnished the grant recipient, and
“(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee, when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which the grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

“(f) (1) Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall by regulation prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

“(g) (1) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to an agency or a political subdivision of a State under provisions of Federal law (other than this section) and which are available for the conduct of preventive health service programs from being used in connection with programs assisted through grants under subsection (a).

“(h) The Secretary shall include, as part of the report required by section 1705, a report on the extent of the problems presented by the diseases and conditions referred to in subsection (j); on the amount of funds obligated under grants under subsection (a) in the preceding fiscal year for each of the programs listed in subsection (j); and on the effectiveness of the activities assisted under grants under subsection (a) in controlling such diseases and conditions.

“(i) The Secretary may provide technical assistance to States, State health authorities, and other public entities in connection with the operation of their preventive health service programs.

“(j) (1) (A) Subject to subparagraph (B), for purposes of grants under subsection (a) for preventive health service programs to immunize children against immunizable diseases (including measles, rubella, poliomyelitis, diphtheria, pertussis, tetanus, and mumps) and for purposes of grants under such subsection for the fiscal year ending September 30, 1979, for preventative health service programs to immunize individuals against influenza, there are authorized to be appropriated $51,000,000 for the fiscal year ending September 30, 1979,
$39,500,000 for the fiscal year ending September 30, 1980, and $45,000,000 for the fiscal year ending September 30, 1981.

"(B) No funds appropriated under subparagraph (A) may be obligated for grants for preventive health service programs to immunize individuals against influenza until the Secretary submits to the Committees on Human Resources and Appropriations of the Senate and the Committees on Interstate and Foreign Commerce and Appropriations of the House of Representatives the following:

"(i) Not later than June 30, 1979, a complete report on the results of the influenza immunization activities in 1978 and 1979 under funds appropriated under Public Law 95-355, which report shall include information with respect to adverse effects associated with influenza immunization, any known liability arising out of such immunization, any report received by the Secretary on the safety and effectiveness of the vaccine used to provide such immunization, the number of persons immunized, and other experiences with such activities.

"(ii) A report on the current status of the immunization program conducted under the amendment made to this Act by the National Swine Flu Immunization Program of 1976 (Public Law 94-380), including the status of any claims still pending under the program and the Secretary's plans for dealing with such claims.

"(iii) As they become available, all reports and information from studies conducted by or under contract with the Secretary with respect to liability arising out of personal injuries or deaths in connection with immunization programs, protection against such liability, and methods of compensation for such injuries and any other reports and information respecting such matters which are available to the Secretary.

"(iv) Specific interim recommendations of the Secretary with respect to the matters referred to in clause (iii).

"(v) A copy of the information which will be distributed to individuals before they receive any influenza immunization under a preventive health service program for which a grant is made under subsection (a).

"(2) For the purpose of grants under subsection (a) for preventive health service programs for the control of rodents there are authorized to be appropriated $14,500,000 for the fiscal year ending September 30, 1979, $15,500,000 for the fiscal year ending September 30, 1980, and $17,000,000 for the fiscal year ending September 30, 1981. Funds appropriated under this paragraph may be used to make grants to nonprofit private entities for any program or project for rodent control for which a grant was made under section 314(e) for the fiscal year ending June 30, 1975. A grant to such an entity shall be made in the same manner as a grant under subsection (a).

"(3) For the purpose of grants under subsection (a) for programs for hypertension there are authorized to be appropriated $24,500,000 for the fiscal year ending September 30, 1980, $29,000,000 for the fiscal year ending September 30, 1981.

"(4) For the purpose of grants under subsection (a) for preventive health service programs for which appropriations are not authorized by paragraph (1), (2), or (3) there are authorized to be appropriated $1,000,000 for the fiscal year ending September 30, 1979, $1,000,000 for the fiscal year ending September 30, 1980, and $1,000,000.
for the fiscal year ending September 30, 1981. No funds appropriated under this paragraph may be used for grants for immunization against influenza.”.

FORMULA GRANTS TO STATES FOR PREVENTIVE HEALTH SERVICE PROGRAMS

Sec. 203. Title III of the Public Health Service Act is amended by adding after section 314 the following new section:

"FORMULA GRANTS TO STATES FOR PREVENTIVE HEALTH SERVICE PROGRAMS

42 USC 247. "SEC 315. (a) The Secretary shall make grants to States to assist them in planning for and developing, and in providing (directly and through grants or contracts, or both, the public health authorities of political subdivisions of the States, other public entities, and private entities) preventive health service programs—

“(1) which shall be designed to reduce, through primary or secondary prevention of risk factors and causative conditions, the mortality rate for one or more of the five leading causes of death in a State, and

“(2) which the State receiving a grant under this subsection may design to also reduce, through primary or secondary prevention of risk factors and causative conditions, the burden of illness associated with one or more of the five leading causes of morbidity in the State.

(b) No grant may be made under subsection (a) for a preventive health service program unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form and be submitted in such manner as the Secretary shall by regulation prescribe and shall provide (other than in an application for a planning and developing grant)—

“(1) a detailed plan of the program for which the applicant is seeking a grant under subsection (a), which plan—

(A) shall require the use, to the extent practicable, of all relevant professional disciplines;

(B) may, at the option of the State, describe a program or programs that are targeted toward a particular age group;

(C) shall set forth quantitatively the current relevant rates of mortality or of morbidity, as the case may be, in the State measured and reported in accordance with regulations of the Secretary;

(D) shall set forth the quantitative goals for reduction in the relevant rates of mortality and reduction in the risk factors or causative conditions associated with one or more of the five leading causes of death in the State;

(E) shall, if the applicant’s program also concerns morbidity, set forth the quantitative goals for reduction in the relevant rates of morbidity and reduction in the risk factors or causative conditions associated with one or more of the five leading causes of morbidity in the State;

