

Public Law 99-129  
99th Congress

An Act

To amend the Public Health Service Act to revise and extend the programs under title VII of that Act.

Oct. 22, 1985

[H.R. 2410]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That this Act may be cited as the "Health Professions Training Assistance Act of 1985".

Health  
Professions  
Training  
Assistance Act of  
1985.  
42 USC 201 note.

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a 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—AUTHORIZATIONS OF APPROPRIATIONS

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 101. (a) The first sentence of section 728(a) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "\$250,000,000 for the fiscal year ending September 30, 1985; \$275,000,000 for the fiscal year ending September 30, 1986; \$290,000,000 for the fiscal year ending September 30, 1987; and \$305,000,000 for the fiscal year ending September 30, 1988".

42 USC 294a.

(b) The second sentence of such section is amended by striking out "1987," and inserting in lieu thereof "1991,".

SCHOLARSHIPS FOR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

SEC. 102. Section 758(d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$7,000,000 for the fiscal year ending September 30, 1986, \$7,000,000 for the fiscal year ending September 30, 1987, and \$7,000,000 for the fiscal year ending September 30, 1988".

42 USC 294z.

DEPARTMENTS OF FAMILY MEDICINE

SEC. 103. Section 780(c) is amended by striking out "and" after "1983," and by inserting a comma and "\$7,000,000 for the fiscal year ending September 30, 1986, \$7,000,000 for the fiscal year ending September 30, 1987, and \$7,000,000 for the fiscal year ending September 30, 1988" after "1984".

42 USC 295g.

AREA HEALTH EDUCATION CENTERS

SEC. 104. The first sentence of section 781(g) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$18,000,000 for the fiscal year ending September 30,

42 USC 295g-1.

1986, \$18,000,000 for the fiscal year ending September 30, 1987, and \$18,000,000 for the fiscal year ending September 30, 1988".

#### PHYSICIAN ASSISTANTS

- 42 USC 295g-3. SEC. 105. Section 783(d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$4,800,000 for the fiscal year ending September 30, 1986, \$4,800,000 for the fiscal year ending September 30, 1987, and \$4,800,000 for the fiscal year ending September 30, 1988".

#### GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS

- 42 USC 295g-4. SEC. 106. Section 784(b) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$18,500,000 for the fiscal year ending September 30, 1986, \$19,500,000 for the fiscal year ending September 30, 1987, and \$22,000,000 for the fiscal year ending September 30, 1988".

#### FAMILY MEDICINE AND GENERAL PRACTICE OF DENTISTRY

- 42 USC 295g-6. SEC. 107. (a) The first sentence of section 786(c) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$36,000,000 for the fiscal year ending September 30, 1986, \$37,000,000 for the fiscal year ending September 30, 1987, and \$39,400,000 for the fiscal year ending September 30, 1988".  
(b) The second sentence of such section is amended by striking out "and" after "1983," and by inserting "September 30, 1986, September 30, 1987, and September 30, 1988," after "1984,".

#### EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

- 42 USC 295g-7. SEC. 108. The first sentence of section 787(b) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$26,000,000 for the fiscal year ending September 30, 1986, \$28,000,000 for the fiscal year ending September 30, 1987, and \$30,000,000 for the fiscal year ending September 30, 1988".

#### CURRICULUM DEVELOPMENT AND FACULTY TRAINING GRANTS

- 42 USC 295g-8. SEC. 109. Section 788(f) is amended by striking out "and" after "1983," and by inserting before the period a semicolon and "\$8,000,000 for the fiscal year ending September 30, 1986; \$8,000,000 for the fiscal year ending September 30, 1987; and \$8,000,000 for the fiscal year ending September 30, 1988".

#### ADVANCED FINANCIAL DISTRESS ASSISTANCE

- 42 USC 295g-8b. SEC. 110. The first sentence of section 788B(h) is amended by inserting before the period a comma and "\$4,200,000 for the fiscal year ending September 30, 1986, and \$3,800,000 for the fiscal year ending September 30, 1987".

#### GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

- 42 USC 295h. SEC. 111. Section 791(d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "\$1,500,000 for the fiscal year ending September 30, 1986, \$1,500,000 for the

fiscal year ending September 30, 1987, and \$1,500,000 for the fiscal year ending September 30, 1988".

#### TRAINEESHIPS FOR STUDENTS IN OTHER GRADUATE PROGRAMS

SEC. 112. Section 791A(c) is amended by striking out "and" after "1980;" and by inserting before the period a semicolon and "and \$500,000 for the fiscal year ending September 30, 1986, and each of the next two fiscal years". 42 USC 295h-1a.

#### PUBLIC HEALTH TRAINEESHIPS

SEC. 113. Section 792(c) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "\$3,000,000 for the fiscal year ending September 30, 1986; \$3,075,000 for the fiscal year ending September 30, 1987; and \$3,150,000 for the fiscal year ending September 30, 1988". 42 USC 295h-1b.

#### TRAINING IN PREVENTIVE MEDICINE

SEC. 114. Section 793(c) is amended by striking out "and" after "1983;" and by inserting before the period a comma and "\$1,600,000 for the fiscal year ending September 30, 1986, \$1,600,000 for the fiscal year ending September 30, 1987, and \$1,600,000 for the fiscal year ending September 30, 1988". 42 USC 295h-1c.

### TITLE II—PROGRAM REVISIONS

#### SCHOOLS OF CHIROPRACTIC

SEC. 201. (a) The first sentence of section 701(4) is amended— 42 USC 292a.

(1) by striking out "and" after "school of veterinary medicine,";

(2) by inserting a comma and "and 'school of chiropractic'" after "school of public health";

(3) by striking out "and" after "a degree of doctor of veterinary medicine or an equivalent degree,"; and

(4) by inserting "and a degree of doctor of chiropractic or an equivalent degree," before "and including advanced training related to".

(b) Section 701(5) is amended—

(1) by striking out "or" after "pharmacy,"; and

(2) by inserting "or chiropractic," after "public health,".

(c) Section 737 is amended by striking out paragraph (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively. 42 USC 294j.

#### TRAINING OF PHYSICIAN ASSISTANTS

SEC. 202. Section 701(8) is amended to read as follows:

"(8)(A) The term 'program for the training of physician assistants' means an educational program which (i) has as its objective the education of individuals who will, upon completion of their studies in the program, be qualified to provide primary health care under the supervision of a physician, and (ii) meets regulations prescribed by the Secretary in accordance with subparagraph (B).

"(B) After consultation with appropriate organizations, the Secretary shall, not later than October 1, 1986, prescribe regula-

Education.  
42 USC 292a.

tions for programs for the training of physician assistants. Such regulations shall, as a minimum, require that such a program—

“(i) extend for at least one academic year and consist of—

“(I) supervised clinical practice, and

“(II) at least four months (in the aggregate) of classroom instruction,

directed toward preparing students to deliver health care;

“(ii) have an enrollment of not less than eight students; and

“(iii) train students in primary care, disease prevention, health promotion, geriatric medicine, and home health care.”.

