I

106TH CONGRESS
1ST SESSION

H. R. 1860

To require managed care organizations to contract with providers in medically underserved areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 19, 1999

Mrs. CHRISTENSEN (for herself, Mrs. JONES of Ohio, Mr. RUSH, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. CLYBURN, Mr. WYNN, Mr. THOMPSON of Mississippi, Ms. KILPATRICK, Mrs. MEEK of Florida, Mr. MENENDEZ, Mrs. CLAYTON, Ms. CARSON, Ms. MILLENDER-MCDONALD, Mr. WATT of North Carolina, Mr. JEFFERSON, Ms. LEE, Mr. BISHOP, Mr. OWENS, Mr. HILLIARD, Mr. PAYNE, Mr. DAVIS of Illinois, Ms. NORTON, Mr. MEEKS of New York, Ms. BROWN of Florida, Mr. SCOTT, Mr. FATTAH, Mr. CLAY, Mr. LEWIS of Georgia, Ms. JACKSON-LEE of Texas, Mr. TOWNS, Mr. CUMMINGS, Ms. WATERS, Ms. MCKINNEY, Mr. DIXON, Mr. CONYERS, Mr. HASTINGS of Florida, Mr. JACKSON of Illinois, Mr. FORD, and Mr. RANGEL) introduced the following bill; which was referred to the Committee on Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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A BILL

To require managed care organizations to contract with providers in medically underserved areas, and for other purposes.

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

SECTION 1. SHORT TITLE; FINDINGS.

(a) SHORT TITLE.—This Act may be cited as the ''Medically Underserved Access to Care Act of 1999''.

(b) FINDINGS.—Congress finds the following:

(1) Minority individuals living in medically underserved areas are generally less well-off socioeconomically, and are often sicker than the population that managed care organizations traditionally serve.

(2) Many managed care organizations are not equipped to deal effectively with minorities in underserved areas and consequently may offer lower quality health care in such areas.

(3) Often managed care organizations do not contract with physicians and other community-based service providers who traditionally serve medically underserved areas.

(4) There is a concern among minority physicians that selective marketing practices and referral processes may keep minority and community-based physicians out of some managed care organizations.

(5) Managed care organizations sometimes exclude physicians and other community-based health care providers who traditionally provide service to underserved areas; this is particularly the case among minority physicians who may be well estab-

lished in their community based practices but are not board certified.

SEC. 2. REQUIREMENT FOR SERVICE TO AREAS THAT INCLUDE A MEDICALLY UNDERSERVED POPULATION.

(a) REQUIREMENT.—

(1) IN GENERAL.—A managed care organization offering a managed care plan shall establish and maintain adequate arrangements, as defined under regulations of the Secretary, with a sufficient number, mix, and distribution of health care professionals and providers to assure that covered items and services are available and accessible to each enrollee under the plan—

(A) in the service area of the organization;

(B) in a variety of sites of service;

(C) with reasonable promptness (including reasonable hours of operation and after-hours services);

(D) with reasonable proximity to the residences and workplaces of enrollees; and

(E) in a manner that—

(i) takes into account the diverse needs of enrollees; and

(ii) reasonably assures continuity of care.

(2) TREATMENT OF ORGANIZATIONS SERVING CERTAIN AREAS.—For a managed care organization that serves a medically underserved area, the organization shall be treated as meeting the requirement of paragraph (1) if the organization has arrangements with a sufficient number, mix, and distribution of health care professionals and providers having a history of serving such areas.

(b) ENFORCEMENT OF REQUIREMENTS.—

(1) APPLICATION TO GROUP HEALTH PLANS.—

(A) PUBLIC HEALTH SERVICE ACT.—For purposes of applying title XXVII of the Public Health Service Act, the requirements of subsection (a) shall be treated as though they were included in subpart 2 of part A of such title (42 U.S.C. 300gg–4 et seq.).

(B) EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—For purposes of applying part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974, the requirements of subsection (a) shall be treated as though they were included in subpart B of such part (29 U.S.C. 1185 et seq.).