(F) shall require a separate health communications component in the program or programs which shall include a description of how the communications media, including the electronic media, will be used to effectuate the purposes of the programs;"
“(G) shall identify a specific institutional entity in the State that will be responsible for accomplishing through contracts with private entities and through other means the requirements of subparagraph (F); and
“(H) shall contain such other information as the Secretary may by regulation prescribe;
“(2) with respect to each of the major causes of mortality and morbidity included in the program (A) the amount of Federal, State, and other funds obligated by the applicant in its latest annual accounting period with respect to such cause, (B) a description of the services provided by the applicant in such program in such period with respect to such cause, (C) the amount of Federal funds needed by the applicant to continue providing such services in such program, and (D) if the applicant proposes changes in the provision of the services in such program, the priorities of such proposed changes, reasons for such changes, and the amount of Federal funds needed by the applicant to make such changes;
“(3) for assurances satisfactory to the Secretary that the program which will be provided with funds under a grant under subsection (a) will be provided in a manner consistent with the State health plan in effect under section 1524(c);
“(4) for assurances satisfactory to the Secretary that the applicant will provide for such fiscal control and fund accounting procedures as the Secretary by regulation prescribes to assure the proper disbursement of and accounting for funds received under grants under subsection (a);
“(5) assurances satisfactory to the Secretary that the applicant will provide for periodic evaluation of its program or programs;
“(6) assurances satisfactory to the Secretary that the applicant will make such reports (in such form and containing such information as the Secretary may by regulation prescribe) as the Secretary may reasonably require and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;
“(7) assurances satisfactory to the Secretary that the applicant will comply with any other conditions imposed by this section with respect to grants; and
“(8) such other information as the Secretary may by regulation prescribe.
“(c) (1) The Secretary shall not approve an application submitted under subsection (b) for a grant for a program for which a grant was previously made under subsection (a) unless the Secretary determines—
“(A) the program for which the application was submitted is operating effectively to achieve its stated purpose, “(B) the applicant complied with the assurances provided the Secretary when applying for such previous grant, and
“(C) the applicant will comply with the assurances provided with the application.
“(2) The Secretary shall review annually the activities undertaken by each recipient of a grant under subsection (a) to determine if the program assisted by such grant is operating effectively to achieve its stated purposes and if the recipient is in compliance with the assurances provided the Secretary when applying for such grant.
“(3) Whenever the Secretary finds with respect to funds paid to it under a grant under subsection (a) for a program, that the program
is not operating effectively to achieve its stated purposes or that there is a failure to comply substantially with assurances provided with respect to the receipt of such grant, the Secretary shall notify the State that further payments will not be made to it under such grant (or in his discretion that further payments will be reduced), until he is satisfied that the program will operate effectively or there will no longer be such a failure. Until he is so satisfied, the Secretary shall make no payment or, in his discretion, reduce payments to the State from such grant.

"(d)(1) The total amount of grants made under subsection (a) in the fiscal year ending September 30, 1980, to any State under subsection (a) to assist it in planning and developing a program described in such subsection shall be determined by the Secretary, except that it may not be less than the product of $0.10 and population of the State. Notwithstanding the preceding sentence, if for any fiscal year the amount appropriated for the fiscal year ending September 30, 1980, under subsection (1) is less than the amount needed to make grants for that fiscal year in accordance with such sentences to all States with approved applications, the total amount of grants for that fiscal year for a State shall not be less than an amount which bears the same ratio to the amounts determined for such State in accordance with the preceding sentence as the amount appropriated under subsection (1) bears to the amount needed to make grants in accordance with such sentence for such fiscal year to all States with approved applications.

"(2) The total amount of grants made to any State under subsection (a) for any fiscal year to assist it in providing a program described in such subsection shall be determined by the Secretary, except that it—

"(i) may not exceed the lesser of—

"(I) the product of $0.50 and the population of the State, or

"(II) in the case of the fiscal year ending September 30, 1982, 5 per centum of the amount of State and local expenditures for preventive health services within the State in the State's fiscal year which ended on or before July 1, 1981; in the case of the fiscal year ending September 30, 1983, 7½ per centum of the amount of such expenditures in the State's fiscal year which ended on or before July 1, 1982; and, in the case of the fiscal year ending September 30, 1984, 10 per centum of the amount of such expenditures in the State's fiscal year which ended on or before July 1, 1983; and

"(ii) may not be less than the product of $0.25 and the population of the State, except as provided in subsection (c)(3).

Notwithstanding the preceding sentence, if for any fiscal year the amount appropriated for that fiscal year under subsection (1) is less than the amount needed to make grants for that fiscal year in accordance with such sentence to all States with approved application the total amount of grants for that fiscal year for a State shall not be less than an amount which bears the same ratio to the amounts determined for such State in accordance with such sentence as the amount appropriated under subsection (1) bears to the amount needed to make grants in accordance with this section for such fiscal year to all States with approved application.

"(e) Payments under grants under subsection (a) may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or over-
payments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

"(f) The Secretary, at the request of a State which is a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(1) the fair market value of any supplies or equipment furnished the State, and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such State and for the purpose of planning or carrying out a program with respect to which a grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the State.

"(g) (1) Each State which is a recipient of a grant under subsection (a) shall keep such records as the Secretary shall by regulation prescribe, including records which fully disclose the amount and disposition by such State of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of each State which is a recipient of a grant under subsection (a) that are pertinent to such grant.

"(h) (1) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to an agency or a political subdivision of a State under provisions of Federal law (other than this section) and which are available for the conduct of preventive health service programs from being used in connection with programs assisted through grants under subsection (a).

"(2) Nothing in this subsection shall be construed to require any State or any agency or political subdivision of a State to have a preventive health service program which would require any person, who objects to any treatment provided under such a program, to be treated or to have any child or ward treated under such program.

"(i) The Secretary shall include, as part of the report required by section 1705, a report on the extent of the problems presented by the causes of mortality and morbidity referred to in subsection (a); on the amount of funds obligated under grants under such subsection in the preceding fiscal year to assist the States in operating programs described in such subsection; and on the effectiveness of the programs assisted under grants under such subsection.

"(j) (1) For purposes of subsection (a), the term 'primary prevention of causative conditions' means the prevention of the development of causative conditions in healthy individuals.

"(2) For purposes of subsection (a), the term 'secondary prevention of causative conditions' means the early detection, referral for diag-
nosis and treatment, or follow-up for compliance with treatment of causative conditions in asymptomatic individuals.

“(3) For purposes of subsection (d) (2), the term ‘State and local expenditures for preventive health services’ means expenditures by State and local public health authorities for preventive health services but excludes expenditures by such authorities—

“(A) specifically required by Federal statutory law as a condition to the receipt of Federal financial assistance, or

“(B) for operating inpatient care facilities or construction.

“(4) For purposes of subsection (d), populations shall be determined on the basis of the latest figures available from the Department of Commerce.

“(k) (1) For the purpose of making payments under grants under subsection (a) to assist States in meeting the costs of planning and developing programs described in such subsection, there are authorized to be appropriated $20,000,000 for the fiscal year ending September 30, 1980.

“(2) For the purpose of making payments under grants under subsection (a) to assist States in meeting the costs of providing the programs described in such subsection, there are authorized to be appropriated $60,000,000 for the fiscal year ending September 30, 1981, and $75,000,000 for the fiscal year ending September 30, 1982.

“(3) Not less than 20 per centum of the total amount of grants received by a State under subsection (a) for providing a program described in such subsection shall be obligated by the State for operating the health communications component of such program. No funds appropriated under this paragraph shall be used (A) to assist States in meeting the costs of traditional law enforcement activities (including the prevention of homicide) as defined in regulations of the Secretary, or (B) for construction.”.

PROJECTS AND PROGRAMS FOR THE PREVENTION AND CONTROL OF VENEREAL DISEASE

42 USC 247c note.

SEC. 204. (a) The Congress finds and declares that—

(1) the number of reported cases of venereal disease persists in epidemic proportions in the United States;

(2) the number of persons affected by venereal disease and reported to public health authorities is only a fraction of those actually affected;

(3) the incidence of venereal disease continues to be particularly high among American youth, ages fifteen to twenty-nine, and among populations in metropolitan areas;

(4) venereal disease accounts for severe permanent disabilities and sometimes death in newborns and causes reproductive dysfunction in women of childbearing age;

(5) it is conservatively estimated that the public cost of health care for persons suffering from complications of venereal disease exceeds one-half billion dollars annually;

(6) the number of trained Federal venereal disease prevention and control personnel has fallen to a dangerously inadequate level;

(7) no vaccine for syphilis, gonorrhea, or any other venereal disease has yet been developed, nor does a blood test for the detection of asymptomatic gonorrhea in women exist, nor are safe and effective therapeutic agents available for some other venereal diseases;
(8) school health education programs, public information and awareness campaigns, mass diagnostic screening and case followup have all been found to be effective venereal disease prevention and control methodologies;

(9) skilled and knowledgeable health care providers, informed and concerned individuals and active, well-coordinated voluntary groups are fundamental to venereal disease prevention and control;

(10) biomedical research toward improved diagnostic and therapeutic tools is of singular importance to the elimination of venereal disease; and

(11) an increasing number of sexually transmissible diseases besides syphilis and gonorrhea have become a public health hazard.