#### SCHOOLS OF ALLIED HEALTH

42 USC 292a.

SEC. 203. (a) Section 701(10) is amended—

(1) by inserting “college,” before “junior college,”; and

(2) by striking out “in a discipline of allied health leading to a baccalaureate or associate degree (or an equivalent degree of either) or to a more advanced degree” in subparagraph (A) and inserting in lieu thereof “to enable individuals to become allied health professionals or to provide additional training for allied health professionals”.

(b) Section 701 is amended by adding at the end thereof the following new paragraph:

“(13) The term ‘allied health professional’ means an individual—

“(A) who has received a certificate, an associate’s degree, a bachelor’s degree, a masters’ degree, a doctoral degree, or postbaccalaureate training, in a science relating to health care;

“(B) who shares in the responsibility for the delivery of health care services or related services, including—

“(i) services relating to the identification, evaluation, and prevention of diseases and disorders;

“(ii) dietary and nutrition services;

“(iii) health promotion services;

“(iv) rehabilitation services; or

“(v) health systems management services; and

“(C) who has not received a degree of doctor of medicine, a degree of doctor of osteopathy, a degree of doctor of dentistry or an equivalent degree, a degree of doctor of veterinary medicine or an equivalent degree, a degree of doctor of optometry or an equivalent degree, a degree of doctor of podiatry or an equivalent degree, a degree of bachelor of science in pharmacy or an equivalent degree, a degree of doctor of pharmacy or an equivalent degree, a graduate degree in public health or an equivalent degree, a degree of doctor of chiropractic or an equivalent degree, a graduate degree in health administration or an equivalent degree, or a doctoral degree in clinical psychology or an equivalent degree.”.

#### GRADUATE PROGRAMS IN CLINICAL PSYCHOLOGY

SEC. 204. (a) Section 701 (as amended by section 203(b) of this Act) is further amended by adding at the end thereof the following new paragraph:

“(14) The term ‘graduate program in clinical psychology’ means an accredited graduate program in a public or nonprofit private institution in a State which provides training leading to a doctoral degree in clinical psychology or an equivalent degree.”

(b) Section 701(5) (as amended by section 201(b) of this Act) is further amended—

(1) by striking out “or” after “chiropractic,”; and

(2) by inserting “or a graduate program in clinical psychology,” after “health administration,”.

(c) Section 737 (as amended by section 201(c) of this Act) is further amended by striking out paragraph (2) (as redesignated by section 201(c) of this Act) and by redesignating paragraphs (3) and (4) (as redesignated by section 201(c) of this Act) as paragraphs (2) and (3), respectively.

#### NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATION

SEC. 205. (a) Section 702(a) is amended by striking out the last sentence and inserting in lieu thereof the following: “Of the appointed members of the Council— 42 USC 292b.

“(1) twelve shall be representatives of the health professions schools assisted under programs authorized under this title, including—

“(A) one representative of each of schools of veterinary medicine, optometry, pharmacy, podiatry, public health, and allied health, and graduate programs in health administration; and

“(B) at least six persons experienced in university administration, at least one of whom shall be a representative of a school described in subparagraph (A);

“(2) two shall be full-time students enrolled in health professions schools; and

“(3) six shall be members of the general public.”.

#### TECHNICAL ASSISTANCE

SEC. 206. Section 709(d) is amended to read as follows:

42 USC 292j.

“(d) Funds appropriated under this title may be used by the Secretary to provide technical assistance in relation to any of the authorities under this title.”.

#### RECOVERY OF ASSISTANCE

SEC. 207. (a) Section 723 is amended to read as follows:

42 USC 293c.

#### “RECOVERY

“SEC. 723. (a) If at any time within twenty years (or within such shorter period as the Secretary may prescribe by regulation for an interim facility) after the completion of construction of a facility with respect to which funds have been paid under section 720(a)— 42 USC 293.

“(1)(A) in case of a facility which was an affiliated hospital or outpatient facility with respect to which funds have been paid under section 720(a)(1), the owner of the facility ceases to be a public or other nonprofit agency that would have been qualified to file an application under section 605,

42 USC 291e.



42 USC 293.

"(B) in case of a facility which was not an affiliated hospital or outpatient facility but was a facility with respect to which funds have been paid under paragraph (1) or (3) of section 720(a), the owner of the facility ceases to be a public or nonprofit school, or

42 USC 293b.

"(C) in case of a facility which was a facility with respect to which funds have been paid under section 720(a)(2), the owner of the facility ceases to be a public or nonprofit entity,

"(2) the facility ceases to be used for the teaching or training purposes (or other purposes permitted under section 722) for which it was constructed, or

"(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the owner of the facility the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

"(b) The owner of a facility which ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or the owner of a facility the use of which changes as described in paragraph (2) or (3) of subsection (a), shall provide the Secretary written notice of such cessation or change of use within 10 days after the date on which such cessation or change of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of the facility as the amount of the Federal participation bore to the cost of construction.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which the owner of the facility ceases to be a public or nonprofit agency, school, or entity as described in subparagraph (A), (B), or (C) of subsection (a)(1), as the case may be, or 191 days after the date on which the use of the facility changes as described in paragraph (2) or (3) of subsection (a), or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after the date on which such cessation or change of use occurs,

and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

"(e) The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility."

(b) In the case of any facility that was or is constructed on or before the date of enactment of this Act or within 180 days after the

Prohibition.

42 USC 293c  
note.

date of enactment of this Act, the period described in clause (i) or (ii), as the case may be, of section 723(c)(2)(B) of the Public Health Service Act (as amended by subsection (a) of this section) shall begin no earlier than 181 days after the date of enactment of this Act.

(c) The amendment made by subsection (a) of this section shall not adversely affect other legal rights of the United States.

42 USC 293c  
note.

(d) In addition to the authority of the Secretary of Health and Human Services under subsection (d) of section 723 of the Public Health Service Act (as amended by subsection (a) of this section), the Secretary may waive the recovery rights of the United States under subsection (a) of such section 723 with respect to St. Joseph's Hospital in Omaha, Nebraska, if the Secretary determines that adequate provision has been made, through establishment of an irrevocable trust or other legally enforceable means, to assure that the teaching and other obligations assumed with respect to such St. Joseph's Hospital as a condition of assistance under title VII of the Public Health Service Act will continue to be met.

Nebraska.

42 USC 292a.

(e)(1) Section 858(b) is amended—

*Ante*, p. 400.

(A) by striking out “not later than” and inserting in lieu thereof “within”; and

42 USC 298b-5.

(B) by inserting “or within 30 days after the date of enactment of the Health Professions Training Assistance Act of 1985, whichever is later” before the period.

*Ante*, p. 523.

(2) Section 858(c)(2)(B) is amended by striking out “(1)” and inserting in lieu thereof “(i)”.

(3) Section 858(d) is amended by striking out “subsection (a)” and inserting in lieu thereof “subsection (a)(2)”.

(4) Section 9(c)(2) of the Nurse Education Amendments of 1985 is amended by striking out “subsection (c)(2)(B)(i) of section 858” and inserting in lieu thereof “clause (i) or (ii), as the case may be, of section 858(c)(2)(B)”.

*Ante*, p. 400.

