

107TH CONGRESS  
1ST SESSION

# H. R. 2743

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

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2001

Mrs. CHRISTENSEN (for herself, Mr. CUMMINGS, Mr. CLYBURN, Ms. BROWN of Florida, Mrs. MEEK of Florida, Ms. JACKSON-LEE of Texas, Ms. MCKINNEY, Mr. HILLIARD, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. LEE, Mr. THOMPSON of Mississippi, Mr. RUSH, Mr. HASTINGS of Florida, Mr. RANGEL, Mr. DAVIS of Illinois, Ms. KILPATRICK, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Ms. WATSON of California, Mr. WYNN, Mrs. JONES of Ohio, Mr. PAYNE, Ms. CARSON of Indiana, Mr. FORD, Mr. CONYERS, Mr. OWENS, Mrs. CLAYTON, Mr. BISHOP, Mr. TOWNS, and Mr. JACKSON of Illinois) introduced the following bill; which was referred to the Committee on Energy and 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.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; FINDINGS.**2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Medically Underserved Access to Care Act of 2001”.

4 (b) FINDINGS.—Congress finds the following:

5 (1) Minority individuals living in medically un-  
6 derserved areas are generally less well-off  
7 socioeconomically, and are often sicker than the pop-  
8 ulation that managed care organizations tradition-  
9 ally serve.10 (2) Many managed care organizations are not  
11 equipped to deal effectively with minorities in under-  
12 served areas and consequently may offer lower qual-  
13 ity health care in such areas.14 (3) Often managed care organizations do not  
15 contract with physicians and other community-based  
16 service providers who traditionally serve medically  
17 underserved areas.18 (4) There is a concern among minority physi-  
19 cians that selective marketing practices and referral  
20 processes may keep minority and community-based  
21 physicians out of some managed care organizations.22 (5) Managed care organizations sometimes ex-  
23 clude physicians and other community-based health  
24 care providers who traditionally provide service to  
25 underserved areas; this is particularly the case  
26 among minority physicians who may be well estab-

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

3 **SEC. 2. REQUIREMENT FOR SERVICE TO AREAS THAT IN-**  
4 **CLUDE A MEDICALLY UNDERSERVED POPU-**  
5 **LATION.**

6 (a) REQUIREMENT.—

7 (1) IN GENERAL.—A managed care organization  
8 offering a managed care plan shall establish and  
9 maintain adequate arrangements, as defined under  
10 regulations of the Secretary, with a sufficient num-  
11 ber, mix, and distribution of health care profes-  
12 sionals and providers to assure that covered items  
13 and services are available and accessible to each en-  
14 rollee under the plan—

15 (A) in the service area of the organization;

16 (B) in a variety of sites of service;

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

20 (D) with reasonable proximity to the resi-  
21 dences and workplaces of enrollees; and

22 (E) in a manner that—

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

1 (ii) reasonably assures continuity of  
2 care.

11 (b) ENFORCEMENT OF REQUIREMENTS.—

12 (1) APPLICATION TO GROUP HEALTH PLANS.—

13 (A) PUBLIC HEALTH SERVICE ACT.—For  
14 purposes of applying title XXVII of the Public  
15 Health Service Act, the requirements of sub-  
16 section (a) shall be treated as though they were  
17 included in the subpart 2 of part A of such title  
18 (42 U.S.C. 300gg–4 et seq.).

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

1 (C) INTERNAL REVENUE CODE OF 1986.—

2 For purposes of applying chapter 100 of the In-  
3 ternal Revenue Code of 1986, the requirements  
4 of subsection (a) shall be treated as though  
5 they were included in subchapter B of such  
6 chapter.

21 (4) MEDICAID.—Notwithstanding any other  
22 provision of law, no funds shall be paid to a State  
23 under section 1903(a)(1) of the Social Security Act  
24 (42 U.S.C. 1396b(a)(1)) with respect to medical as-  
25 sistance provided through payment to a medicaid

1        managed care organization (as defined in section  
2        1903(m)(1)(A) of such Act, 42 U.S.C.  
3        1396b(m)(1)(A)) unless the contract with such orga-  
4        nization contains assurances satisfactory to the Sec-  
5        retary that the organization will comply with the ap-  
6        plicable requirements of subsection (a).

7 **SEC. 3. ESTABLISHMENT OF GRANT PROGRAM.**

8        (a) **IN GENERAL.**—The Secretary shall establish a  
9        program in the Office of Minority Health of the Depart-  
10        ment of Health and Human Services to award competitive  
11        grants to eligible nongovernmental agencies to enable such  
12        agencies to develop outreach programs to—  
13                (1) inform individuals in medically underserved  
14        areas how to access managed care organizations in  
15        their communities; and

16                (2) assist physicians and other health care pro-  
17        fessionals who serve in medically underserved areas  
18        to enroll as providers in managed care organizations  
19        in their communities.

20        (b) **ELIGIBILITY AND AMOUNT.**—

21                (1) **ELIGIBILITY.**—The criteria necessary to re-  
22        ceive a grant under this section shall be determined  
23        by the Secretary.

## 4 SEC. 4. STUDY OF MINORITY PHYSICIAN PARTICIPATION IN 5 MANAGED CARE ORGANIZATIONS.

6 (a) STUDY.—The Secretary shall provide for a study  
7 to examine the participation of African-American and  
8 other minority physicians in managed care organizations  
9 and steps that can be taken to increase such participation.

10 (b) REPORT.—The Secretary shall submit a report to  
11 Congress on such study not later than 1 year after the  
12 date of the enactment of this Act.

### 13 SEC. 5. DEFINITIONS.

14 For purposes of this Act:

12 (5) MANAGED CARE PLAN.—The term “man-  
13 aged care plan” means a health plan offered by an  
14 entity if the entity—

15 (A) provides or arranges for the provision  
16 of health care items and services to enrollees in  
17 the plan through participating health care pro-  
18 fessionals and providers; or

19 (B) provides financial incentives (such as  
20 variable copayments and deductibles) to induce  
21 enrollees to obtain benefits through partici-  
22 pating health care professionals and providers,  
23 or both.

24 (6) MEDICALLY UNDERSERVED AREA.—The  
25 term “medically underserved area” means an area

1       that is designated as a health professional shortage  
2       area under section 332 of the Public Health Service  
3       Act (42 U.S.C. 254e) or as a medically underserved  
4       area for purposes of section 330 or 1302(7) of such  
5       Act (42 U.S.C. 254e, 300e-1(7)).

6               (7) PARTICIPATING.—The term “participating”  
7       means, with respect to a health care professional or  
8       provider in relation to a health plan offered by an  
9       entity, a physician or provider that furnishes health  
10      care items and services to enrollees of the entity  
11      under an agreement with the entity.

12               (8) PRIMARY CARE PROVIDER.—The term “pri-  
13      mary care provider” means a health care profes-  
14      sional who acts as a gatekeeper for the overall care  
15      of an enrollee.

16               (9) SECRETARY.—The term “Secretary” means  
17      the Secretary of Health and Human Services.

18               (10) OTHER GENERAL DEFINITIONS.—Except  
19      as otherwise provided in this section, the definitions  
20      contained in section 2791 of the Public Health Serv-  
21      ice Act (42 U.S.C. 300gg-91) shall apply under this  
22      section.