(b) (1) Subsection (f) of section 318 is repealed and subsections (g) and (h) of such section are redesignated as subsections (f) and (g), respectively.

(2) Subsection (g)(2) of section 317 is amended by striking out “Except as provided in section 318, no funds” and inserting in lieu thereof “No funds”.

(c)(1) Subsection (d)(1) of section 318 is amended by inserting after “(1)” the following: “For the purpose of making grants under subsections (b) and (c) there are authorized to be appropriated $45,000,000 for the fiscal year ending September 30, 1979, $51,500,000 for the fiscal year ending September 30, 1980, and $59,000,000 for the fiscal year ending September 30, 1981. For grants under subsection (b) in any fiscal year, the Secretary shall obligate not less than 5 per centum of the amount appropriated for such fiscal year under the preceding sentence.”

(2) Subsection (b) of such section is amended (A) by striking out “(1)” and paragraph (2), (B) by inserting “and public information and” after “demonstration,” and (C) by striking out “and training”.

(d) (1) Section 318(c) is amended—

(A) by inserting “also” after “The Secretary is” in paragraph (1).

(B) by striking out “and public” in clause (D) of paragraph (1) and inserting in lieu thereof “(including appropriate allied health personnel)”, and

(C) by inserting “, training and clinical skills improvement” before “activities” in clause (D) of paragraph (1).

(2) Section 318(c) is further amended (A) by striking out paragraph (2), (B) by striking out “(1)”, and (C) by redesignating subparagraphs (A), (B), (C), (D), and (E) of paragraph (1) as paragraphs (1), (2), (3), (4), and (5), respectively.

GENETIC DISEASES

SEC. 205. (a) Section 402 of the National Sickle Cell Anemia, Cooley’s Anemia, Tay-Sachs, and Genetic Diseases Act is amended by striking out all following “diseases,” and substituting “and genetic conditions, such as Sickle Cell anemia, Cooley’s Anemia, Tay-Sachs disease, cystic fibrosis, dysautonomia, hemophilia, retinitis pigmentosa, Huntington’s chorea, muscular dystrophy, and genetic conditions leading to mental retardation or genetically caused mental disorders.”.

(b) Section 1101(a) is amended by inserting “plan,” after “projects to” in paragraph (1).
(c)(1) Section 1104(a) is amended by inserting the following before the period at the end of the first sentence: "including assurances for an evaluation whether performed by the applicant or by the Secretary. Such grant or contract may be made available on less than a statewide or regional basis."

(2) Section 1104 is amended by adding at the end thereof the following new subsection:

"(d) In making any grant or entering into any contract under section 1101 the Secretary shall have developed a procedure under which persons from among members of the general public and from among leading medical or scientific authorities (acting as an advisory group, task force, or other entities appointed by the Secretary) knowledgeable about genetic diseases or conditions will have the opportunity on a regular basis to make recommendations to the Secretary."

(d) (1) Part A of title XI is amended by adding after section 1106 the following new section:

"APPLIED TECHNOLOGY

SEC. 1107. The Secretary, acting through an identifiable administrative unit, shall—
"(1) conduct epidemiological assessments and surveillance of genetic diseases to define the scope and extent of such diseases and the need for programs for the diagnosis, treatment, and control of such diseases, screening for such diseases, and the counseling of persons with such diseases;
"(2) on the basis of the assessments and surveillance described in paragraph (1), develop for use by the States programs which combine in an effective manner diagnosis, treatment, and control of such diseases, screening for such diseases, and counseling of persons with such diseases; and
"(3) on the basis of the assessments and surveillance described in paragraph (1), provide technical assistance to States to implement the programs developed under paragraph (2) and train appropriate personnel for such programs.

In carrying out this section, the Secretary may, from funds appropriated under section 1101(b), make grants to or contracts with public or nonprofit private entities (including grants and contracts for demonstration projects)."

(2) Section 1101(b) is amended by inserting "and section 1107" after "this section".

(e)(1) Section 1101(b) is amended (A) by striking out "and" after "1977," and (B) by inserting before the period a comma and the following: "$17,500,000 for the fiscal year ending September 30, 1979, $21,500,000 for the fiscal year ending September 30, 1980, and $26,000,000 for the fiscal year ending September 30, 1981".

HEMOPHILIA

SEC. 206. (a) Section 1131(f) is amended (1) by striking out "and" after "1977," and (2) by inserting before the period a comma and the following: "$4,000,000 for the fiscal year ending September 30, 1979, $5,000,000 for the fiscal year ending September 30, 1980, and $6,000,000 for the fiscal year ending September 30, 1981".

(b) Section 1132(e) is amended (1) by striking out "and" after "1977," and (2) by inserting before the period a comma and the
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following: "$2,500,000 for the fiscal year ending September 30, 1979, $3,000,000 for the fiscal year ending September 30, 1980, and $3,500,000 for the fiscal year ending September 30, 1981".

HOME HEALTH SERVICES

Sec. 207. (a) Part D of title III (as amended by section 113(a) of this Act) is amended by inserting after subpart II the following:

"Subpart III—Home Health Services

"HOME HEALTH SERVICES

"Sec. 339. (a) (1) For the purpose of demonstrating the establishment and initial operation of home health agencies (as defined in section 1861(o) of the Social Security Act) which will provide home health services (as defined in section 1861(m) of the Social Security Act) in areas in which such services are not otherwise available, the Secretary may, in accordance with the provisions of this section, make grants to public and nonprofit private entities to meet the initial costs of establishing and operating such agencies and expanding the services available through existing agencies, and to meet the costs of compensating professional and paraprofessional personnel during the initial operation of such agencies or the expansion of services of existing agencies. Demonstration projects and programs are to be conducted, to the extent practicable, in rural and urban areas, in sparsely and densely populated areas, and in areas with inadequate means of transportation.

"(2) In making grants under this subsection, the Secretary shall consider the relative needs of the several States for home health services and preference shall be given to areas within a State in which a high percentage of the population proposed to be served is composed of individuals who are elderly, medically indigent, or both.

"(3) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall by regulation prescribe.

"(4) Payments under grants under this subsection may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

"(5) There are authorized to be appropriated for grants under this subsection $14,000,000 for the fiscal year ending September 30, 1979, $16,100,000 for the fiscal year ending September 30, 1980, and $18,500,000 for the fiscal year ending September 30, 1981.