42 USC 298b-5  
note.

#### HEALTH EDUCATION ASSISTANCE LOAN PROGRAM

SEC. 208. (a)(1) Section 731(a)(1)(A) is amended by striking out “and” at the end of clause (iii), by redesignating clause (iv) as clause (v), and by inserting after clause (iii) the following:

42 USC 294d.

“(iv) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section; and”.

50 USC app.  
2216.

(2) Section 731(a)(1)(B) is amended by striking out “and” at the end of clause (ii), and by inserting after clause (iii) the following:

“(iv) if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section; and”.

(b)(1) Section 731(a)(2)(B) is amended to read as follows:

“(B) provides for repayment of the principal amount of the loan in installments over a period of not less than 10 years (unless sooner repaid) nor more than 25 years beginning not earlier than 9 months nor later than 12 months after the later of—

“(i) the date on which—

“(I) the borrower ceases to be a participant in an accredited internship or residency program of not more than four years in duration;

“(II) the borrower completes the fourth year of an accredited internship or residency program of more than four years in duration; or

“(III) the borrower, if not a participant in a program described in subclause (I) or (II), ceases to carry, at an eligible institution, the normal full-time academic workload as determined by the institution; or

“(ii) the date on which a borrower who is a graduate of an eligible institution ceases to be a participant in a fellowship training program not in excess of two years or a participant in a full-time educational activity not in excess of two years, which—

“(I) is directly related to the health profession for which the borrower prepared at an eligible institution, as determined by the Secretary; and

“(II) may be engaged in by the borrower during such a two-year period which begins within twelve months after the completion of the borrower's participation in a program described in subclause (I) or (II) of clause (i) or prior to the completion of the borrower's participation in such program,

except as provided in subparagraph (C), except that the period of the loan may not exceed 33 years from the date of execution of the note or written agreement evidencing it, and except that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the costs of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Secretary in effect at the time the loan is made;”.

42 USC 294d.

(2) Section 731(a)(2)(C) is amended—

(A) by inserting “(including any period in such a program described in subclause (I) or subclause (II) of subparagraph (B)(i))” before the comma in clause (ii);

(B) by striking out “or the 33-year period” in clause (vi);

(C) by striking out “or” after “National Health Service Corps,” in clause (v); and

(D) by inserting “or (vii) any period not in excess of two years which is described in subparagraph (B)(ii),” after “Domestic Volunteer Service Act of 1973,”.

42 USC 294d  
note.

(3)(A) The provisions of clause (i) of section 731(a)(2)(B) of the Public Health Service Act (as amended by paragraph (1) of this subsection) and the provisions of clauses (ii) and (vi) of section 731(a)(2)(C) of such Act (as amended by subparagraphs (A) and (B) of paragraph (2)) shall not apply to any individual who, prior to the date of enactment of this Act, received a loan insured under subpart I of part C of title VII of such Act.

42 USC 294.

(B) The provisions of clause (ii) of section 731(a)(2)(B) of the Public Health Service Act and clause (vii) of section 731(a)(2)(C) of such Act (as added by the amendments made by paragraphs (1) and (2)(D) of this subsection, respectively) shall apply to any loan insured under subpart I of part C of title VII of such Act after the date of enactment of this Act.

Regulations.  
42 USC 294d  
note.

(4) Within 90 days after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate regulations to carry out clause (ii) of section 731(a)(2)(B) of the Public



Health Service Act and clause (vii) of section 731(a)(2)(C) of such Act (as added by the amendments made by paragraphs (1) and (2)(D) of this subsection, respectively). Such regulations shall—

(A) prescribe criteria for the determination of the types of fellowship training programs and full-time educational activities which will be permitted under such clauses; and

(B) establish procedures for a borrower to apply to the Secretary for a determination concerning whether a particular fellowship training program or full-time educational activity will be permitted under such clauses.

(c)(1) Section 731(b) is amended by striking out “3½” and inserting in lieu thereof “3”. 42 USC 294d.

(2) The amendment made by paragraph (1) of this subsection shall apply to any loan insured under subpart I of part C of title VII of the Public Health Service Act after the date of enactment of this Act. 42 USC 294d note.

(d) Section 731(c) is amended—

42 USC 294.

42 USC 294d.

(1) by striking out “section 731(a)(2)(C)” and inserting in lieu thereof “subsection (a)(2)(C)”; and

(2) by inserting before the period a comma and “unless the borrower, in the written agreement described in subsection (a)(2), agrees to make payments during any year or any repayment period in a lesser amount”.

(e) Section 732(c) is amended—

42 USC 294e.

(1) by redesignating clauses (1) and (2) of the second sentence as clauses (A) and (B), respectively;

(2) by inserting “(1)” before “The” in the first sentence;

(3) by striking out “2 percent per year” in the first sentence and inserting in lieu thereof “8 percent”;

(4) by striking out “in advance, at such times” in the first sentence and inserting in lieu thereof “in advance at the time the loan is made”; and

(5) by adding at the end thereof the following new paragraph:

“(2) The Secretary may not increase the percentage on the principal balance of loans charged pursuant to paragraph (1) for insurance premiums, unless the Secretary has, prior to any such increase—

Prohibition.

“(A) requested a qualified public accounting firm to evaluate whether an increase in such percentage is necessary to ensure the solvency of the student loan fund established by section 734, and to determine the amount of such an increase, if necessary; and

42 USC 294g.

“(B) such accounting firm has recommended such an increase and has determined the amount of such increase necessary to ensure the solvency of such fund.

The Secretary may not increase such percentage in excess of the maximum percentage permitted by paragraph (1) or increase such percentage by an amount in excess of the amount of the increase determined by a qualified accounting firm pursuant to this paragraph.”

Prohibition.

(f) The first sentence of subsection (a) of section 734 and the first sentence of subsection (b) of such section are each amended by inserting “collection or” before “default”. 42 USC 294g.

(g)(1) Section 729(a) is amended by inserting “allied health,” after “public health,” each place it appears. 42 USC 294b.

(2) Section 737 (as amended by sections 201(c) and 204(c) of this Act) is further amended— 42 USC 294j.

(A) by inserting a comma and "allied health," after "public health" in paragraph (1); and

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

*Ante*, p. 526.

"(4) The term 'school of allied health' means a program in a school of allied health (as defined in section 701(10)) which leads to a masters' degree or a doctoral degree."

42 USC 294a.

(h) Section 728(a) (as amended by section 101 of this Act) is further amended by inserting after the first sentence the following new sentence: "If the total amount of new loans made and installments paid pursuant to lines of credit in any fiscal year is less than the ceiling established for such year, the difference between the loans made and installments paid and the ceiling shall be carried over to the next fiscal year and added to the ceiling applicable to that fiscal year."

42 USC 294d.

(i) Section 731(a)(2) is amended by striking out "and" at the end of subparagraph (F), by redesignating subparagraph (G) as subparagraph (H), and by inserting after subparagraph (F) the following new subparagraph:

"(G) provides that the check for the proceeds of the loan shall be made payable jointly to the borrower and the eligible institution in which the borrower is enrolled; and".

#### HEALTH PROFESSIONS STUDENT LOAN PROGRAM

42 USC 294m.

SEC. 209. (a)(1) Section 740(b)(4) is amended by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry".

