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109TH CONGRESS
2D SESSION

H. R. 5171

To amend the Public Health Service Act to provide for community projects that will reduce the number of individuals who are uninsured with respect to health care, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 25, 2006

Mr. HOEKSTRA (for himself, Mr. GILLMOR, Mr. MCCOTTER, Mr. ROGERS of Michigan, Mr. EHLERS, Mr. BOOZMAN, Mr. SHADEGG, Mr. CAMP, and Mr. LATOURETTE) introduced the following bill; which was referred to the Committee on Energy and Commerce

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A BILL

To amend the Public Health Service Act to provide for community projects that will reduce the number of individuals who are uninsured with respect to health care, 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.

This Act may be cited as the ''Communities Building Access Act''.

SEC. 2. FINDINGS.

The Congress finds as follows:

(1) Two models of community programs for the uninsured have emerged as effective in generating community support and funding in urban and rural areas; in providing effective care and coverage for the uninsured; in avoiding displacement of private coverage; and in avoiding duplication of other federal programs for the uninsured.

(2) These community models have demonstrated community-wide economic benefit. Employers in the community experience less health care cost-shifting, in addition to increased productivity and employee retention. With greater emphasis on preventive and chronic care, a community's uninsured population becomes less of a financial burden on state and local budgets.

(3) These community models have demonstrated potential national solutions for certain uninsured populations, including the working uninsured. Such lessons learned from these models include, for example, the level of subsidy necessary to get small employers to purchase coverage for their employees, how to effectively market access programs to the uninsured, and how to effectively manage chronic care among lower-income populations.

(4) These community models have succeeded in raising much of the funding necessary to function, but have lacked financial stability and would enjoy greater success with a stable partial funding stream from the Federal Government.

(5) These community models, if involved in a Federal partnership, have the ability and willingness to be accountable for a return on investment for Federal funding, and to disseminate expertise to like-minded communities.

SEC. 3. GRANTS FOR MULTI-SHARE HEALTH CARE COVERAGE PROJECTS FOR UNINSURED WORKING INDIVIDUALS.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following:

"SEC. 330M. MULTI-SHARE HEALTH CARE COVERAGE PROJECTS FOR UNINSURED WORKING INDIVIDUALS.

''(a) IN GENERAL.—The Secretary shall make grants to public or nonprofit private entities to carry out demonstration projects for the purpose of—

''(1) making available, on a cost-sharing basis as described in subsection (c)(2)(C), health care coverage to qualifying employees through employers

that have not contributed to health care benefits for employees during the 12-month period prior to participating in such a project; and

''(2) making available, on such basis, health care coverage to qualifying self-employed individuals who have been without such coverage during the 12-month period prior to participating in such a project.

''(b) QUALIFYING EMPLOYEES AND SELF-EMPLOYED INDIVIDUALS.—For purposes of this section, the term 'qualifying', with respect to an employee or self-employed individual, means that the employee or self-employed individual is not eligible for health services under the program under title XVIII, XIX, or XXI of the Social Security Act (relating to the Medicare program, the Medicaid program, and the State children's health insurance program, respectively).

''(c) REQUIREMENTS FOR GRANT.—

''(1) IN GENERAL.—A grant may be made under subsection (a) for a project only if the applicant involved—

''(A) has defined a service area for the project;

''(B) has formed a consortium of entities in such service area, which consortium is com-

posed of employers whose employees may or may not be served by the project, health care providers who will provide services through the project, and other appropriate entities;

''(C) has ensured that the consortium has established a set of unified goals for the project;

''(D) has conducted a basic level of demographic research to obtain data on the uninsured businesses, working uninsured, and provider community within the service area in order to determine the potential value and effectiveness of operating such a project, which data includes—

''(i) the rate of uncompensated care;

''(ii) the number of women lacking prenatal services;

''(iii) immunization rates; and

''(iv) the number of employers that do not provide health insurance to their employees; and

''(E) has conducted a basic evaluation of State health insurance and local laws that might impact the implementation of the project.