"(b) (1) The Secretary may make grants to and enter into contracts with public and nonprofit private entities to assist them in demonstrating the training of professional and paraprofessional personnel to provide home health services (as defined in section 1861(m) of the Social Security Act).

"(2) Applications for grants under this subsection shall be in such form and contain such information as the Secretary shall by regulation prescribe.

"(3) Payments under grants under this subsection may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or overpayments,
and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants. The authority of the Secretary to enter into contracts under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"(4) There are authorized to be appropriated for grants under this subsection $1,500,000 for the fiscal year ending September 30, 1979, $2,000,000 for the fiscal year ending September 30, 1980, and $2,500,000 for the fiscal year ending September 30, 1981."

(b) Effective October 1, 1978, section 602 of Public Law 94–63 is repealed.

**LEAD-BASED PAINT POISONING PREVENTION PROGRAMS**

Sec. 208. (a) Part A of title III is amended by adding after section 315 (added by section 203 of this Act) the following new section:

"LEAD-BASED PAINT POISONING PREVENTION PROGRAMS"

"Sec. 316. (a) (1) (A) The Secretary may make grants to agencies of units of general local governments and to private nonprofit entities to assist them in meeting the costs of providing lead-based paint poisoning prevention programs. The Secretary may also make such grants to an agency of State government in any case where State government provides direct services to citizens in local communities or where units of general local government within the State are prevented by State law from implementing or receiving such grants or from expending such grants in accordance with their intended purpose.

"(B) Each program for which a grant is made under this subsection shall afford, to the maximum extent feasible, opportunities for employing the residents of communities or neighborhoods affected by lead-based paint poisoning, and for providing appropriate training, education, and any information which may be necessary to inform such residents of opportunities for employment in lead-based paint elimination programs.

"(2) For purposes of this section—

"(A) the term ‘lead-based paint poisoning prevention program’ means any program which provides for—

"(i) educational programs intended to communicate to parents, educators, and local health officials the health danger and prevalence of lead-based paint poisoning among children;

"(ii) the development and carrying out of intensive community testing programs designed to detect incidents of lead-based paint poisoning among community residents and to insure prompt medical treatment for such afflicted individuals;

"(iii) the development and carrying out of intensive followup programs to insure that identified cases of lead-based paint poisoning are protected against further exposure to lead-based paints in their living environment;

"(iv) the establishment of centralized laboratory facilities for analyzing biological and environmental lead specimens; and

"(v) any other actions which will reduce or eliminate lead-based paint poisoning; and
“(B) the term ‘units of general local government’ means (i) any city, county, township, town, borough, parish, village, or other general purpose political subdivisions of a State, (ii) any combination of units of general local government in one or more States, (iii) an Indian tribe, and (iv) with respect to lead-based paint poisoning elimination activities, in their urban areas, the territories and possessions of the United States.

Followup programs described in subparagraph (A) (iii) shall include programs to eliminate lead-based paint hazards from surfaces in and around residential dwelling units or houses, including programs to provide for such purpose financial assistance to the owners of such units or houses who are financially unable to eliminate such hazards from their units or houses. In administering programs for the elimination of such hazards, priority shall be given to the elimination of such hazards in residential dwelling units or houses in which reside children with diagnosed lead-based paint poisoning.

“(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form and be submitted in such manner as the Secretary shall by regulation prescribe and shall provide—

“(1) a complete description of the type and extent of the lead-based paint poisoning prevention program which is to be provided by or through the applicant with a grant under subsection (a);

“(2) assurances satisfactory to the Secretary that the program to be provided under the grant applied for will be provided in accordance with the State health plan in effect under section 1924(c);

“(3) assurances satisfactory to the Secretary that the applicant will make such reports respecting the program as the Secretary may require; and

“(4) such other information as the Secretary may by regulation prescribe.

No grant may be made under subsection (a) unless the Secretary determines that there is satisfactory assurance that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made and will in no event supplant such State, local, and other non-Federal funds.

“(c) The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

“(d) (1) Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.
Audit, authority.  
(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of grants under subsection (a) that are pertinent to such grants.

Report to Congress.  
(f) The Secretary shall submit annually to the Congress a report (1) on the extent of the problems presented by lead-based paint, and (2) on the effectiveness of the programs assisted under grants under subsection (a).

Appropriation authorization.  
(g) There are authorized to be appropriated for grants under subsection (a) $14,000,000 for the fiscal year ending September 30, 1979, $14,000,000 for the fiscal year ending September 30, 1980, and $15,000,000 for the fiscal year ending September 30, 1981.

Repeals.  
42 USC 4801, 4811, 4844, 4845.
42 USC 4846.

EFFECT OF LEAD ON CHILD DEVELOPMENT

SEC. 209. The Secretary of Health, Education, and Welfare shall conduct a study to determine the long-term effect on child development of various levels of lead in blood. The Secretary shall report the results of such study to the Congress together with recommendations for such legislation as the Secretary determines is appropriate.

EMERGENCY MEDICAL SERVICES SYSTEMS

SEC. 210. (a) Section 1203(c) is amended (1) effective June 30, 1975, by striking out the first sentence of paragraph (2), (2) by striking out paragraph (3), and (3) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) Effective June 30, 1975, the first sentence of section 1204(b) (1) is repealed.

(c) Subparagraph (B) of section 1206(b) (1) is amended to read as follows:

"(B) No applicant may receive more than a total of five grants, contracts, or grants and contracts under this part, except that in determining the number of grants and contracts which an applicant received under this part, the Secretary shall not include any grant or contract received under section 1202(b) (1) or 1205."

(d) (1) Section 1207(a)(1) is amended by striking out "sections 1203 and 1204" and inserting in lieu thereof "sections 1202, 1203, and 1204".

(2) Section 1207(a) (5) is amended by striking out "for the succeeding fiscal year" and inserting in lieu thereof "for each of the two succeeding fiscal years".

SELECT PANEL FOR THE PROMOTION OF CHILD HEALTH

SEC. 211. (a) The Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall establish within the Office of the Secretary a Select Panel for the Promotion of Child Health (hereinafter in this section referred to as the "panel").

(b) (1) The panel, after reviewing all the significant medical, scien-
scientific, behavioral, and epidemiological studies concerning the promotion of child health and the prevention of childhood diseases and concerning the efficacy and efficiency of child health programs, shall—

(A) formulate specific goals with respect to the promotion of the health status of children and expectant mothers in the United States;

(B) develop a comprehensive national plan for achieving these goals and otherwise promoting the health of children in the United States; and

(C) transmit to the Secretary, to the Committee on Interstate and Foreign Commerce of the House of Representatives, and to the Committee on Human Resources of the Senate, not later than eighteen months after the date of the enactment of this Act, a report detailing the comprehensive national plan it has developed and recommendations for such administrative, legislative, and other actions as it deems appropriate to implement this plan and to otherwise promote the health of children in the United States.