42 USC 294n.

(2) Section 741(b) is amended by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry".

(3) Section 741(f)(1)(A) is amended by inserting "doctor of pharmacy or an equivalent degree," before "or doctor of podiatry or an equivalent degree".

(4) Subpart II of part C of title VII is amended by adding at the end thereof the following new section:

#### "DEFINITION

42 USC 294q-3.

"SEC. 745. For purposes of this subpart, the term 'school of pharmacy' means a public or nonprofit private school in a State that provides training leading to a degree of bachelor of science in pharmacy or an equivalent degree or a degree of doctor of pharmacy or an equivalent degree and which is accredited in the manner described in section 701(5)."

*Ante*, p. 525.

42 USC 294n.

(b) Section 741(b) (as amended by subsection (a)(2) of this section) is further amended by inserting "(1) who is" after "student" and by inserting before the period a comma and the following: "(2) who, if pursuing a full-time course of study at the school leading to a degree of doctor of medicine or doctor of osteopathy, is of exceptional financial need (as defined by regulations of the Secretary), and (3) who, if required under section 3 of the Military Selective Service Act to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section."

50 USC app.  
2216.

42 USC 294n.

(c)(1) Section 741(c) is amended to read as follows:

"(c) Such loans shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins one year after the student ceases to pursue a full-time course of study at a school of

medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, veterinary medicine, excluding from such ten-year period—

“(1) all periods—

“(A) not in excess of three years of active duty performed by the borrower as a member of a uniformed service;

“(B) not in excess of three years during which the borrower serves as a volunteer under the Peace Corps Act; and

“(C) during which the borrower participates in advanced professional training, including internships and residencies; and

“(2) a period—

“(A) not in excess of two years during which a borrower who is a full-time student in such a school leaves the school, with the intent to return to such school as a full-time student, in order to engage in a full-time educational activity which is directly related to the health profession for which the borrower is preparing, as determined by the Secretary; or

“(B) not in excess of two years during which a borrower who is a graduate of such a school is a participant in a fellowship training program or a full-time educational activity which—

“(i) is directly related to the health profession for which such borrower prepared at such school, as determined by the Secretary; and

“(ii) may be engaged in by the borrower during such a two-year period which begins within twelve months after the completion of the borrower's participation in advanced professional training described in paragraph (1)(C) or prior to the completion of such borrower's participation in such training.”

(2) The provisions of section 741(c)(2)(A) of the Public Health Service Act (as added by the amendment made by paragraph (1) of this subsection) shall apply to—

(A) any individual who received a loan under subpart II of part C of title VII of the Public Health Service Act and to whom the provisions of such section (if such provisions had been in effect) would have applied between June 17, 1982, and July 7, 1983; and

(B) any individual who, after the date of enactment of this Act, is a full-time student in a school referred to in such section and who (prior to, on, or after the date of enactment of this Act), receives a loan under such subpart to assist such student in such student's studies in such school.

(3) The provisions of section 741(c)(2)(B) of the Public Health Service Act (as added by the amendment made by paragraph (1) of this subsection) shall apply to any loan made under subpart II of part C of title VII of such Act after the date of enactment of this Act.

(4) Within 90 days after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate regulations to carry out section 741(c)(2) of the Public Health Service Act (as added by the amendment made by paragraph (1) of this subsection) with respect to any loan made under subpart II of part C of title VII of such Act on or after the date of enactment of this Act. Such regulations shall—

(A) with respect to the provisions of subparagraph (A) of such section—

22 USC 2501  
note.

42 USC 294n  
note.

42 USC 294m.

42 USC 294n  
note.

42 USC 294m.  
Regulations.  
42 USC 294n  
note.

42 USC 294m.

(i) prescribe criteria for the determination of the types of full-time educational activities which will be permitted under such subparagraph;

(ii) require the school in which the borrower was enrolled as a full-time student to determine, prior to the borrower's leaving such school, whether an educational activity in which the student proposes to engage qualifies for purposes of such subparagraph and such regulations; and

(B) with respect to the provisions of subparagraph (B) of such section—

(i) prescribe criteria for the determination of the types of fellowship training programs and full-time educational activities which will be permitted under such subparagraph; and

(ii) establish procedures for a borrower to apply to the Secretary for a determination concerning whether a particular fellowship training program or full-time educational activity will be permitted under such subparagraph.

42 USC 294n.

(d) Section 741(i) is amended to read as follows:

"(i) Subject to regulations of the Secretary, a school may assess a charge with respect to loans made under this subpart to cover the costs of insuring against cancellation of liability under subsection (d)."

(e) Section 741(j) is amended—

(1) by inserting "and in accordance with this section" after "Secretary" in the first sentence;

(2) by striking out "may" in such sentence and inserting in lieu thereof "shall"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment."

(f) Section 741 is amended by adding at the end thereof the following new subsection:

"(m) The Secretary is authorized to attempt to collect any loan which was made under this subpart, which is in default, and which was referred to the Secretary by a school with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart. A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action."

42 USC 294o.

(g) Section 742(b) is amended by adding at the end thereof the following new paragraph:

"(5) Any funds from a student loan fund established under this subpart which are returned to the Secretary in any fiscal year shall



be available for allotment under this subpart, in such fiscal year and the fiscal year succeeding such fiscal year, to schools which, during the period beginning on July 1, 1972, and ending on September 30, 1985, established student loan funds with Federal capital contributions under this subpart.”

(h) Subpart II of part C of title VII (as amended by subsection (a)(4) of this subsection) is further amended—

- (1) by redesignating section 745 (as added by subsection (a)(4) of this section) as section 747; and
- (2) by inserting after section 744 the following new sections:

“STUDENT LOAN INFORMATION BY INSTITUTIONS

“SEC. 745. (a) With respect to loans made by a school under this subpart after June 30, 1986, each school, in order to carry out the provisions of sections 740 and 741, shall, at any time such school makes such a loan to a student under this subpart, provide thorough and adequate loan information on loans made under this subpart to the student. The loan information required to be provided to the student by this subsection shall include—

“(1) the yearly and cumulative maximum amounts that may be borrowed by the student;

“(2) the terms under which repayment of the loan will begin;

“(3) the maximum number of years in which the loan must be repaid;

“(4) the interest rate that will be paid by the borrower and the minimum amount of the required monthly payment;

“(5) the amount of any other fees charged to the borrower by the lender;

“(6) any options the borrower may have for deferral, cancellation, prepayment, consolidation, or other refinancing of the loan;

“(7) a definition of default on the loan and a specification of the consequences which will result to the borrower if the borrower defaults, including a description of any arrangements which may be made with credit bureau organizations;

“(8) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and

“(9) a description of the actions that may be taken by the Federal Government to collect the loan, including a description of the type of information concerning the borrower that the Federal Government may disclose to (A) officers, employees, or agents of the Department of Health and Human Services, (B) officers, employees, or agents of schools with which the Secretary has an agreement under this subpart, or (C) any other person involved in the collection of a loan under this subpart.

