

FOIERS*

89TH CONGRESS
1ST SESSION

S. 596

IN THE HOUSE OF REPRESENTATIVES

JUNE 29, 1965

Referred to the Committee on Interstate and Foreign Commerce

AN ACT

To amend the Public Health Service Act to assist in combating heart disease, cancer, and stroke, and other major diseases.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Heart Disease, Cancer,
4 and Stroke Amendments of 1965".

5 SEC. 2. The Public Health Service Act (42 U.S.C., ch.
6 6A) is amended by adding at the end thereof the following
7 new title:

1 "TITLE IX—REGIONAL MEDICAL COMPLEXES
2 FOR RESEARCH AND TREATMENT IN HEART
3 DISEASE, CANCER, STROKE, AND OTHER
4 MAJOR DISEASES

5 "PURPOSES

6 "SEC. 900. The purposes of this title are—

7 "(a) Through grants, to encourage and assist in the
8 establishment of regionally coordinated arrangements among
9 medical schools, research institutions, and hospitals for re-
10 search and training and for demonstrations of patient care in
11 the fields of heart disease, cancer, stroke, and other major
12 diseases;

13 "(b) To afford to the medical profession and the med-
14 ical institutions of the Nation, through such coordinated
15 arrangements, a more abundant opportunity of making
16 available to their patients the latest advances in the diagnosis
17 and treatment of these diseases; and

18 "(c) To accomplish these ends without interfering with
19 the patterns, or the methods of financing, of patient care or
20 professional practice, or with the administration of hospitals.

21 "AUTHORIZATION OF APPROPRIATIONS

22 "SEC. 901. (a) There are authorized to be appropriated
23 \$50,000,000 for the fiscal year ending June 30, 1966,
24 \$100,000,000 for the fiscal year ending June 30, 1967,

1 \$200,000,000 for the fiscal year ending June 30, 1968, and
2 \$300,000,000 for the fiscal year ending June 30, 1969,
3 for grants to assist public or nonprofit private universities,
4 medical schools, research institutions, hospitals, and other
5 public or nonprofit private institutions and agencies, or
6 associations thereof, in planning, establishing, and operating
7 regional medical complexes for research, training, and demon-
8 stration activities for carrying out the purposes of this title.
9 Sums appropriated under this section for any fiscal year shall
10 remain available for making such grants until the end of the
11 fiscal year following the fiscal year for which the appropri-
12 ation is made.

13 “(b) A grant under this title shall be for part or all of
14 the cost of the planning and other activities with respect to
15 which the application is made, except that any such grant
16 with respect to construction of, or provision of built-in (as
17 determined in accordance with regulations) equipment for,
18 any facility may not exceed 90 per centum of the cost of such
19 construction or equipment.

20 “(c) Funds appropriated pursuant to this title shall not
21 be available to pay the cost of hospital, medical, or other
22 care of patients except to the extent it is, as determined in
23 accordance with regulations, incident to research, training, or
24 demonstration activities.

"DEFINITIONS

1

2 "SEC. 902. For the purposes of this title—

3

4 " (a) The term 'regional medical complex' means a
5 group of public or nonprofit private institutions or agencies
6 engaged in research, training, prevention, diagnosis, and
7 treatment relating to heart disease, cancer, or stroke and, at
8 the option of the applicant, any other disease found by the
9 Surgeon General to be of major significance to the aforesaid
10 objectives of such regional medical complex; but only if
11 such group—

11

12 " (1) is situated within a geographic area, composed
13 of any part or parts of any one or more States, which
14 the Surgeon General determines, in accordance with
15 regulations, to be appropriate for carrying out the pur-
16 poses of this title;

16

17 " (2) consists of one or more medical centers, one
18 or more categorical research centers, and one or more
19 diagnostic and treatment stations; and

19

20 " (3) has in effect arrangements for the coordina-
21 tion of the activities of its component units which the
22 Surgeon General finds will be adequate for effectively
23 carrying out the purposes of this title.

23

24 " (b) The term 'medical center' means a medical school
or other medical institution involved in post-graduate medical

1 training and one or more hospitals affiliated therewith for
2 teaching, research, and demonstration purposes.

3 “(c) The term ‘categorical research center’ means an in-
4 stitution (or part of an institution) the primary function of
5 which is research (including clinical research), training of
6 specialists, and demonstrations and which, in connection
7 therewith, provides specialized, high-quality diagnostic and
8 treatment services for inpatients and outpatients.