(2) The panel shall include in its comprehensive national plan (developed under paragraph (1) (B)) recommendations with respect to—

(A) the appropriate type and quantity of preventive health care and other health services needed by children in general and by particular types of children at risk;

(B) the appropriate methods (and providers) for delivering and financing the delivery of such services;

(C) the appropriate methods for coordinating and consolidating, within an agency and between agencies, the administration of child health promotion programs;

(D) the need for research into the delivery of such services and the promotion of child health;

(E) the appropriate methods for instructing children and parents in methods of maintaining their health;

(F) the encouragement of innovative programs to promote child health;

(G) the appropriate methods (including demonstration programs) for applying research findings to delivery of health services to children and otherwise to promoting the health of children;

(H) the appropriate relationship between child health promotion programs and health planning organizations;

(I) the appropriate support of training of health personnel for child health promotion programs; and

(J) the appropriate technical assistance to States to implement child health promotion programs.

(c)(1) The panel shall be composed of the Assistant Secretary for Health and the Assistant Secretary for Planning and Evaluation, who shall serve as ex officio members, and of fifteen other members who shall be appointed by the Secretary not later than sixty days after the date of the enactment of this Act. Among members of the panel appointed by the Secretary, the Secretary shall appoint not less than three, nor more than five, individuals employed by the Department of Health, Education, and Welfare, and shall appoint representatives from the scientific, medical, dental, allied health, mental health, preventive health, public health, and education professions, as well as consumers and representatives from State and local health agencies.
(2) The Secretary shall designate, at the time of appointment of members of the panel, one member to serve as chairperson and another to serve as vice chairperson of the panel.

(3) Members of the panel shall serve for the life of the panel and the Secretary shall appoint individuals to fill vacancies on the panel as they may arise.

(4) Each member of the panel (who is not a full-time officer or employee of the United States) shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the panel. All the members of the panel shall be allowed, while away from their homes or regular places of business in the performance of service for the panel, travel expenses (including per diem in lieu of subsistence) in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(d) (1) Upon the request of the panel, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the panel to assist the panel in carrying out its functions.

(2) The Secretary shall provide the panel with such administrative services and facilities as may be required to carry out its functions.

(e) (1) The panel may, for purposes of carrying out its functions, hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and appoint such advisory committees as it may deem advisable.

(2) The panel may secure directly from any department or agency of the United States information necessary to carry out its functions. Upon request of the chairperson of the panel, the head of each such department or agency shall, to the extent permitted by law, furnish the information and otherwise cooperate with the panel.

(f) The panel shall cease to exist ninety days after the date of submittal of the report described in subsection (b) (1) (C).

(g) There is authorized to be appropriated $1,000,000 for the fiscal year ending September 30, 1979, to carry out this section. Sums appropriated under this subsection shall remain available for expenditure until the date the panel ceases to exist.

TITLE III—REVIEW

SEC. 301. A grant or contract made under this Act shall be considered, for purposes of sections 1513(e) and 1524(c)(6) of the Public Health Service Act, to be a grant or contract made under that Act.

TITLE IV—RESOURCES FOR DISEASE PREVENTION AND HEALTH PROMOTION

SEC. 401. (a) The Secretary of Health, Education, and Welfare shall undertake or support (through grants or contracts or both) five intensive and comprehensive community based programs in both rural and urban areas for the purpose of demonstrating and evaluating optimal methods for organizing and delivering comprehensive preventive health services to defined populations.
(b) The Secretary shall submit to the Committee on Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives on January 1, 1981, and on January 1 of every second year thereafter a report on the programs undertaken or supported under subsection (a) including, but not limited to, a detailed description and an evaluation of the effectiveness of each such program.

(c) For the purpose of undertaking or supporting demonstrations and evaluations pursuant to subsection (a), there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1980, $8,000,000 for the fiscal year ending September 30, 1981, and $8,000,000 for the fiscal year ending September 30, 1982.

Sec. 402. (a) The Secretary of Health, Education, and Welfare, after consultation with appropriate public and private entities, shall establish a comprehensive program designed to deter smoking and the use of alcoholic beverages among children and adolescents. Such a program shall include—

(1) the undertaking or support (through grants or contracts or both) of biomedical and behavioral research designed to increase understanding of the biological and behavioral determinants of smoking and the use of alcoholic beverages among children and adolescents, with special emphasis on children aged twelve or below; and

(2) grants to States or political subdivisions of States to assist them in meeting the costs of demonstrations and evaluations of community or school-based programs designed to deter smoking and the use of alcoholic beverages among children and adolescents.

(b) With respect to grants under paragraph (a) (2) the Secretary and each grant applicant and recipient must comply with the provisions of subsections (b), (c), (d), (e), (f), (g), and (h) of section 317.

(c) (1) For the purpose of making payments for the undertaking or support of research under paragraph (a) (1), there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1980, and $5,000,000 for the fiscal year ending September 30, 1981.

(2) For the purpose of making payments under paragraph (a) (2), there are authorized to be appropriated $10,000,000 for the fiscal year ending September 30, 1980, and $10,000,000 for the fiscal year ending September 30, 1981.

Sec. 403. (a) The Secretary of Health, Education, and Welfare shall conduct, or arrange for the conduct of, a study or studies of

(1) the relative health risks associated with smoking cigarettes of varying levels of tar, nicotine, and carbon monoxide; and

(2) the health risks associated with smoking cigarettes containing any substances commonly added to commercially manufactured cigarettes.

(b) Within two years of the date of enactment of this part, the Secretary shall report to the Congress the results of the study or studies conducted pursuant to subsection (a) and any recommendations for legislative or administrative action.

Sec. 404. (a) The Secretary, acting through the National Center for Health Statistics, shall submit to Congress on December 1, 1980, and on December 1 of every third year thereafter, a national disease prevention data profile in order to provide a data base for the effective implementation of this Act and to increase public awareness of the
prevalence, incidence, and any trends in the preventable causes of death and disability in the United States. Such profile shall include at a minimum—

(1) mortality rates for preventable diseases;
(2) morbidity rates associated with preventable diseases;
(3) the physical determinants of health of the population of the United States and the relationship between these determinants of health and the incidence and prevalence of preventable causes of death and disability; and
(4) the behavioral determinants of health of the population of the United States including, but not limited to, smoking, nutritional and dietary habits, exercise, and alcohol consumption, and the relationship between these determinants of health and the incidence and prevalence of preventable causes of death and disability.

(b) In preparing the profile required by subsection (a), the Secretary, acting through the National Center for Health Statistics, shall comply with all relevant provisions of sections 306 and 308 of the Public Health Service Act.

TITLE V—OFFICE OF PHYSICAL FITNESS AND SPORTS MEDICINE

ESTABLISHMENT OF OFFICE

Sec. 501. Section 1706 of the Public Health Service Act (42 U.S.C. 3000–3005) is amended to read as follows:

"OFFICE OF HEALTH INFORMATION, HEALTH PROMOTION AND PHYSICAL FITNESS AND SPORTS MEDICINE

Sec. 1706. (a) The Secretary shall establish within the Office of the Assistant Secretary for Health an Office of Health Information, Health Promotion and Physical Fitness and Sports Medicine which shall—

"(1) coordinate all activities within the Department which relate to health information and health promotion, preventive health services, and education in the appropriate use of health care;
"(2) coordinate its activities with similar activities of organizations in the private sector;
"(3) establish a national information clearinghouse to facilitate the exchange of information concerning matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, to facilitate access to such information, and to assist in the analysis of issues and problems relating to such matters; and
"(4) support projects, conduct research, and disseminate information in the areas of physical fitness and sports medicine.