“(b) Each school shall, immediately prior to the graduation from such school of a student who receives a loan under this subpart after June 30, 1986, provide such student with a statement specifying—

“(1) each amount borrowed by the student under this subpart;

“(2) the total amount borrowed by the student under this subpart; and

“(3) a schedule for the repayment of the amounts borrowed under this subpart, including the number, amount, and frequency of payments to be made.

42 USC 294q-3.

42 USC 294q-1.

*Ante*, p. 532.

## "PROCEDURES FOR APPEAL OF TERMINATIONS

42 USC 294q-2.

"SEC. 746. In any case in which the Secretary intends to terminate an agreement with a school under this subpart, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge."

42 USC 294p.

(i) Section 743 is amended by striking out "1987" each place it appears and inserting in lieu thereof "1991".

42 USC 294m.

(j)(1) Section 740 is amended by adding at the end thereof the following new subsection:

Loans.

"(c)(1) Any standard established by the Secretary by regulation for the collection by schools of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine of loans made pursuant to loan agreements under this subpart shall provide that the failure of any such school to collect such loans shall be measured in accordance with this subsection.

"(2) The measurement of a school's failure to collect loans made under this subpart shall be the ratio (stated as a percentage) that the defaulted principal amount outstanding of such school bears to the matured loans of such school.

"(3) For purposes of this subsection—

"(A) the term 'default' means the failure of a borrower of a loan made under this subpart to—

"(i) make an installment payment when due; or

"(ii) comply with any other term of the promissory note for such loan,

except that a loan made under this subpart shall not be considered to be in default if the loan is discharged in bankruptcy or if the school reasonably concludes from written contacts with the borrower that the borrower intends to repay the loan;

"(B) the term 'defaulted principal amount outstanding' means the total amount borrowed from the loan fund of a school that has reached the repayment stage (minus any principal amount repaid or cancelled) on loans—

"(i) repayable monthly and in default for at least 120 days; and

"(ii) repayable less frequently than monthly and in default for at least 180 days;

"(C) the term 'grace period' means the period of one year beginning on the date on which the borrower ceases to pursue a full-time course of study at a school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine; and

"(D) the term 'matured loans' means the total principal amount of all loans made by a school under this subpart minus the total principal amount of loans made by such school to students who are—

"(i) enrolled in a full-time course of study at such school; or

"(ii) in their grace period."

(2) Section 835(c)(3) is amended—

(A) by striking out subparagraph (C) and inserting in lieu thereof the following:

Ante, p. 397.

“(C) the term ‘grace period’ means the period of nine months beginning on the date on which the borrower ceases to pursue a full-time or half-time course of study at a school of nursing; and”;

(B) by striking out “first” in subparagraph (D)(ii).

#### SCHOLARSHIPS FOR FIRST-YEAR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

SEC. 210. (a) Section 758(b) is amended by redesignating paragraph (3) as paragraph (6) and by striking out paragraph (2) and inserting in lieu thereof the following:

“(2) A scholarship provided to a student for a school year under a grant under subsection (a) shall consist of—

“(A) payment to, or (in accordance with paragraph (4)) on behalf of, the student of the amount (except as provided in section 710) of—

“(i) the tuition of the student in such school year; and

“(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

“(B) payment to the student of a stipend of \$400 per month (adjusted in accordance with paragraph (5)) for each of the 12 consecutive months beginning with the first month of such school year.

“(3) Notwithstanding paragraph (2), the total scholarship award to a student for each year shall not exceed the cost of attendance for that year at the educational institution attended by the student (as determined by such educational institution).

“(4) The Secretary may contract with an educational institution in which is enrolled a student who has received a scholarship with a grant under subsection (a) for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (2)(A). Payment to such an educational institution may be made without regard to section 3324 of title 31, United States Code.

“(5) The amount of the monthly stipend, specified in paragraph (2)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year by an amount (rounded to the next highest multiple of \$1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.”

(b) Section 338A(g)(1) is amended by striking out “or under section 758 (relating to scholarships for first-year students of exceptional financial need),”.

#### CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

SEC. 211. (a)(1) Section 770 is amended to read as follows:

#### “CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

“SEC. 770. (a)(1) The Secretary shall make annual grants to schools of public health for the support of the education programs of such

42 USC 294z.

42 USC 292k.

Contracts.

42 USC 254I.

42 USC 295f.

schools. The amount of the annual grant to each such school with an approved application shall be computed for each fiscal year in accordance with paragraphs (2) and (3).

"(2) Each school of public health shall receive for the fiscal year ending September 30, 1986, and for each of the next two fiscal years, an amount equal to the product of—

"(A) \$1,400, and

"(B) the sum of (i) the number of full-time students enrolled in degree programs in such school in the school year beginning in such fiscal year, and (ii) the number of full-time equivalents of part-time students enrolled in degree programs in such school, determined pursuant to paragraph (3), for such school for such school year.

"(3) For purposes of paragraph (2), the number of full-time equivalents of part-time students for a school of public health for any school year is a number equal to—

"(A) the total number of credit hours of instruction in such year for which part-time students of such school, who are pursuing a course of study leading to a graduate degree in public health or an equivalent degree, have enrolled, divided by

"(B) the greater of (i) the number of credit hours of instruction which a full-time student of such school was required to take in such year, or (ii) 9,

rounded to the next highest whole number.

"(b) Notwithstanding subsection (a), if the aggregate of the amounts of the grants to be made in accordance with such subsection for any fiscal year to schools of public health with approved applications exceeds the total of the amounts appropriated for such grants for such schools under subsection (e), the amount of a school's grant for such fiscal year shall be an amount which bears the same ratio to the amount determined for the school under subsection (a) as the total of the amounts appropriated for that year under subsection (e) for grants to schools of public health bears to the amount required to make grants in accordance with subsection (a) to each of the schools of public health with approved applications.

#### Regulations.

"(c)(1) For purposes of this section, regulations of the Secretary shall include provisions relating to the determination of the number of students enrolled in a school or in a particular year-class in a school on the basis of estimates, on the basis of the number of students who in an earlier year were enrolled in a school or in a particular year-class, or on such other basis as the Secretary deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

"(2) For purposes of this section, the term 'full-time students' (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a graduate degree in public health or equivalent degree.

"(d) In the case of a new school of public health which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsection (a) shall be the number of full-time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

"(e) For payments under this section, there are authorized to be appropriated \$5,000,000 for the fiscal year ending September 30,



1986, \$5,125,000 for the fiscal year ending September 30, 1987, and \$5,250,000 for the fiscal year ending September 30, 1988.”

(2) Section 731(a)(1)(A)(ii) is amended by striking out “(as defined in section 770(c)(2))” and inserting in lieu thereof “(as defined in section 770(c)(2) (as such section was in effect on September 30, 1985))”.

42 USC 294d.

Ante, p. 537.

(b) Section 771 is amended to read as follows:

42 USC 295f-1.

“ELIGIBILITY FOR CAPITATION GRANTS

“SEC. 771. (a)(1) The Secretary shall not make a grant under section 770 to any school of public health in a fiscal year beginning after September 30, 1985, unless the application for the grant contains, or is supported by, assurances satisfactory to the Secretary that—

Prohibition.

Ante, p. 537.

