



E000685

"The Health Services Improvement Act of 1970"

Section 1. Omnibus Title IX.

Title IX of the PHS Act is amended to read:

"Section 901. Purpose

The Congress declares that fulfillment of our national purpose depends on promoting and assuring the highest level of health attainable for every person, in an environment which contributes positively to healthful family and individual living; that attainment of this goal depends on an effective partnership among those who provide health and medical care and services, government at all levels, and the public; that Federal assistance must be directed to support cooperative efforts aimed at the organization and development of improved systems for the delivery of health care and services of high quality for every person; that the leadership and capacities of those involved in these cooperative efforts must be strengthened; and that support of community health services should be continued and strengthened; and that these ends should be accomplished through the support and encouragement of evolving, innovative patterns and forms of providing preventive, diagnostic, therapeutic, and rehabilitative services.

Section 902. Authorization of Appropriation

The Secretary is hereby authorized to make grants and provide other assistance to public or private agencies, institutions and organizations for the support of cooperative planning and experimentation related to organizing and developing health care systems, including planning for the manpower, services, and facilities necessary thereto; for consultation and technical assistance (including the interchange of personnel); for research and development, training, and demonstrations, including demonstrations of patient care, which are directly related to the purposes of this title; to promote effective combination or coordination of public and private methods and systems for the delivery of health services at regional, State, and local levels, including the integration of regional medical programs and comprehensive health planning activities authorized under this title (and including the encouragement of common geographic boundaries). There are hereby authorized to be appropriated for the fiscal years ending June 30, 1971, and each of the two succeeding fiscal years such sums as may be necessary for (a) Sec. 906, (b) Sec. 907, and (c) for carrying out the remaining purposes of this title. Sums appropriated under this section for any fiscal year shall remain available for making such grants until the end of the fiscal year following the fiscal year from which the appropriation is made. Up to one percent of such sums as are appropriated may be used by the Secretary for evaluation (either directly or by grants or contracts).

Section 903. National Advisory Council on the Organization and Delivery of Health Services

(a) The Secretary may appoint, without regard to the civil service laws, a National Advisory Council on the Organization and Delivery of Health Services. The Council shall consist of 25 members, including the Chairman and 24 members not otherwise in the full-time employ of the United States, who are leaders in the fields of the fundamental sciences, the medical sciences, the organization, delivery and financing of health care, consumer affairs, or public and community affairs. At least three of the members shall be practicing physicians; at least three shall be outstanding in the study, diagnosis, or treatment of disease; at least three shall be state or local health officials; at least three shall be experts in the financing of health care; and at least eight shall be members who are active in consumer or public and community affairs. The Secretary may appoint additional liaison members as he determines to be appropriate.

(b) (no change) as on p. 223, Sec. 905(b) of compilation 91st Congress.

(c) Appointed members of the Council, while attending meetings or conferences thereof or otherwise serving on business of the Council, shall be entitled to receive compensation and other reimbursement for expenses at rates fixed by regulation of the Secretary.

(d) The Council shall advise and assist the Secretary in the preparation of regulations for, and as to policy matters arising with respect to the administration of programs under this title. The Council shall consider and make recommendations to the Secretary on the approval of applications for grants and other assistance under Section 906, Section 907 (b) and (c), and Section 908.

4.

Section 904. Annual Report

On or before January 1 following the close of the previous fiscal year, the Secretary, after consultation with the Council, shall submit to the President and then to the Congress a report of the activities under this title together with (1) an evaluation of the effectiveness of these activities in carrying out the purposes of this title, (2) a statement of the relationship between Federal financing and financing from other sources of the activities undertaken pursuant to this title, including efforts by the grantees to develop alternate sources of financing after an initial period of support, and (3) recommendations with respect to consolidation of programs, or other modifications of this title.

Section 905. Regulations

The Secretary, after consultation with the Council, shall prescribe regulations covering the terms and conditions for approving applications for grants under this title and may prescribe methods for the coordination of programs assisted under this title, or other titles of this act or other acts of Congress.