(b) The Office shall also—

"(1) assist, and foster research, investigations, and model projects on the nature of physical fitness, the development of physical fitness, and the relation of physical fitness to health;
"(2) assist, and foster research and investigations into the utilization of sports medicine, the development of sports medicine
techniques, and the application of sports medicine throughout organized systems of athletic competition and in personal physical fitness development activities at every age and competition level;

"(3) foster and assist research into the proper role of nutrition in physical fitness programs;

"(4) promote the coordination of research and model programs conducted by the Office with similar programs conducted by other agencies of the Federal Government and other public and private organizations;

"(5) communicate the results of the studies in the widest possible manner to the American people and to special groups with particular interests and special needs in the development of physical fitness, such as young children, the handicapped, senior citizens, and workers in occupations which present special risks of physical disability; and

"(6) have a Director appointed by the Secretary.

"(c) The President's Council on Physical Fitness shall serve as the Advisory Body of the Office on all matters related to physical fitness. The activities of the Office and guidelines for the physical fitness programs supported by the Office shall be in conformance to guidelines developed by the President's Council on Physical Fitness.

Sec. 502. Title XVII of the Public Health Service Act is amended by adding at the end thereof the following new sections:

"PROJECT GRANTS TO STATE COUNCILS ON PHYSICAL FITNESS FOR PHYSICAL FITNESS IMPROVEMENT

"Sec. 1707. (a) The Office may make grants to each State for the establishment by the Governor of a State Council on Physical Fitness or appropriate similar administrative unit.

"(b) The State Council shall consist of at least fifteen members, chosen by the Governor to serve terms of four years, and appointed from among persons who have distinguished records in the areas of physical fitness, sports medicine, public health, athletic competition, education, labor, business management, and nutrition.

"(c) It shall be the duty of the State Council on Physical Fitness to—

"(1) promote the development of physical fitness with the assistance of local health and educational agencies, business, labor unions, health action and advocacy groups, religious, fraternal and social organizations, community based multiservice recreational agencies, and health maintenance organizations;

"(2) assess the physical fitness and nutrition status of residents of the State;

"(3) plan and administer a program of grants-in-aid to support physical fitness projects, research projects, and public information efforts to promote the development of physical fitness for the residents of the State;

"(4) evaluate and improve the availability and quality of sports medicine and athletic trainer programs in the State.

"(d) Each State shall be eligible for a grant under this section in an amount which is equal to not less than 1 per centum of the funds appropriated for the purposes of this section. The first $75,000 of grant funds to each State under this section shall not be made until an amount equal to the amount of the grant is made available to the State for the purposes of this section from non-Federal sources.
“(e) Funds made available for the purposes of this section shall not be used to supplant non-Federal funds.

“(f) Fifty per centum of the funds appropriated under section 503(d) of this Act shall be allocated for the purposes of this section.

“(g) In submitting an annual application for funds under this section the applicant must provide a description of all projects intended to be funded under subsection (e)(3).

"PROJECT GRANTS FOR PHYSICAL FITNESS IMPROVEMENT AND RESEARCH PROJECTS"

42 USC 221. “Sec. 1708. (a) The Director of the Office may make grants or enter into contracts with public or private entities to conduct research and establish model projects with regard to improvement of physical fitness.

“(b) Projects encompassed under this section may encompass—

“(1) entire small communities, both urban and rural,

“(2) educational settings for a variety of age groups,

“(3) occupational settings,

“(4) groups of handicapped individuals, and

“(5) groups of senior citizens.

“Appropriation authorization.

“(d) There are authorized to be appropriated for the purposes of section 1707, section 1706, and this section $6,000,000 for the fiscal year ending September 30, 1980, and $6,000,000 for the fiscal year ending September 30, 1981.

“NATIONAL PROGRAM ON SPORTS MEDICINE RESEARCH"

42 USC 300u-7. “Sec. 1709. (a) The Office shall establish a program of project grants to conduct research into the problem of athletic injuries with specific concentration on frequency of injuries, seriousness of injuries, the development of training and conditioning techniques and the development of athletic protective equipment to enable participants to avoid injuries to the maximum extent feasible, recovery rates, and problems associated with full recovery from athletic injuries.

“(b) The Office shall, in cooperation with the President’s Council on Physical Fitness, establish a Clearinghouse on Sports Medicine Research to disseminate the results of that research to practitioners in relevant fields of health care and physical fitness.

“Appropriation authorization.

“(c) There are authorized to be appropriated to carry out the purposes of this section $1,500,000 for the fiscal year ending September 30, 1980, and $1,500,000 for the fiscal year ending September 30, 1981.

“CONFERENCE ON EDUCATION IN LIFETIME SPORTS"

42 USC 300u-8. “Sec. 1710. (a) The Office and the Office of Education of the Department of Health, Education, and Welfare shall conduct a joint conference during 1979 on the teaching and support of educational programs in lifetime sports by secondary and postsecondary educational institutions.

“(b) The purpose of the Conference shall be to explore current programs on lifetime sports within these institutions and to support the expansion of such educational programs in other institutions of secondary and postsecondary education.”
FINDINGS AND PURPOSES

SEC. 601. (a) The Congress finds that—

(1) adolescents are at a high risk of unwanted pregnancy;

(2) in 1975, almost 1,000,000 adolescents became pregnant and nearly 600,000 carried their babies to term;

(3) pregnancy and childbirth among adolescents, particularly young adolescents, often results in severe adverse health, social, and economic consequences, including: a higher percentage of pregnancy and childbirth complications; a higher incidence of low-birth-weight babies; a higher frequency of developmental disabilities; higher infant mortality and morbidity; a decreased likelihood of completing schooling; a greater likelihood that adolescent marriage will end in divorce; and higher risks of unemployment and welfare dependency;

(4) an adolescent who becomes pregnant once is likely to experience rapid repeat pregnancies and childbearing, with increased risks;

(5) the problems of adolescent pregnancy and parenthood are multiple and complex and are best approached through a variety of integrated and essential services;

(6) such services, including a wide array of educational and supportive services, often are not available to the adolescents who need them, or are available but fragmented and thus of limited effectiveness in preventing pregnancies and future welfare dependency; and

(7) Federal policy therefore should encourage the development of appropriate health, educational, and social services where they are now lacking or inadequate, and the better coordination of existing services where they are available in order to prevent unwanted early and repeat pregnancies and to help adolescents become productive, independent contributors to family and community life.

(b) Therefore, the purposes of this Act are—

(1) to establish better coordination, integration, and linkages among existing programs in order to expand and improve the availability of, and access to, needed comprehensive community services which assist in preventing unwanted initial and repeat pregnancies among adolescents, enable pregnant adolescents to obtain proper care and assist pregnant adolescents and adolescent parents to become productive independent contributors to family and community life, with primary emphasis on services to adolescents who are 17 years of age and under and are pregnant or who are parents;

(2) to expand the availability of such services that are essential to that objective; and

(3) to promote innovative, comprehensive, and integrated approaches to the delivery of such services.