“(A) the enrollment of full-time equivalent students enrolled in degree programs in the school in the school year beginning in the fiscal year in which the grant applied for is to be made will not be less than the enrollment of such students in degree programs in the school in the school year beginning in the fiscal year ending September 30, 1983; and

“(B) the applicant will expend in carrying out its functions as a school of public health during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the fiscal year preceding the fiscal year for which such grant is sought.

“(2) For purposes of subsection (a)(1)(A), the number of full-time equivalent students enrolled in a degree program in a school in a school year is equal to the sum calculated under section 770(a)(2)(B) for that school year.

Ante, p. 537.

“(b) The Secretary may waive (in whole or in part) application to a school of public health of the requirement of subsection (a)(1)(A) if the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies (approved for such purpose by the Commissioner of Education) that compliance by such school with such requirement will prevent it from maintaining its accreditation.”

(c)(1) Section 772(b) is amended—

42 USC 295f-2.

(A) by striking out “or subsection (a) or (b) of section 788”;

(B) by striking out “medicine, osteopathy, dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry,” and inserting in lieu thereof “public health,”;

(C) by striking out “Commissioner of Education” and inserting in lieu thereof “Secretary of Education”; and

(D) by striking out “Commissioner” each place it appears and inserting in lieu thereof “Secretary of Education”.

(2) The section heading for section 772 is amended to read as follows:

“APPLICATIONS FOR CAPITATION GRANTS”.

(d) The heading for part E of title VII is amended to read as follows:

42 USC 295f.

**"PART E—GRANTS TO IMPROVE THE QUALITY OF SCHOOLS OF PUBLIC HEALTH".**

**DEPARTMENTS OF FAMILY MEDICINE**

SEC. 212. Section 780 is amended by redesignating subsection (c) (as amended by section 103 of this Act) as subsection (d) and by inserting after subsection (b) the following new subsection:

"(c) In making grants under subsection (a), the Secretary shall give priority to applicants that demonstrate to the satisfaction of the Secretary a commitment to family medicine in their medical education training programs."

**AREA HEALTH EDUCATION CENTERS**

42 USC 295g-1. SEC. 213. (a) Section 781(a)(2) is amended by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively, and by striking out all that precedes clause (i) (as so redesignated) and inserting in lieu thereof the following:

Contracts. "(2)(A) The Secretary shall enter into contracts with schools of medicine and osteopathy—

"(i) which have previously received Federal financial assistance for an area health education center program under section 802 of the Health Professionals Educational Assistance Act of 1976 in fiscal year 1979 or under paragraph (1), or

42 USC 295g-1  
note.

"(ii) which are receiving assistance under paragraph (1), to carry out projects described in subparagraph (B) through area health education centers for which Federal financial assistance was provided under paragraph (1) and which are no longer eligible to receive such assistance.

"(B) Projects for which assistance may be provided under subparagraph (A) are—"

42 USC 295g-1.

(b) The last sentence of section 781(g) is amended by striking out "may" and inserting in lieu thereof "shall".

(c) Section 781(d)(2)(F) is amended to read as follows:

"(F) conduct interdisciplinary training and practice involving physicians and other health personnel including, where practicable, physician assistants and nurse practitioners;"

**GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS**

SEC. 214. Section 784 is amended by redesignating subsection (b) (as amended by section 106 of this Act) as subsection (c) and by inserting after subsection (a) the following new subsection:

Grants.  
Contracts.  
Education.

"(b) In making grants and entering into contracts under subsection (a), the Secretary shall give priority to applicants that demonstrate to the satisfaction of the Secretary a commitment to general internal medicine and general pediatrics in their medical education training programs."

**FAMILY MEDICINE AND GENERAL DENTISTRY**

42 USC 295g-6.

SEC. 215. (a) Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

(b) Section 786 is amended by redesignating subsection (c) (as amended by section 107 of this Act) as subsection (d) and by inserting after subsection (b) the following new subsection:

“(c) In making grants and entering into contracts under subsection (a), the Secretary shall give priority to applicants that demonstrate to the satisfaction of the Secretary a commitment to family medicine in their medical education training programs.”.

Grants.  
Contracts.  
Education.

(c) Section 786(d) (as amended by section 107 of this Act and redesignated by subsection (b) of this section) is further amended by inserting before the period in the second sentence a comma and “and shall obligate not less than 7.5 percent of such amounts in each such fiscal year for grants under subsection (b)”.

#### EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

SEC. 216. (a) Section 787(a)(1) is amended—

42 USC 295g-7.

(1) by inserting “chiropractic,” after “allied health,”; and  
(2) by inserting after “podiatry” a comma and “public and nonprofit private schools which offer graduate programs in clinical psychology.”.

(b) Section 787(a)(2) is amended—

(1) by striking out “and” after the last comma in subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a comma and “and”; and

(3) by inserting after subparagraph (E) the following:

“(F) paying such stipends as the Secretary may determine for such individuals for any period of health professions education at a school of medicine, osteopathy, or dentistry.”.

The term ‘regular course of education of such a school’ as used in subparagraph (D) includes a graduate program in clinical psychology.”.

(c) Section 787(b) is amended by adding at the end thereof the following new sentence: “Of the funds appropriated under this section for any fiscal year, 20 percent shall be obligated for stipends under subsection (a)(2)(F) to individuals of exceptional financial need (as defined by regulations promulgated by the Secretary under section 758) who are students at schools of medicine, osteopathy, or dentistry.”.

42 USC 294z.

#### SPECIAL PROJECTS

SEC. 217. (a)(1) Section 788(a)(1) is amended to read as follows: “(a)(1) The Secretary may make grants to maintain and improve schools which provide the first or last two years of education leading to the degree of doctor of medicine or osteopathy. Grants provided under this paragraph to schools which were in existence on September 30, 1985, may be used for construction and the purchase of equipment.”.

Grants.  
Contracts.  
Education.  
42 USC 295g-8.

(2) Paragraph (2) of section 788(a) is repealed and paragraph (3) of such section is redesignated as paragraph (2).

(3) Section 788(a)(2) (as redesignated by paragraph (2) of this subsection) is amended by inserting “or last” after “the first”, by inserting “or osteopathy” after “medicine” and by inserting “or be operated jointly with a school that is accredited by” after “accredited by”.

(b) Section 788(b) is amended to read as follows:

"(b)(1) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution, or any other public or nonprofit private entity for projects in areas such as—

"(A) health promotion and disease prevention;

"(B) curriculum development and training in health policy and policy analysis, including curriculum development and training in areas such as—

"(i) the organization, delivery, and financing of health care;

"(ii) the determinants of health and the role of medicine in health; and

"(iii) the promotion of economy in health professions teaching, health care practice, and health care systems management;

"(C) curriculum development in clinical nutrition;

"(D) the development of initiatives for assuring the competence of health professionals; and

"(E) curriculum and program development and training in applying the social and behavioral sciences to the study of health and health care delivery issues.

"(2)(A) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (g), at least 75 percent shall be obligated for grants to and contracts with health professions institutions, allied health institutions, and nurse training institutions.

"(B) Any application for a grant to institutions described in subparagraph (A) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(C) The Secretary may not approve or disapprove an application for a grant to an institution described in subparagraph (A) unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under subparagraph (B) and has consulted with the National Advisory Council on Health Professions Education with respect to such application.