Section 906. Regional Medical Programs

(a) Grants for Planning

(1) The Secretary, upon the recommendation of the National Advisory Council established by Section 3 (hereafter referred to in this title as the "Council") is authorized to make grants to public or nonprofit

private universities, medical schools, research institutions, and other public or nonprofit private agencies and institutions, and combinations thereof, to assist them in planning the development of regional medical programs.

(2) Grants under this section may be made only upon application therefor approved by the Secretary. Any such application may be approved only if it contains or is supported by --

(A) reasonable assurances that Federal funds paid pursuant to any such grant will be used only for the purposes for which paid and in accordance with the applicable provisions of this title and the regulations thereunder;

(B) reasonable assurances that the applicant will provide for such fiscal control and fund accounting procedures as are required by the Secretary to assure proper disbursement of and accounting for such Federal funds;

(C) reasonable assurances that the applicant will make such reports, in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

(D) a satisfactory showing that the applicant has designated an advisory group, to advise the applicant (and the institutions and the agencies participating in the resulting regional medical program) in formulating and carrying out

the plan for the establishment and operation of such regional medical program, which advisory group includes practicing physicians, medical center officials, hospital administrators, representatives from appropriate medical societies, voluntary health agencies, representatives of other organizations, institutions, and agencies concerned with activities of the kind to be carried on under the program, and representatives of the public and of official health and health planning agencies.

(E) Evidence that the application has been referred to the State and areawide health planning agencies (if there is an areawide health planning agency) for review and comment on the consistency of the application with the planning of these agencies.

(b) Grants for Establishment and Operation of Regional Medical Prog

(1) The Secretary, upon the recommendation of the Council, is authorized to make grants, including grants in kind, to public or nonprofit private universities, medical schools, research institutions, and other public or nonprofit private agencies and institutions, and combinations thereof, to assist in the establishment and operation of regional medical programs, including construction and equipment of facilities in connection therewith.

(2) Grants under this section may be made only upon application there approved by the Secretary. Any such application may be approved only if it is recommended by the advisory group described in Section 906 (a

(2) (D) and contains or is supported by reasonable assurances that--

- (A) Federal funds paid pursuant to any such grant (i) will be used only for the purposes for which paid and in accordance with the applicable provisions of this title and the regulations thereunder, and (ii) will not supplant funds that are otherwise available for establishment or operation of the regional medical program with respect to which the grant is made;
- (B) The applicant will seek other sources of financing for projects under this title, after a period of initial support which the Secretary by regulation determines to be appropriate.
- (C) Applications for establishment and operation of regional medical programs and for services and facilities covered by such applications have, where appropriate, been referred to the areawide health planning agency, if one exists, and to the State health planning agency, for their review and comment as to whether the grant application is consistent with the planning of these agencies.
- (D) The applicant will provide for such fiscal control and fund accounting procedures as are required by the Secretary to assure proper disbursement of and accounting for such Federal funds;
- (E) The applicant will make such reports, in such form and containing such information as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary.

to assure the correctness and verification of such reports; and

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

(c) Definitions

(1) The phrase "regional medical program" means a cooperative arrangement among a group of public or nonprofit private institutions or agencies engaged in some combination of the following activities: planning, research, development, training, and demonstrations of patient care, including preventive, diagnostic, therapeutic, and rehabilitative measures, and methods of patient care; but only if such group--

(A) Is situated within a geographic area, composed of any part or parts of any one or more States (which for purposes of this title includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific

Islands), which the Secretary determines, in accordance with regulations, to be appropriate in carrying out the purposes of this title;

(B) Consists of one or more medical centers, one or more clinical research centers, and one or more hospitals; and

(C) Has in effect cooperative arrangements among its component units which the Secretary finds will be adequate for effectively carrying out the purposes of this title.

(2) The term "medical center" means a medical school or other medical institution involved in post-graduate medical training and one or more hospitals affiliated therewith for teaching, research, and demonstration purposes.

(3) The term "clinical research center" means an institution (or part of an institution) the primary function of which is research, training of specialists, and demonstrations and which, in connection therewith, provides specialized, high-quality diagnostic and treatment services for inpatients and outpatients.

(4) The term "hospital" means a hospital as defined in Section 625 (c) or other health facility in which local capability for diagnosis and treatment is supported and augmented by the program established under this title.