DEFINITIONS

SEC. 602. For the purposes of this Act, the term—

(1) "Secretary" means the Secretary of the Department of Health, Education, and Welfare;
(2) "eligible person" means—
   (A) with regard to the provision of all necessary core services and such necessary supplemental services as may be available, a pregnant adolescent or an adolescent parent; or
   (B) with regard to the provision of the services described in paragraphs (4) (A), (4) (B), and (4) (G) and referral to such other services which may be appropriate, a nonpregnant adolescent;
(3) "eligible grant recipient" means a public or nonprofit private organization or agency which demonstrates, to the satisfaction of the Secretary, the capability of providing in a single setting all core services or the capability of creating a network through which all core services would be provided;
(4) "core services" means those services which shall be provided by all grantees which are—
   (A) pregnancy testing, maternity counseling, and referral services;
   (B) family planning services, except that such services for nonpregnant adolescents shall be limited to counseling and referral unless suitable and appropriate family planning services are not otherwise available in the community;
   (C) primary and preventive health services including pre- and post-natal care;
   (D) nutrition information and counseling;
   (E) referral for screening and treatment of venereal disease;
   (F) referral to appropriate pediatric care;
   (G) educational services in sexuality and family life (including sex education), and including family planning information;
   (H) referral to appropriate educational and vocational services;
   (I) adoption counseling and referral services; and
   (J) referral to other appropriate health services.
(5) "supplemental services" means those services which may be provided and are—
   (A) child care sufficient to enable the adolescent parent to continue her education or to enter into employment;
   (B) consumer education and homemaking;
   (C) counseling for extended family members of the eligible person;
   (D) transportation; and
   (E) such other services consistent with the purposes of this Act as the Secretary may approve in accordance with regulations promulgated by the Secretary;
(6) "adolescent parent" means a parent under the age of 21.

AUTHORITY TO MAKE GRANTS

Sec. 603. The Secretary may make grants to further the purposes of this Act to eligible grant recipients which have submitted an application which the Secretary finds meets the requirements of section 606 for projects which the Secretary determines will help communities provide core and supplemental services in easily accessible
locations, assure a continuity of services and appropriate assistance, and coordinate, integrate, and establish linkages among such services. Projects shall, as appropriate, provide, supplement, or improve the quality of such services, and in providing services, give primary emphasis to adolescents who are 17 years of age or under and are pregnant or who are parents.

USES OF GRANTS

SEC. 604. (a) Funds provided under this Act may be used by grantees only to—

(1) provide core services to eligible persons;
(2) coordinate, integrate, and provide linkages among providers of core, supplemental, and other services for eligible persons in furtherance of the purposes of this Act;
(3) provide supplemental services where such services are not adequate or not available to eligible persons in the community and which are essential to the care of pregnant adolescents and to the prevention of adolescent pregnancy;
(4) plan for the administration and coordination of pregnancy prevention and pregnancy-related services for adolescents (including family life and sex education), which will further the objectives of this Act; and
(5) fulfill assurances required for grant approval by section 606.

(b) Grantees shall charge fees for services only pursuant to a fee schedule, approved by the Secretary as a part of the application described in section 606, which bases fees charged by the grantee on the income of the eligible person or the parents or legal guardians of the eligible person and takes into account the difficulty adolescents face in obtaining resources to pay for services. In no case may a grantee discriminate with regard to the provision of services to any individual because of that individual’s inability to provide payment for such services.

PRIORITIES, AMOUNTS, AND DURATION OF GRANTS

SEC. 605. (a) In approving applications for grants under this Act, the Secretary shall give priority to applicants who—

(1) serve an area where there is a high incidence of adolescent pregnancy;
(2) serve an area where the incidence of low-income families is high and where the availability of pregnancy-related services is low;
(3) show evidence of having the ability to bring together a wide range of needed care and, as appropriate, supplemental services in comprehensive single-site projects, or to establish a well-integrated network of such services (appropriate for the target population and geographic area to be served including the special needs of rural areas) for adolescents at risk of initial or repeat pregnancies;
(4) will utilize to the maximum extent feasible, existing available programs and facilities such as neighborhood and primary health care centers, family planning clinics, children and youth centers, maternal and infant health centers, regional rural health facilities, school and other educational programs, mental health programs, nutrition programs, recreation programs, and other ongoing pregnancy prevention and pregnancy-related services;
(5) make use, to the maximum extent feasible, of other Federal, State, and local funds, programs, contributions, and other third-party reimbursements;
(6) can demonstrate a community commitment to the program by making available to the project non-Federal funds, personnel, and facilities; and
(7) have involved the community to be served, including public and private agencies, adolescents, and families, in the planning and implementation of the project.

(b)(1) The amount of a grant under this Act shall be determined by the Secretary, based on factors such as the incidence of adolescent pregnancy in the geographic area to be served, and the adequacy of pregnancy prevention and pregnancy-related services in the area to be served.

(2) In making grants under this Act, the Secretary shall consider the special needs of rural areas and, to the maximum extent practicable, shall distribute funds in consideration of the relative number of adolescents in such areas in need of such services.

(c)(1) A grantee may not receive funds under this Act for a period in excess of 5 years.
(2) Subject to paragraph (3), a grant made under this Act may not exceed 70 percent of the costs of a project assisted under this Act for the first and second years of the project. In each year succeeding the second year of the project the amount of the Federal grant under this Act shall decrease by no less than 10 percent of the amount of the Federal grant under this Act in the preceding year.

(3) The Secretary may waive the limitation specified in paragraph (2) in any year in accordance with criteria established by regulation.

REQUIREMENTS FOR GRANT APPROVAL

Sec. 606. (a) An application for a grant under this Act shall be in such form and contain such information as the Secretary may require, and shall include—

(1) an identification of the incidence of adolescent pregnancy and related problems;
(2) a description of the economic conditions and income levels in the geographic area to be served;
(3) a description of existing pregnancy prevention and pregnancy-related services (including family life and sex education), and including where, how, by whom and to whom they are provided, and the extent to which they are coordinated in the geographic area to be served;
(4) a description of the major unmet needs for services for adolescents at risk of initial or repeat pregnancies, the number of adolescents currently served in the area, and the number of adolescents not being served in the area;
(5) a description of how all of the core services will be provided in the project using funds under this Act or otherwise provided by the grantee, to whom they will be provided, how they will be coordinated, integrated, and linked with other related programs and services and the source or sources of funding of such core services;
(6) a description of how adolescents needing services other than those provided directly by the grantee will be identified and how
access and appropriate referral to those services (such as med­

aid; public assistance; employment services; child care services
for adolescent parents; and other city, county, and State programs
related to adolescent pregnancy) will be provided including a
description of the plan to coordinate such services with activities
funded under this Act;

(7) a description of any fee schedule to be used for any services
provided directly by the grantee and the method by which it was
derived, together with assurances that the applicant will make
every reasonable effort to collect reimbursement for its costs in
providing services to persons who are entitled to have payment
made on their behalf for such services under any Federal or other
government program or private insurance program;

(8) a description of the grantee's capacity to continue serv­
cices as Federal funds decrease and in the absence of Federal
assistance;