"(3) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (g), not more than 25 percent shall be obligated for grants to and contracts with public and nonprofit entities which are not health professions institutions, allied health institutions, or nurse training institutions."

(c) Section 788(d) is amended to read as follows:

"(d)(1) The Secretary may make grants to and enter into contracts with accredited health professions schools referred to in section 701(4) or 701(10) and programs referred to in section 701(8) to assist in meeting the costs of such schools or programs of providing projects to—

"(A) improve the training of health professionals in geriatrics;

"(B) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;

"(C) expand and strengthen instruction in methods of such treatment;

"(D) support the training and retraining of faculty to provide such instruction;

"(E) support continuing education of health professionals and allied health professionals who provide such treatment; and

*Post*, p. 543.

Prohibition.  
*Post*, p. 543.

42 USC 295g-8.

*Ante*, pp. 525,  
526.

Aged persons.



“(F) establish new affiliations with nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers in order to provide students with clinical training in geriatric medicine.

“(2)(A) Any application for a grant or contract under this subsection shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

“(B) The Secretary may not approve or disapprove an application for a grant or contract under this subsection unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under subparagraph (A) and has consulted with the National Advisory Council on Health Professions Education with respect to such application.”.

(d) Section 788(f) (as amended by section 109 of this Act) is further amended by adding at the end thereof the following new sentence: “Of the amounts appropriated for each fiscal year to carry out this section—

“(1) 25 percent of such amount for the fiscal year ending September 30, 1986; and

“(2) 37.5 percent of such amount for each of the fiscal years ending September 30, 1987, and September 30, 1988, shall be available to carry out subsection (d).”.

(e) Section 788 is amended by redesignating subsection (f) (as amended by section 109 of this Act and subsection (d) of this section) as subsection (g) and by inserting after subsection (e) the following:

“(f) The Secretary may make grants to schools of veterinary medicine for—

“(1) the development of curricula for training in the care of animals used in research, the treatment of animals while being used in research, and the development of alternatives to the use of animals in research;

“(2) the provision of such training; and

“(3) large animal care and research.”.

(f) The heading for section 788 is amended to read as follows: 42 USC 295g-8.

“TWO-YEAR SCHOOLS OF MEDICINE, INTERDISCIPLINARY TRAINING, AND CURRICULUM DEVELOPMENT”.

#### ADVANCED FINANCIAL DISTRESS ASSISTANCE

SEC. 218. Subsections (b)(1) and (f) of section 788B are each amended by striking out “five” and inserting in lieu thereof “six”. 42 USC 295g-8b.

#### GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

SEC. 219. Section 791(c)(2)(A)(i) is amended by inserting before the semicolon a comma and “except that in any case in which the number of minority students enrolled in the graduate educational programs of such entity in such school year will exceed an amount equal to 45 percent of the number of all students that will be enrolled in such programs in such school year, such application shall only be required to contain assurances that at least 20 individuals will complete such programs in such school year”.

Minorities.  
42 USC 295h.

#### PROGRAM ELIMINATIONS

SEC. 220. (a) Section 703 is repealed.

(b) Section 708(c) is repealed.

42 USC 292c.  
42 USC 292h.

Animals.  
Research and  
development.

42 USC  
295—295e-5.  
42 USC 295g-2.  
42 USC 295g-5.  
42 USC 295g-8a.  
42 USC 295g-8b.

(c) Part D of title VII is repealed.

(d) Section 782 is repealed.

(e) Section 785 is repealed.

(f)(1) Section 788A is repealed.

(2) The second sentence of section 788B(a) is amended by inserting “(as such section was in effect prior to October 1, 1985)” after “section 788A”.

(3) Section 788B(f) (as amended by section 218 of this Act) is further amended by striking out the last sentence.

(4) Section 788B(h) (as amended by section 110 of this Act) is further amended—

(A) by striking out “and section 788A” in the first sentence; and

(B) by striking out the second sentence.

42 USC 295g-9.

(g) Section 789 is repealed.

#### ANALYSIS OF FINANCIAL DISINCENTIVES TO CAREER CHOICES IN HEALTH PROFESSIONS

Report.  
42 USC 292h  
note.

SEC. 221. By October 1, 1986, the Secretary of Health and Human Services shall prepare and transmit to the Congress a report which contains—

(1) an analysis of any financial disincentive to graduates of health professions schools which affects the specialty of practice chosen by such graduates or the decision of such graduates to practice their profession in an area which lacks an adequate number of health care professionals; and

(2) recommendations for legislation and administrative action to correct any disincentives which are identified pursuant to clause (1) and which are contrary to the achievement of national health goals, including recommendations concerning the appropriateness of providing financial assistance to mitigate such disincentives.

#### STUDY ON COMPLIANCE WITH SELECTIVE SERVICE ACT

Loans.  
50 USC app. 462  
note.

SEC. 222. The Secretary of Health and Human Services, in cooperation with the Director of Selective Service, shall conduct a study to determine if health professions schools are engaged in a pattern or practice of failure to comply with section 12(f) of the Military Selective Service Act (50 U.S.C. App. 462(f)) (or regulations issued under such section) or are engaged in a pattern or practice of providing loans or work assistance to persons who are required to register under section 3 of such Act (and any proclamation of the President and regulations prescribed under that section) and have not so registered. The Secretary shall complete the study and report its results to the Congress not later than one year after the date of enactment of this Act.

50 USC app.  
2216.  
Report.

#### STUDY OF THE ROLE OF ALLIED HEALTH PERSONNEL IN HEALTH CARE DELIVERY

42 USC 292h  
note.

SEC. 223. (a)(1) The Secretary of Health and Human Services shall arrange for the conduct of a study concerning the role of allied health personnel in health care delivery. The Secretary shall request the National Academy of Sciences to conduct the study under an arrangement under which the actual expenses incurred by the Academy in conducting such study will be paid by the Secretary and

the Academy will prepare the report required by subsection (c). If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with the Academy for the conduct of the study.

(2) If the National Academy of Sciences is unwilling to conduct the study required by paragraph (1) under the type of arrangement described in such paragraph, the Secretary shall enter into a similar arrangement with one or more appropriate nonprofit private entities.

(b) The study required by subsection (a) shall—

(1) assess the role of allied health personnel in health care delivery;

(2) identify projected needs, availability, and requirements of various types of health care delivery systems for each type of allied health personnel;

(3) investigate current practices under which each type of allied health personnel obtain licenses, credentials, and accreditation;

(4) assess changes in programs and curricula for the education of allied personnel and in the delivery of services by such personnel which are necessary to meet the needs and requirements identified pursuant to paragraph (2); and

(5) assess the role of the Federal, State, and local governments, educational institutions, and health care facilities in meeting the needs and requirements identified pursuant to paragraph (2).

State and local governments.

(c) By October 1, 1987, the Secretary of Health and Human Services shall transmit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, and make available to the public, a report—

Report.

(1) describing the study conducted under this section;

(2) containing a statement of the data obtained under such study; and

(3) specifying such recommendations for legislation and administrative action as the Secretary considers appropriate.