(C) INTERNAL REVENUE CODE OF 1986.—For purposes of applying chapter 100 of the Internal Revenue Code of 1986, the requirements of subsection (a) shall be treated as though they were included in subchapter B of such chapter.

(2) APPLICATION TO INDIVIDUAL HEALTH INSURANCE COVERAGE.—For purposes of applying title XXVII of the Public Health Service Act, the requirements of subsection (a) also shall be treated as though they were part of subpart 2 of part B of such title (42 U.S.C. 300gg–51 et seq.).

(3) MEDICARE.—The Secretary may not enter into a contract under section 1857 of the Social Security Act (42 U.S.C. 1395w–27) with a Medicare+Choice organization that is a managed care organization unless the contract contains assurances satisfactory to the Secretary that the organization will comply with the applicable requirements of subsection (a) of this Act.

(4) MEDICAID.—Notwithstanding any other provision of law, no funds shall be paid to a State under section 1903(a)(1) of the Social Security Act (42 U.S.C. 1396b(a)(1)) with respect to medical assistance provided through payment to a medicaid

managed care organization (as defined in section 1903(m)(1)(A) of such Act, 42 U.S.C. 1396b(m)(1)(A)) unless the contract with such organization contains assurances satisfactory to the Secretary that the organization will comply with the applicable requirements of subsection (a) of this Act.

SEC. 3. ESTABLISHMENT OF GRANT PROGRAM.

(a) IN GENERAL.—The Secretary shall establish a program in the Office of Minority Health of the Department of Health and Human Services to award competitive grants to eligible nongovernmental agencies to enable such agencies to develop outreach programs to—

(1) inform individuals in medically underserved areas how to access managed care organizations in their communities; and

(2) assist physicians and other health care professionals who serve in medically underserved areas to enroll as providers in managed care organizations in their communities.

(b) ELIGIBILITY AND AMOUNT.—

(1) ELIGIBILITY.—The criteria necessary to receive a grant under this section shall be determined by the Secretary.

(2) AMOUNT.—The amount of a grant awarded to an agency under this section shall be determined by the Secretary.

SEC. 4. DEFINITIONS.

For purposes of this Act:

(1) ENROLLEE.—The term ''enrollee'' means, with respect to a managed care plan offered by a managed care organization, an individual enrolled with the organization for coverage under such a plan.

(2) HEALTH CARE PROFESSIONAL.—The term ''health care professional'' means a physician or other health care practitioner who is licensed under State law with respect to the health care services the practitioner furnishes.

(3) HEALTH PLAN.—The term ''health plan'' means a group health plan or health insurance coverage offered by a health insurance issuer.

(4) MANAGED CARE ORGANIZATION.—The term ''managed care organization'' means any entity, including a group health plan, health maintenance organization, or provider-sponsored organization, in relation to its offering of a managed care plan, and includes any other entity that provides or manages the

coverage under such a plan under a contract or arrangement with the entity.

(5) MANAGED CARE PLAN.—The term ''managed care plan'' means a health plan offered by an entity if the entity—

(A) provides or arranges for the provision of health care items and services to enrollees in the plan through participating health care professionals and providers; or

(B) provides financial incentives (such as variable copayments and deductibles) to induce enrollees to obtain benefits through participating health care professionals and providers, or both.

(6) MEDICALLY UNDERSERVED AREA.—The term ''medically underserved area'' means an area that is designated as a health professional shortage area under section 332 of the Public Health Service Act (42 U.S.C. 254e) or as a medically underserved area for purposes of section 330 or 1302(7) of such Act (42 U.S.C. 254c, 300e–1(7)).

(7) PARTICIPATING.—The term ''participating'' means, with respect to a health care professional or provider in relation to a health plan offered by an entity, a physician or provider that furnishes health

care items and services to enrollees of the entity under an agreement with the entity.

(8) PRIMARY CARE PROVIDER.—The term ''primary care provider'' means a health care professional who acts as a gatekeeper for the overall care of an enrollee.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services .

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