(9) a description of the results expected from the provision of
services and activities, and the procedures to be used for evaluat­
ing those results;

(10) a summary of the views of public agencies, providers of
services, and the general public in the geographic area to be
served, of the proposed use of the funds provided under a grant
provided under this Act and a description of procedures used
to obtain those views, and, in the case of applicants who propose
to coordinate services administered by a State, the written com­
ments of the appropriate State officials responsible for such
services;

(11) assurances that the applicant will have an ongoing quality
assurance program;

(12) assurances that the applicant shall have a system for main­
taining the confidentiality of patient records in accordance with
regulations promulgated by the Secretary;

(13) assurances that the applicant will demonstrate its financial
responsibility by the use of such accounting procedures and
other requirements as may be prescribed by the Secretary;

(14) assurances that the applicant (A) has or will have a con­
tractual or other arrangement with the agency of the State, in
which it provides services, which administers or supervises the
administration of a State plan approved under title XIX of the
Social Security Act for the payment of all or a part of the appli­
cant's costs in providing health services to persons who are
eligible for medical assistance under such a State plan, or (B) has
made or will make every reasonable effort to enter into such
an arrangement;

(15) assurances that the applicant has made or will make and
will continue to make every reasonable effort to collect appropriate
reimbursement for its costs in providing health services to persons
who are entitled to benefits under title V of the Social Security
Act, to medical assistance under a State plan approved under title
XIX of such Act, or to assistance for medical expenses under any
other public assistance program or private health insurance
program;

(16) assurances that the applicant has or will make and will
continue to make every reasonable effort to collect appropriate
reimbursement for its costs in providing services to persons
entitled to services under title XX of the Social Security Act;
(17) assurances that the applicant (A) has prepared a schedule of fees or payments for the provision of its services designed to cover its reasonable costs of operation and a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay, (B) has made and will continue to make every reasonable effort (i) to secure from patients payment for services in accordance with such schedules, and (ii) to collect reimbursement for health or other services on the basis of the full amount of fees and payments for such services without application of any discount, and (C) has submitted to the Secretary such reports as he may require to determine compliance with this paragraph;

(18) assurances that the applicant will make maximum use of funds available under title X of the Public Health Service Act;

(19) assurances that the acceptance by any individual of family planning services or family planning or population growth information (including educational materials) provided through financial assistance under this title shall be voluntary and shall not be a prerequisite to eligibility for or receipt of any other service furnished by the applicant;

(20) assurances that fees collected by the applicant for services rendered in accordance with this Act shall be used by the applicant to further the purposes of this Act;

(21) assurances that unemancipated minors requesting services from the applicant will be encouraged, whenever feasible, to consult with their parents with respect to such services;

(22) assurances that all pregnant adolescents receiving services will be informed of the availability of counseling (either by the entity providing core services or through a referral agreement with such other entity which provides such counseling) on all options, regarding her pregnancy;

(23) assurances that primary emphasis for services paid for with funds under this Act shall be given to pregnant adolescents and adolescent parents 17 and under who are not able to obtain needed assistance through other means; and

(24) assurances that funds received under this Act shall not supplant funds received from any other Federal, State, or local program or any private source of funds.

(b) Each grantee which participates in the program established by this title shall make such reports concerning its use of Federal funds as the Secretary may require. Reports shall include the impact the project has had on reducing the rate of first and repeat pregnancies among adolescents, and the effect on factors usually associated with welfare dependency.

(c) The Secretary shall provide the Governor of each State copies of applications received for grants under this Act from applicants within such State. The Governor shall have a period of 60 days from receipt of such copies to review and submit comments to the Secretary.

(d) No application submitted for a grant under this Act may be approved unless the Secretary is satisfied that core services shall be available through the grantee within a reasonable time after such grant is received.
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AUTHORIZATION OF APPROPRIATIONS

Sec. 607. For the purpose of carrying out this title, there are authorized to be appropriated $60,000,000 for the fiscal year ending September 30, 1979, $65,000,000 for the fiscal year ending September 30, 1980 and $75,000,000 for the fiscal year ending September 30, 1981.

FUND RESTRICTION

Sec. 608. No funds for grants made under the provisions of this Act may be used for payment for the performance of an abortion.

TITLE VII—IMPROVING COORDINATION OF FEDERAL AND STATE PROGRAMS

Sec. 701. (a) The Secretary shall coordinate, consistent with provisions of other Federal law respecting coordination of such policies and programs, Federal policies and programs providing services related to prevention of initial and repeat adolescent pregnancies. Among other things, the Secretary shall—

(1) require that grantees under title VI report periodically on Federal, State, and local programs or policies that interfere with the delivery and coordination of pregnancy prevention and pregnancy-related services to adolescents;

(2) provide technical assistance to assure that coordination by grantees of Federal programs at the State and local level will be facilitated;

(3) recommend legislative modifications of programs of the Department of Health, Education, and Welfare that provide pregnancy-related services in order to facilitate their use as a base for delivery of more comprehensive pregnancy prevention and pregnancy-related services to adolescents;

(4) give funding priority, where appropriate, to grantees using single or coordinated grant applications for multiple programs; and

(5) give priority, where appropriate, to providing funding under existing Federal programs to projects providing comprehensive pregnancy prevention and pregnancy-related services.

(b) A State using funds provided under title VI to improve the delivery of pregnancy prevention and pregnancy-related services throughout the State shall coordinate its activities with programs of local grantees, if any, that are funded under title VI.

(c) The Secretary shall set aside, in each fiscal year, not less than 1 per centum nor more than 3 per centum of the funds appropriated under this Act for evaluation of activities under titles VI and VII and shall designate a program unit to carry out such evaluations, which shall be a program unit other than the unit having primary administrative responsibility for carrying out the grant program authorized by this Act. The Secretary shall submit to the appropriate committees of the Congress, not later than February 1, 1981, and periodically thereafter copies of summaries of all such evaluations.

(d) The program unit responsible for carrying out the activities under titles VI and VII shall report directly to the Assistant Secretary for Health in consultation and in coordination with the Deputy Assistant Secretary for Population Affairs.
TITLE VIII—STUDY OF ADOLESCENT PREGNANCY

SEC. 801. (a) The Secretary of Health, Education, and Welfare shall contract with an independent entity to perform a study of the problem of adolescent pregnancies. The study shall evaluate the effectiveness of existing programs relating to health, education, and public welfare, as they relate to this problem, and shall include suggestions as to the most effective means for reducing or eliminating unwanted adolescent pregnancies. The Secretary shall report the results of such study to the Congress not later than one year after the date of the enactment of this Act.

(b) There are authorized to be appropriated such sums, not to exceed $500,000, as may be necessary to carry out the provisions of this section.


LEGISLATIVE HISTORY:

HOUSE REPORTS: No. 95–1191 accompanying H.R. 12370 (Comm. on Interstate and Foreign Commerce) and No. 95–1799 (Comm. of Conference).

SENATE REPORT No. 95–860 (Comm. on Human Resources).

  Sept. 29, considered and passed Senate.
  Oct. 11, 13, H.R. 12370 considered and passed House; passage vacated, and S. 2474, amended, passed in lieu.
  Oct. 15, Senate and House agreed to conference report.