(5) The term "nonprofit" as applied to any institution or agency means an institution or agency which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(6) The term "construction" includes alteration, major repair (to the extent permitted by regulations), remodeling and renovation of existing.

buildings (including initial equipment thereof), and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings.

(7) The term "grants in kind" means that the Secretary may, at the request of any recipient of a grant under this section, may reduce the payments to such recipient by the fair market value of any equipment or supplies furnished to such recipient and by the amount of the pay, allowances, traveling expenses, and any other costs in connection with the detail of an officer or employee to the recipient when such furnishing or such detail, as the case may be, is for the convenience of and at the request of such recipient and for the purpose of carrying out the plan or the project with respect to which the grant under this section is made. The amount by which such payments are so reduced shall be available for payment of such costs (including the costs of such equipment and supplies) by the Secretary.

(d) Facilities. *is authorized in kind directly or through contractor* The Secretary shall establish, and maintain on a current basis, list or lists of facilities in the United States equipped and staffed to provide advanced methods and techniques in the prevention, diagnosis, treatment, and rehabilitation of disease, including trends in equipment, staff, and service and the distribution and proportions of various types of such facilities in the United States, together with (here add material in brackets at top of p.224 of compilation)

(e) Records and Audit

(here add Section 909, RMP; p.224 compilation, with no change except that the (a) and (b) should be changed to (1) and (2)

(f) Project Grants for Multiprogram Services and Contracts
for Clinical and Field Studies

(1) - Funds appropriated under this title shall also be available for grants to any public or nonprofit private agency or institution for services needed by, or which will be of substantial use to, any two or more regional medical programs.

(2) Funds appropriated under this title shall also be available for contracts with public or private agencies for the conduct of cooperative clinical and field studies and demonstrations.

Section 907. Comprehensive Health Planning and Services

(Delete Section 314 of the PHS Act)

Enter here Section 314(a), except that

1. 314 (a) (1) should be eliminated
2. "Surgeon General" eliminated and "Secretary" substituted therefore.
3. delete Section 314 (a) (2) (1)
4. amend 314 (a) (2) (B) to read as follows:

"provide for the establishment of a State health planning council which shall include representatives of State and local public, voluntary, and non-profit private agencies and organizations concerned with health and the financing the health services, including representatives of the Regional Medical Program(s) and of consumers of health services. A majority of the membership of such council shall consist of representatives of consumers of health services, including representatives of the poor and minority groups in appropriate numbers, as determined by regulation by the Secretary."
5. Change the numbering and lettering, as follows:

314 (a) (2) shall be Section 907(a) (1)
 314 (a) (2) (A) through (K) should not be changed.
 Since (I) is eliminated, (J) and (K) should be (I) and (J)

314(a) (3) and 314(a) (4) become Section 907(a) (2) and 907(a) (3).

Section 907(b). Project Grants for Areawide Health Planning

(1) The Secretary is authorized to make project grants to public or nonprofit private agencies or organizations for up to 75 percent of the costs of projects for areawide health planning, including planning for the manpower, services, and facilities necessary thereto. Such grants may not be awarded to a State health planning agency, authorized under Section 907(a) of this Act, except with the approval by the Secretary of an application by the State agency to plan for areas not served by an areawide planning agency:

(2) Grants under this sub-section may be made only upon approval by the Secretary of an application therefor and a satisfactory showing that --

(A) The State agency administering or supervising the administration of the State plan approved under sub-section (a) has approved the application;

(B) Areawide agencies have provided for the establishment of an areawide health planning council, which shall include representatives of public, voluntary, and non-profit private agencies, institutions, and

organizations concerned with health, including representatives of the interests of local government, of the Regional Medical Program(s), and of consumers of health services. A majority of the membership of such council shall consist of representatives of consumers of health services, including representatives of the poor and minority groups in appropriate numbers as determined by regulation by the Secretary.

- (C) The areawide health planning agency has made provision for assisting health care facilities in its area to develop a program for capital expenditures for replacement, modernization, and expansion which is consistent with an overall State plan which will meet the needs of the State and the area for health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner.