9 “(d) The term ‘diagnostic and treatment station’ means
10 a unit of a hospital or other health facility, the primary func-
11 tion of which is to support and augment local capability for
12 providing specialized, high-quality preventive, diagnostic,
13 and treatment services to outpatients and inpatients.

14 “(e) The term ‘nonprofit’ as applied to any institution
15 or agency means an institution or agency which is owned
16 and operated by one or more nonprofit corporations or asso-
17 ciations no part of the net earnings of which inures, or may
18 lawfully inure, to the benefit of any private shareholder or
19 individual.

20 “(f) The term ‘construction’ includes alteration, major
21 repair (to the extent permitted by regulations), remodeling,
22 replacement, and renovation of existing buildings (including
23 initial equipment thereof), and replacement of obsolete, built-

1 in (as determined in accordance with regulations) equipment
2 of existing buildings.

3 "GRANTS FOR PLANNING AND DEVELOPMENT

4 "SEC. 903. (a) The Surgeon General, upon the recom-
5 mendation of the National Advisory Council on Medical
6 Complexes established by section 905 (hereinafter in this
7 title referred to as the 'Council'), is authorized to make
8 grants to public or nonprofit private universities, medical
9 schools, research institutions, hospitals, and other public or
10 nonprofit private agencies and institutions, or associations
11 thereof, to assist them in planning the development of re-
12 gional medical complexes.

13 "(b) Grants under this section may be made only upon
14 application therefor approved by the Surgeon General. Any
15 such application may be approved only if it contains or is
16 supported by reasonable assurances that—

17 "(1) Federal funds paid pursuant to any such grant
18 will be used only for the purposes for which paid and in
19 accordance with the applicable provisions of this title
20 and the regulations thereunder;

21 "(2) the applicant will provide for such fiscal con-
22 trol and fund accounting procedures as are required by
23 the Surgeon General to assure proper disbursement of
24 and accounting for such Federal funds;

25 "(3) the applicant will make such reports, in such

1 form and containing such information as the Surgeon
2 General may from time to time reasonably require, and
3 will keep such records and afford such access thereto
4 as the Surgeon General may find necessary to assure the
5 correctness and verification of such reports; and

6 “(4) the applicant will designate an advisory
7 group, to advise the applicant (and the resulting re-
8 gional medical complex and its component units) in
9 formulating and carrying out the plan for the establish-
10 ment and operation of such regional medical complex,
11 which includes representatives of organizations, institu-
12 tions, and agencies concerned with activities of the kind
13 to be carried on by the complex and members of the
14 public familiar with the need for the services provided
15 by the complex.

16 “GRANTS FOR ESTABLISHMENT AND OPERATION OF
17 REGIONAL MEDICAL COMPLEXES

18 “SEC. 904. (a) The Surgeon General, upon the recom-
19 mendation of the Council, is authorized to make grants to
20 public or nonprofit private universities, medical schools, re-
21 search institutions, hospitals, and other public or nonprofit
22 private agencies and institutions, or associations thereof, to
23 assist in establishment and operation of regional medical
24 complexes, including construction and equipment of facilities
25 in connection therewith.

1 “(b) Grants under this section may be made only upon
2 application therefor approved by the Surgeon General. Any
3 such application may be approved only if it contains or is
4 supported by reasonable assurances that—

5 “(1) Federal funds paid pursuant to any such grant
6 (A) will be used only for the purposes for which paid
7 and in accordance with the applicable provisions of this
8 title and the regulations thereunder, and (B) will not
9 supplant funds that are otherwise available for establish-
10 ment or operation of the regional medical complex with
11 respect to which the grant is made;

12 “(2) the applicant will provide for such fiscal con-
13 trol and fund accounting procedures as are required by
14 the Surgeon General to assure proper disbursement of
15 and accounting for such Federal funds;

16 “(3) the applicant will make such reports, in such
17 form and containing such information as the Surgeon
18 General may from time to time reasonably require, and
19 will keep such records and afford such access thereto as
20 the Surgeon General may find necessary to assure the
21 correctness and verification of such reports;

22 “(4) the applicant has designated an advisory
23 group, described in paragraph (4) of section 903 (b),
24 to advise in carrying out the plan for the regional medi-
25 cal complex; and

1 “(5) any laborer or mechanic employed by any
2 contractor or subcontractor in the performance of work
3 on any construction aided by payments pursuant to any
4 grant under this section will be paid wages at rates not
5 less than those prevailing on similar construction in the
6 locality as determined by the Secretary of Labor in
7 accordance with the Davis-Bacon Act, as amended
8 (40 U.S.C. 276a—276a-5) ; and the Secretary of Labor
9 shall have, with respect to the labor standards specified
10 in this paragraph, the authority and functions set forth
11 in Reorganization Plan Numbered 14 of 1950 (15 F.R.
12 3176; 5 U.S.C. 133z-15) and section 2 of the Act of
13 June 13, 1934, as amended (40 U.S.C. 276c).

