

114TH CONGRESS  
2D SESSION

# S. 3403

To authorize payment by the Department of Veterans Affairs for the costs associated with service by medical residents and interns at facilities operated by Indian tribes, tribal organizations, and the Indian Health Service, to require the Secretary of Veterans Affairs to carry out a pilot program to expand medical residencies and internships at such facilities, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27, 2016

Mr. SULLIVAN (for himself and Mr. TESTER) introduced the following bill;  
which was read twice and referred to the Committee on Veterans' Affairs

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## A BILL

To authorize payment by the Department of Veterans Affairs for the costs associated with service by medical residents and interns at facilities operated by Indian tribes, tribal organizations, and the Indian Health Service, to require the Secretary of Veterans Affairs to carry out a pilot program to expand medical residencies and internships at such facilities, 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.**

2       This Act may be cited as the “Serving our Rural Vet-  
3 erans Act of 2016”.

4 **SEC. 2. AUTHORIZATION OF PAYMENT BY DEPARTMENT OF**  
5 **VETERANS AFFAIRS FOR SERVICE BY RESI-**  
6 **DENTS OR INTERNS AT FACILITIES OPER-**  
7 **ATED BY INDIAN TRIBES, TRIBAL ORGANIZA-**  
8 **TIONS, AND THE INDIAN HEALTH SERVICE.**

9       (a) IN GENERAL.—Subsection (c) of section 7406 of  
10 title 38, United States Code, is amended by striking “De-  
11 partment facility” each place it appears and inserting  
12 “covered facility”.

13       (b) COVERED FACILITY DEFINED.—Such section is  
14 amended by adding at the end the following new sub-  
15 section:

16       “(d) In this section, the term ‘covered facility’  
17 means—

18               “(1) a Department facility;

19               “(2) a facility operated by an Indian tribe or a  
20 tribal organization, as those terms are defined in  
21 section 4 of the Indian Self-Determination and Edu-  
22 cation Assistance Act (25 U.S.C. 5304); or

23               “(3) a facility operated by the Indian Health  
24 Service.”.

1 **SEC. 3. PILOT PROGRAM TO CREATE OR EXPAND GRAD-**  
2 **UATE MEDICAL RESIDENCIES AT FACILITIES**  
3 **OPERATED BY INDIAN TRIBES, TRIBAL ORGA-**  
4 **NIZATIONS, AND THE INDIAN HEALTH SERV-**  
5 **ICE IN RURAL AREAS.**

6 (a) IN GENERAL.—The Secretary of Veterans Af-  
7 fairs, in consultation with the Director of the Indian  
8 Health Service, shall carry out a pilot program to establish  
9 graduate medical education residency training programs  
10 at covered facilities.

11 (b) LOCATIONS.—The Secretary shall carry out the  
12 pilot program at not more than one covered facility in each  
13 of Alaska and Montana that has been selected by the Sec-  
14 retary for purposes of the pilot program.

15 (c) DURATION.—The Secretary shall implement the  
16 pilot program during the eight-year period beginning on  
17 the date that is 180 days after the date of the enactment  
18 of this Act.

19 (d) REIMBURSEMENT OF COSTS.—The Secretary  
20 shall reimburse each covered facility participating in the  
21 pilot program for the following costs associated with the  
22 pilot program:

23 (1) Curriculum development.

24 (2) Recruitment, training, and retention of resi-  
25 dents and faculty.

1           (3) Accreditation of programs of education  
 2           under the pilot program by the Accreditation Coun-  
 3           cil for Graduate Medical Education (ACGME) or the  
 4           American Osteopathic Association (AOA).

5           (4) The portion of faculty salaries attributable  
 6           to activities relating to carrying out the pilot pro-  
 7           gram.

8           (5) Payment for expenses relating to providing  
 9           medical education under the pilot program in an  
 10          amount not to exceed—

11           (A) the amount determined under section  
 12           340H of the Public Health Service Act (42  
 13           U.S.C. 256h) that would be paid to a covered  
 14           facility for such expenses if the covered facility  
 15           were a qualified teaching health center under  
 16           such section, plus

17           (B) an additional amount to account for  
 18           the increased costs to the covered facility of  
 19           providing health care and medical education  
 20           under the pilot program in rural and remote  
 21           areas.

22          (e) PERIOD OF OBLIGATED SERVICE.—

23           (1) IN GENERAL.—The Secretary shall enter  
 24           into an agreement with each medical resident who  
 25           participates in the pilot program under which such

1 medical resident agrees to serve a period of two  
2 years of obligated service at a covered facility or a  
3 facility of the Department of Veterans Affairs for  
4 each year in which the medical resident participates  
5 in the pilot program under this section.

6 (2) BREACH.—A medical resident who partici-  
7 pates in the pilot program and fails to satisfy the  
8 period of obligated service under paragraph (1) shall  
9 be liable to the United States, in lieu of such obli-  
10 gated service, for the amount that has been paid or  
11 is payable to or on behalf of the medical resident  
12 under the pilot program, reduced by the proportion  
13 that the number of days served for completion of the  
14 period of obligated service bears to the total number  
15 of days in the period of obligated service of such  
16 medical resident.

17 (f) LOAN REPAYMENT.—

18 (1) IN GENERAL.—A medical resident who par-  
19 ticipates in the pilot program shall be eligible for  
20 participation in the Indian Health Service Loan Re-  
21 payment Program under section 108 of the Indian  
22 Health Care Improvement Act (25 U.S.C. 1616a).

23 (2) AUTHORIZATION OF APPROPRIATIONS.—

24 (A) IN GENERAL.—There is authorized to  
25 be appropriated to the Secretary of Health and

1 Human Services, acting through the Indian  
2 Health Service, such sums as may be necessary  
3 to cover loan repayments paid under the Indian  
4 Health Service Loan Repayment Program to  
5 medical residents participating in the pilot pro-  
6 gram.

7 (B) SUPPLEMENT NOT SUPPLANT.—  
8 Amounts appropriated or otherwise made avail-  
9 able for the Indian Health Service Loan Repay-  
10 ment Program pursuant to the authorization of  
11 appropriations under subparagraph (A) shall  
12 supplement, not supplant, amounts made avail-  
13 able to such program under other provisions of  
14 law.

15 (g) REPORT.—Not later than two years before the  
16 termination of the pilot program under subsection (c), the  
17 Secretary shall submit to the Committee on Veterans' Af-  
18 fairs of the Senate and the Committee on Veterans' Af-  
19 fairs of the House of Representatives a report on the feasi-  
20 bility and advisability of—

21 (1) expanding the pilot program to additional  
22 locations; and

23 (2) making the pilot program or any aspect of  
24 the pilot program permanent.

1       (h) COVERED FACILITY DEFINED.—In this section,  
2 the term “covered facility” means a facility—

3           (1) operated by an Indian tribe or a tribal orga-  
4 nization (as those terms are defined in section 4 of  
5 the Indian Self-Determination and Education Assist-  
6 ance Act (25 U.S.C. 5304)), or the Indian Health  
7 Service, that has an existing reimbursement agree-  
8 ment with the Department of Veterans Affairs under  
9 section 405(c) of the Indian Health Care Improve-  
10 ment Act (25 U.S.C. 1645(c)); and

11          (2) located in a rural or remote area, as deter-  
12 mined by the Secretary.

13       (i) AUTHORIZATION OF APPROPRIATIONS.—There is  
14 authorized to be appropriated to the Secretary of Veterans  
15 Affairs \$20,000,000 for each year in which the pilot pro-  
16 gram is carried out.

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