Section 907(c) Project Grants for Training, Studies, and Demonstrations

The Secretary is also authorized to make grants or contracts to any public or private agency, institution, or other organization or to an individual to cover all or any part of the cost of

projects for training, studies, or demonstrations looking toward the development of improved or more effective health planning throughout the Nation.

Section 907(d)... Grants for Comprehensive Public Health Services

(1) The Secretary is authorized to make grants to State health or mental health authorities to assist the States in establishing and maintaining adequate public health services, including the training of personnel for State and local health work. Sums so appropriated shall be available for making payments to States which have submitted, and had approved by the Secretary, State plans for provision of public health services.

(2) In order to be approved under this sub-section, a State plan for provision of public health services must --

(A) (same as (2) (A) on p.46, compilation)

(B) (same as (2) (B) on p.46 compilation)

(C) must show the relationship between that plan and the total health program of the State;

(D) (same as (2) (C) on p.46, compilation)

(E) (same as (2) (D) on p.46, compilation, with the following additions:

except that the Secretary may prescribe by regulation methods:

certification by the Governor of the readiness of the State agency

authorized under subsection (a) to review and approve such plan

(F) through (K) are same as (E) through (J) on pp.46-47,

compilation.

(3) State Allotments -- From the sums appropriated to carry out the provisions of this sub-section the several States shall be entitled for each fiscal year to allotments determined, in accordance with regulations, on the basis of the population and financial need of the respective States.

(the remainder is same throughout rest of current Sec. 314(d))

907(e) Project Grants for Health Services Development

The Secretary is authorized to make grants to any public or non-profit private agency, institution, or organization to cover part of the cost of (1) providing services (including related training) to meet health needs of limited geographic scope or of specialized regional or national significance, or (2) developing and supporting for an initial period new programs of health services (including related training.) Such grants may be made pursuant to clause (1) or (2) of the preceding sentence with respect to projects involving the furnishing of public health services only if such proposals have been *referred for review & comment to* ~~made available to~~ the appropriate areawide health planning agency or agencies or, if there is no such agency in the area, then such other public or non-profit private agency or organization (if any) which performs similar functions as determined in accordance with regulations.

907. (f) Interchange of Personnel with States

(1) The Secretary is authorized, through agreements or otherwise, to arrange for assignment of officers and employees in the Department engaged in work related to health, for work which the Secretary determines will aid the Department in more effective discharge of its responsibilities in the field of health as authorized by law, including cooperation with States, and the provision of technical or other assistance determined by the Secretary in accordance with regulations, to be in the mutual interest of the States and the Federal Government in carrying out the purposes of this title.

(2) For the purposes of this sub-section, the term "State" means a State or a political subdivision of a State, or any agency of either of the foregoing engaged in any activities related to health or designated or established pursuant to subparagraph (A) of paragraph (2) of subsection (a).

907.(g) General

(exactly the same as on pp. 53-54 of compilation)

Section 908. Health Services Research and Development

(Section 304 of the Public Health Service Act is deleted.)

The Secretary is authorized to make grants and contracts to support experiments, research, development, demonstrations and training related to the organization, financing, and delivery of health services, and of the facilities related to such services, including such things as:

(Then insert Sections 304(b) and (c) as in compilation, p. 33)

Section 909. Pursuant to regulations prescribed by the Secretary, where funds are advanced for a single project by more than one Federal agency to an agency or organization assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose."

in Statistics

Section 2. Health Information System Development

1. Amend Section 305(a) to change the reference to Surgeon General to Secretary
2. Amend Section 305(a) by adding new (F), (G), and (H), as follows:
 "(F) health care resources, (G) environmental and social health hazards, and (H) family formation, growth, and dissolution;"
3. Section 305 is amended to add an assurance of confidentiality for certain records containing information of a personal and privileged nature and identifiable as to source.
4. Add a new Section 305(b) which should read as follows:
 "The Secretary is authorized to undertake directly, or by grant or contract, research and development, ^{in demonstration, and related} relating to the design and implementation of a ^{cooperative} health information ^{and statistics} system which provides comparable health data at the Federal, State, and local levels."
5. Present Section 305(b) through (d) should be renumbered (c) through (e).