''(2) AGREEMENTS.—A grant may be made under subsection (a) for a project only if the applicant involved agrees as follows:

''(A) Eligibility criteria will be established for employers to participate in the project, including the requirement that the employers be located within the service area defined under paragraph (1)(A) for the project, which may include—

''(i) a maximum average income earned by the employees of the business;

''(ii) criteria, in addition to the 12-month periods under subsection (a), to avoid creating any incentive for an employer or self-employed individual to discontinue health plans or health insurance policies; and

''(iii) such other criteria as the consortium under paragraph (1)(B) considers to be appropriate.

''(B) A network of health care providers will be formed to provide services to qualifying employees and self-employed individuals who participate in the project, which services will be

provided according to a schedule of fees and co-payments negotiated by the project.

''(C) Of the cost of providing health care coverage through the project—

''(i) not more than 30 percent will be paid by the project with funds from the grant; and

''(ii) not less than 70 percent will be paid by the employer, the employee, and any additional sources of funds (such as the community in which the project is located) that may be available pursuant to arrangements with the project.

''(D) A minimum benefit package will be selected that includes—

''(i) physicians services;

''(ii) prescription drug benefits;

''(iii) in-patient hospital services;

''(iv) out-patient services;

''(v) emergency room visits;

''(vi) emergency ambulance services; and

''(vii) diagnostic laboratory tests and x-rays.

With respect to compliance with the agreement under this subparagraph, the project is not required to provide coverage for any service performed outside the service area of the project, except to the extent that a service specified in any of clauses (i) through (vii) is not reasonably available within the service area.

''(E) The minimum benefit package will not exclude coverage of a medical condition on the basis that it is a pre-existing condition.

''(F) An entity will be selected by the consortium under paragraph (1)(B) to carry out administrative and accounting functions with respect to the health care coverage to be offered by the project, including monthly billings, verification and enrollment of eligible employers and employees, maintenance of membership rosters, operation of the utilization management program under subparagraph (G), and development of a marketing plan.

''(G) A utilization management program will be selected that ensures delivery of care in the appropriate setting, using appropriate resources and clinical practice guidelines.

"(H) A plan will be implemented for measuring quality and efficiency of care provided through the project within two years after the project begins operation.

"(I) A plan will be implemented for managing care for enrollees with chronic illness, as well as additional cost-control initiatives that will be employed by the project within 2 years after the project begins operation.

"(J) A plan will be implemented for protecting the project from high risks, which may include affiliation with State high-risk pool or local safety net program, and purchase of reinsurance.

"(K) A plan will be implemented for evaluating the project on an interim basis, not less frequently than annually.

"(d) APPLICATION FOR GRANT.—A grant may be made under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there is

authorized to be appropriated $36,000,000 in the aggregate for the fiscal years 2007 through 2013, of which there are authorized to be appropriated amounts as follows:

''(1) For fiscal year 2007, $2,000,000.

''(2) For each of the fiscal years 2008 and 2009, $5,000,000.

''(3) For each of the fiscal years 2010 through 2013, $6,000,000.

''SEC. 330N. GRANTS FOR VOLUNTEER SPECIALTY PROVIDER NETWORKS.

''(a) IN GENERAL.—The Secretary shall make grants to public or nonprofit private entities to carry out demonstration projects for the purpose of forming and maintaining networks composed of health care specialists who volunteer health services to eligible individuals.

''(b) ELIGIBLE INDIVIDUALS.—For purposes of this section, the term 'eligible individual' means an individual who has been enrolled by a project under subsection (a) and—

''(1) whose employer does not provide health care coverage;

''(2) is unable to obtain health care coverage through a family member or common law partner;

''(3) is at or below a poverty level specified by the Secretary; and

''(4) is not eligible for health services under the program under title XVIII, XIX, or XXI of the Social Security Act (relating to the Medicare program, the Medicaid program, and the State children's health insurance program, respectively).