14 “NATIONAL ADVISORY COUNCIL ON MEDICAL COMPLEXES
15 “SEC. 905. (a) There is hereby established in the
16 Public Health Service a National Advisory Council on
17 Medical Complexes. The Council shall consist of the Sur-
18 geon General, who shall be the Chairman, and the Chief
19 Medical Director of the Veterans' Administration, ex officio,
20 and twelve members, not otherwise in the employ of the
21 United States, appointed by the Surgeon General, with the
22 approval of the Secretary and without regard to the civil
23 service laws, who are leaders in the fields of the funda-
24 mental sciences, the medical sciences, hospital administra-

1 tion, or public affairs. At least one of the appointed mem-
2 bers shall be outstanding in the study, diagnosis, or treatment
3 of heart disease, one shall be outstanding in the study,
4 diagnosis, or treatment of cancer, and one shall be outstand-
5 ing in the study, diagnosis, or treatment of stroke.

6 “(b) Each appointed member of the Council shall hold
7 office for a term of four years, except that any member ap-
8 pointed to fill a vacancy prior to the expiration of the term
9 for which his predecessor was appointed shall be appointed
10 for the remainder of such term, and except that the terms of
11 office of the members first taking office shall expire, as
12 designated by the Surgeon General at the time of appoint-
13 ment, four at the end of the first year, four at the end of
14 the second year, and four at the end of the third year after
15 the date of appointment. An appointed member shall not
16 be eligible to serve continuously for more than two terms.

17 “(c) Appointed members of the Council, while attend-
18 ing meetings or conferences thereof or otherwise serving on
19 business of the Council, shall be entitled to receive compen-
20 sation at rates fixed by the Secretary, but not exceeding
21 \$100 per day, including travel time, and while so serving
22 away from their homes or regular places of business they
23 may be allowed travel expenses, including per diem in lieu
24 of subsistence, as authorized by section 5 of the Administra-

1 tive Expenses Act of 1946 (5 U.S.C. 73b-2) for persons
2 in the Government service employed intermittently.

3 “(d) The Council shall advise and assist the Surgeon
4 General in the preparation of regulations for, and as to policy
5 matters arising with respect to, the administration of this
6 title. The Council shall consider all applications for grants
7 under this title and shall make recommendations to the Sur-
8 geon General with respect to approval of applications for
9 and the amounts of grants under this title; and such recom-
10 mendations shall also be transmitted to any advisory council
11 or committee, established by or pursuant to this Act, which
12 the Surgeon General deems appropriate.

13 “REGULATIONS

14 “SEC. 906. The Surgeon General, after consultation
15 with the Council, shall prescribe general regulations cover-
16 ing the terms and conditions for approving applications for
17 grants under this title and the coordination of programs
18 assisted under this title with programs for training, research,
19 and demonstrations relating to the same diseases assisted
20 or authorized under other titles of this Act or other Acts of
21 Congress.

22 “REPORT

23 “SEC. 907. On or before June 30, 1967, the Surgeon
24 General, after consultation with the Council, shall submit

1 to the Secretary for transmission to the President and then
2 to the Congress, a report of the activities under this title
3 together with (1) a statement of the relationship between
4 Federal financing and financing from other sources of the ac-
5 tivities undertaken pursuant to this title, (2) an appraisal of
6 the activities assisted under this title in the light of their effec-
7 tiveness in carrying out the purposes of this title, and (3)
8 recommendations with respect to extension or modification
9 of this title in the light thereof."

10 SEC. 3. (a) Section 1 of the Public Health Service Act
11 is amended to read as follows:

12 "SECTION 1. Titles I to IX, inclusive, of this Act may
13 be cited as the 'Public Health Service Act'."

14 (b) The Act of July 1, 1944 (58 Stat. 682), as
15 amended, is further amended by renumbering title IX (as in
16 effect prior to the enactment of this Act) as title X, and by
17 renumbering sections 901 through 914 (as in effect prior to
18 the enactment of this Act), and references thereto, as
19 sections 1001 through 1014, respectively.

Passed the Senate June 28 (legislative day, June 25),
1965.

Attest:

FELTON M. JOHNSTON,

Secretary.

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