#### STUDY OF THE SUPPLY OF, AND REQUIREMENTS FOR, HEALTH PROFESSIONALS

SEC. 224. (a) The Secretary of Health and Human Services shall conduct or enter into contracts for the conduct of analytic and descriptive studies of chiropractors, clinical psychologists, veterinarians, optometrists, pharmacists, podiatrists, public health professionals, and health administrators. The studies shall include evaluations and projections of the supply of, and requirements for, each such profession by specialty and geographic location. The Secretary shall include in the report submitted on October 1, 1987, under section 708(d)(1) of the Public Health Service Act the results of the studies conducted under this subsection.

Contracts.  
42 USC 292h  
note.

Report.

42 USC 292h.

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

STUDY OF THE DELIVERY OF HEALTH CARE SERVICES TO HOMELESS  
INDIVIDUALS

SEC. 225. (a) The Secretary of Health and Human Services shall arrange, in accordance with subsection (c), for the conduct of a study of the delivery of inpatient and outpatient health care services to homeless individuals. Such study shall include—

(1) an evaluation of whether eligibility requirements in existing health care programs prevent homeless individuals from receiving health care services;

(2) an evaluation of the efficiency of the delivery of health care services to homeless individuals; and

State and local  
governments.

(3) recommendations for activities by Federal, State, and local governments and private entities that would improve the availability of health care service delivery to homeless individuals.

Report.

(b) The Secretary shall report the results of the study required by subsection (a) to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives not later than September 30, 1986.

(c)(1) The Secretary shall request the National Academy of Sciences, acting through the Institute of Medicine, to conduct the study required by subsection (a) under an arrangement whereby the actual expenses incurred by the Academy directly related to the conduct of such study will be paid by the Secretary. If the Academy agrees to such request, the Secretary shall enter into such an agreement with the Academy.

(2) If the National Academy of Sciences declines the Secretary's request to conduct such study under such arrangement, then the Secretary, after consultation with the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives, shall enter into a similar arrangement with another appropriate public or nonprofit entity to conduct such study.

RECOVERY OF ASSISTANCE FOR COMMUNITY MENTAL HEALTH CENTERS

42 USC  
300aa-14.

SEC. 226. (a) Section 2115 is amended to read as follows:

"RECOVERY

42 USC 2681.

"SEC. 2115. (a) If any facility with respect to which funds have been paid under the Community Mental Health Centers Act (as such Act was in effect prior to October 1, 1981) is, at any time within twenty years after the completion of remodeling, construction, or expansion or after the date of its acquisition—

42 USC 2689j.

"(1) sold or transferred to any entity (A) which would not have been qualified to file an application under section 222 of such Act (as such section was in effect prior to October 1, 1981) or (B) which is disapproved as a transferee by the State mental health agency or by another entity designated by the chief executive officer of the State, or

"(2) ceases to be used by a community mental health center in the provision of comprehensive mental health services, the United States shall be entitled to recover from the transferor, transferee, or owner of the facility, the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).



"(b) The transferor and transferee of a facility that is sold or transferred as described in subsection (a)(1), or the owner of a facility the use of which changes as described in subsection (a)(2), shall provide the Secretary written notice of such sale, transfer, or change within 10 days after the date on which such sale, transfer, or cessation of use occurs or within 30 days after the date of enactment of this subsection, whichever is later.

"(c)(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects as the amount of the Federal participation bore to the cost of the remodeling, construction, expansion, or acquisition of the project or projects.

"(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

"(B) The period referred to in subparagraph (A) is the period beginning—

"(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which such sale, transfer, or cessation of use occurs, or

"(ii) if notice is not provided as prescribed by subsection (b), 11 days after such sale, transfer, or cessation of use occurs, and ending on the date the amount the United States is entitled to recover is collected.

"(d) The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

"(e) The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility."

Prohibition.

(b) In the case of any facility that was or is constructed, remodeled, expanded, or acquired on or before the date of enactment of this Act or within 180 days after the date of enactment of this Act, the period described in clause (i) or (ii), as the case may be, of section 2115(c)(2)(B) of the Public Health Service Act (as amended by subsection (a) of this section) shall begin no earlier than 181 days after the date of enactment of this Act.

42 USC 300aa-14 note.

(c) The amendments made by subsection (a) of this section shall not adversely affect other legal rights of the United States.

42 USC 300aa-14 note.

#### NURSING EDUCATION IN GERIATRICS

SEC. 227. (a)(1) Section 820(a) is amended by redesignating paragraphs (4), (5), (6), (7), and (8) as paragraphs (5), (6), (7), (8), and (9), respectively, and by inserting after paragraph (3) the following new paragraph:

*Ante*, p. 393.

"(4) demonstrate improved geriatric training in preventive care, acute care, and long-term care (including home health care and institutional care);"

(2) Section 820(d) is amended—

(A) by striking out "paragraphs (1) through (5)" in paragraph (1) and inserting in lieu thereof "paragraphs (1) through (6)";

(B) by striking out "paragraphs (6), (7), and (8)" in the first sentence of paragraph (2) and inserting in lieu thereof "paragraphs (7), (8), and (9)"; and

(C) by striking out "paragraph (7)" in the second sentence of paragraph (2) and inserting in lieu thereof "paragraph (8)".

Grants.  
Contracts.  
Education.  
Aged persons.  
*Ante*, p. 394.

(b) Section 821(a) is amended by adding at the end thereof the following new sentence: "In making grants and entering into contracts under this section, the Secretary shall give priority to applications for grants and contracts for education projects in geriatric and gerontological nursing."

*Ante*, p. 394.

(c) The second sentence of section 822(a)(1) is amended by inserting "(particularly problems in the delivery of preventive care, acute care, and long-term care (including home health care and institutional care) to such patients)" after "geriatric patients".

#### EFFECTIVE DATE

42 USC 2541  
note.

SEC. 228. (a) Except as provided in subsection (b), this Act and the amendments and repeals made by this Act shall take effect on the date of enactment of this Act.

(b)(1) The amendments made by section 101(a) of this Act shall take effect as of October 1, 1985.

(2) The amendments made by section 208(e) of this Act shall take effect nine months after the date of enactment of this Act.

(3) The amendment made by section 208(h) of this Act shall take effect as of October 1, 1983.

*Ante*, p. 536.

(4) The provisions of section 746 of the Public Health Service Act (as added by the amendment made by section 209(h)(2) of this Act) shall take effect as of June 30, 1984.

(5) The amendments made by section 209(j) of this Act shall take effect as of June 30, 1984.

(6) The amendments made by section 213(a) of this Act shall take effect as of October 1, 1985.

Approved October 22, 1985.

#### LEGISLATIVE HISTORY—H.R. 2410 (S. 1283):

HOUSE REPORT No. 99-145 (Comm. on Energy and Commerce).

SENATE REPORT No. 99-105 accompanying S. 1283 (Comm. on Labor and Human Resources).

CONGRESSIONAL RECORD, Vol. 131 (1985):

July 15, considered and passed House.

July 19, S. 1283 considered in Senate; H.R. 2410, amended, passed in lieu.

Oct. 3, House concurred in Senate amendment with amendment.

Oct. 4, Senate concurred in House amendment.