''(c) QUALIFIED GRANT EXPENDITURES.—A grant may be made under subsection (a) for a project only if the applicant involved agrees that the grant will be expended to assist specialists that are participants in the network involved through any or all of the following means:

''(1) Paying nominal administrative or fees to the participants for the costs of providing services to eligible individuals.

''(2) Assisting with the cost of training primary care practitioners to manage the chronic conditions that are most often treated by the network specialists.

''(3) Assisting participants with the costs of providing fees to recruit specialists to practice in the service area of the project.

''(4) Assisting with the costs of operating a community clinic staffed by volunteer network specialists.

''(5) Assisting participants with the costs of installing or operating information technology that is of benefit to patients, such as technology to avoid medical errors or to facilitate the authorized electronic transfer of the health records of eligible individuals.

''(6) Paying for necessary prescription drug costs for necessary treatment prescribed by network specialists.

''(7) Such additional means as the Secretary may authorize.

''(d) CERTAIN REQUIREMENTS FOR GRANT.—A grant may be made under subsection (a) for a project only if the applicant involved—

''(1) has defined a service area for the project;

''(2) has formed a consortium of various community members, leaders, and organizations in such area;

''(3) has ensured that the consortium has established a set of unified goals for the project;

''(4) has conducted the basic level of demographic research described in section 330M(c)(1)(D);

''(5) has a plan for managing the care of eligible individuals with chronic illness; and

''(6) has a plan for evaluating the project on an interim basis, not less frequently than once each year.

''(e) MATCHING FUNDS.—

''(1) IN GENERAL.—With respect to the costs of the project to be carried out under subsection (a) by an applicant, a grant under such subsection may be made only if the applicant agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than ⅓ of such costs ($1 for each $2 provided in the grant).

''(2) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be in-

cluded in determining the amount of such non-Federal contributions.

''(f) APPLICATION FOR GRANT.—A grant may be made under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

''(g) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there is authorized to be appropriated $9,000,000 in the aggregate for the fiscal years 2007 through 2013, of which there are authorized to be appropriated amounts as follows:

''(1) For each of the fiscal years 2007 and 2008, $500,000.

''(2) For each of the fiscal years 2009 and 2010, $1,000,000.

''(3) For each of the fiscal years 2011 through 2013, $2,000,000.

''SEC. 330O. CLEARINGHOUSE FOR INFORMATION ON COMMUNITY-INITIATED PROJECTS TO PROVIDE HEALTH CARE COVERAGE TO UNINSURED INDIVIDUALS.

''(a) IN GENERAL.—The Secretary shall make an award of a grant or contract for the establishment and

operation of a clearinghouse to collect and make available, on a national basis, information on projects under sections 330M and 330N and similar projects that are community-initiated (referred to in this section as 'access projects').

''(b) CERTAIN REQUIREMENTS.—The Secretary shall ensure that the information collected and made available under subsection (a) by the Clearinghouse includes the following:

''(1) A database identifying technical-assistance experts who are or have been involved in the planning or operation of access projects.

''(2) Information regarding the success and progress of access projects, including—

''(A) information on best-practices identified for such projects;

''(B) the number of individuals who lacked health care coverage prior to receiving such coverage through the projects;

''(C) the number of individuals served by the projects who have chronic conditions that are managed by the projects;

''(D) the economic impact of the projects for businesses in the communities in which the projects operated; and

"(E) the savings of hospitals and other health care providers in such communities that resulted from the operation of the projects.

"(c) APPLICATION.—An award may be made under subsection (a) only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(d) SOLICITATION OF REPORTS.—The Secretary may carry out a program to encourage public and private entities that plan or operate access projects to submit to the Clearinghouse reports that provide information on the projects.

"(e) DEFINITION.—For purposes of this section, the term 'Clearinghouse' means the clearinghouse under subsection (a).

"(f) AUTHORIZATION OF APPROPRIATION.—For the purpose of making awards under subsection (a), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2007 through 2013.".

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