

108TH CONGRESS
1ST SESSION

H. R. 3035

To establish an informatics grant program for hospitals and skilled nursing facilities in order to encourage health care providers to make major information technology advances.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 9, 2003

Mr. HOUGHTON (for himself and Mr. POMEROY) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Energy and Commerce, 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

A BILL

To establish an informatics grant program for hospitals and skilled nursing facilities in order to encourage health care providers to make major information technology advances.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Medication Errors Re-
5 duction Act of 2003”.

1 **SEC. 2. INFORMATICS SYSTEMS GRANT PROGRAM FOR**
2 **HOSPITALS AND SKILLED NURSING FACILI-**
3 **TIES.**

4 (a) GRANTS.—

5 (1) IN GENERAL.—The Secretary of Health and
6 Human Services (in this section referred to as the
7 “Secretary”) shall establish a program to make
8 grants to eligible entities that have submitted appli-
9 cations in accordance with subsection (b) for the
10 purpose of assisting such entities in offsetting the
11 costs related to purchasing, leasing, developing, and
12 implementing clinical health care informatics sys-
13 tems that utilize open data standards and that are
14 designed to improve patient safety and reduce ad-
15 verse events and health care complications resulting
16 from medication errors.

17 (2) DURATION.—The authority of the Secretary
18 to make grants under this section shall terminate on
19 September 30, 2013.

20 (3) COSTS DEFINED.—For purposes of this sec-
21 tion, the term “costs” shall include total expendi-
22 tures incurred for—

23 (A) purchasing, leasing, and installing
24 computer software and hardware, including
25 handheld computer technologies;

(B) making improvements to existing computer software and hardware;

3 (C) purchasing or leasing communications
4 capabilities necessary for clinical data access,
5 storage, and exchange; and

6 (D) providing education and training to el-
7 igible entity staff on computer patient safety in-
8 formation systems.

12 (A) HOSPITAL.—A hospital (as defined in
13 section 1861(e) of the Social Security Act (42
14 U.S.C. 1395x(e))).

15 (B) SKILLED NURSING FACILITY.—A
16 skilled nursing facility (as defined in section
17 1819(a) of such Act (42 U.S.C. 1395i–3(e))).

18 (b) APPLICATION.—An eligible entity seeking a grant
19 under this section shall submit an application to the Sec-
20 retary at such time, in such form and manner, and con-
21 taining such information as the Secretary specifies.

22 (c) SPECIAL CONSIDERATIONS AND RURAL Hos-
23 PITAL RESERVE.—

24 (1) SPECIAL CONSIDERATION FOR ELIGIBLE
25 ENTITIES THAT SERVE A LARGE NUMBER OF MEDI-

1 CARE, MEDICAID, AND SCHIP ELIGIBLE INDIVID-
2 UALS.—In awarding grants under this section, the
3 Secretary shall give special consideration to eligible
4 entities in which individuals that are eligible for ben-
5 efits under the medicare program under title XVIII
6 of the Social Security Act, the medicaid program
7 under title XIX of such Act, or under the State chil-
8 dren's health insurance program under title XXI of
9 such Act make up a high percentage of the total pa-
10 tient population of the entity.

11 (2) RESERVE 20 PERCENT OF GRANT FUNDS
12 FOR RURAL HOSPITALS.—

13 (A) IN GENERAL.—Subject to subparagraph (C), the Secretary shall ensure that at least 20 percent of the funds available for making grants under this section are used for making grants to eligible entities that are rural hospitals.

19 (B) RURAL HOSPITAL DEFINED.—For purposes of subparagraph (A), the term “rural hospital” means a hospital that—

22 (i) is located in a rural area (as such term is defined for purposes of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)));

4 (iii) is designated by the State as a
5 rural hospital.

6 (C) AVAILABILITY OF RESERVE FUNDS IF
7 LIMITED NUMBER OF RURAL HOSPITALS APPLY
8 FOR GRANTS.—If the Secretary estimates that
9 the amount of funds reserved under subpara-
0 graph (A) for hospitals described in such sub-
1 paragraph exceeds the maximum amount of
2 funds permitted for such hospitals under sub-
3 section (d), the Secretary may reduce the
4 amount reserved for such hospitals by an
5 amount equal to such excess and use such
6 funds for awarding grants to other eligible enti-
7 ties.

18 (d) LIMITATION ON AMOUNT OF GRANT.—

19 (1) IN GENERAL.—A grant awarded under this
20 section may not exceed the lesser of—

21 (A) an amount equal to the applicable per-
22 centage of the costs incurred by the eligible en-
23 tity for the project for which the entity is seek-
24 ing funding under this section; or

25 (B) in the case of a grant made to a—

12 (e) ELIGIBLE ENTITY REQUIRED TO FURNISH SEC-
13 RETARY WITH INFORMATION.—An eligible entity receiv-
14 ing a grant under this section shall furnish the Secretary
15 with such information as the Secretary may require to—

16 (1) evaluate the project for which the grant is
17 made; and

21 (f) REPORTS.—

22 (1) INTERIM REPORTS.—

1 Representatives and the Committee on Finance
2 of the Senate on the grant program established
3 under this section.

4 (B) CONTENTS.—A report submitted pur-
5 suant to subparagraph (A) shall include infor-
6 mation on—

7 (i) the number of grants made;
8 (ii) the nature of the projects for
9 which funding is provided under the grant

10 program;
11 (iii) the geographic distribution of
12 grant recipients; and

13 (iv) such other matters as the Sec-
14 retary determines appropriate.

23 (g) AUTHORIZATION OF APPROPRIATIONS.—

24 (1) AUTHORIZATION.—

9 (B) SKILLED NURSING FACILITIES.—
10 There are authorized to be appropriated from
11 the Federal Hospital Insurance Trust Fund
12 under section 1817 of the Social Security Act
13 (42 U.S.C. 1395i) \$4,500,000, for each of the
14 fiscal years 2004 through 2013, for the purpose
15 of making grants under this section to eligible
16 entities that are skilled nursing facilities.

○