



E000921

HEALTH MANPOWER ACT OF 1974
As Passed In The House, December 12, 1974

HIGHLIGHT SUMMARY

Except as otherwise indicated, extensions are for three years, through FY 1977.

TITLE I - GENERAL PROVISIONS

Research Facilities

Authorities repealed except to preserve recapture provisions.

Guidelines for Training of Physician Assistants, etc.

Secretary required to prescribe guidelines to be met by training programs for physician assistants, nurse practitioners, and expanded duty dental auxiliaries, by March 1, 1975, after consultation with professional organizations. Guidelines must require minimum course of study of one academic year and minimum enrollment of 25 students.

National Advisory Council on Health Professions Education

Groups to be represented on Council spelled out in greater detail than in existing law.

Records and Audits

Each grant or contract recipient to keep such records as Secretary may prescribe, and provide for annual audit of records or books. Scholarship and traineeship recipients exempted.

*Delegation

The Secretary may delegate the authority to administer any program authorized by this title to the administrator of a central or regional office or offices in the Department of Health, Education, and Welfare, except that the authority (1) to review, and prepare comments on the merit of, any application for a grant or contract under any program authorized by this title for purposes of presenting such application to the National Advisory Council on Health Professions Education, or (2) to make such grant or enter into such a contract, shall not be further delegated to any officer in any regional office or offices.

TITLE II - ASSISTANCE FOR CONSTRUCTION

Construction Grants

Authority extended. Conditions for grants essentially the same, except that single maximum Federal share of 80% of costs would replace existing different maximums for different types of projects. In considering applications for grants for teaching facilities for training of physicians, Secretary to give special consideration to projects in States having no such facilities. Such projects to be entitled to 80% matching unless Secretary determines grant for such portion of costs not needed.

Construction Loans and Interest Subsidies

Authorities extended. Loan guarantee provision amended to allow Federal government to pay 100% of defaults on principal and interest.

TITLE III - STUDENT ASSISTANCE

Student Loans

Authority extended. Eligibility broadened to include students at schools of public health. Maximum loan raised to cost of tuition plus \$2,500 per academic year. Interest rate raised to 7 percent. Provision for loan repayment for service in shortage areas made retroactive for NHS Corps members, officers in PHS Commissioned Corps, or civilian employees of PHS. Student loan revolving fund repealed except to allow honoring of existing obligations.

Loans to U.S. Students in Foreign Medical Schools

Authority repealed.

Scholarships (HPHA)

Existing health professions scholarship program and Physician Shortage Area Scholarship program to be phased out.

Physician Shortage Area Scholarships

Existing program to be phased out.

Scholarships to U.S. Students in Foreign Medical Schools

Authority repealed.

Traineeships to Students in Schools of Public Health

Provides separate authority for traineeships for students in schools of public health. (For traineeships to students in institutions other than schools of public health, see title VI below.)

National Health Service Corps

Authority extended and amended. Appropriation authorizations of \$25 million for FY 1975, \$36 million for FY 1976, and \$45 million for FY 1977.

National Health Service Corps Scholarships

Authority extended and amended. Eligibility for scholarships to include MD and nursing students and, if needed by Corps or other unit of PHS, students in schools of podiatry, optometry, pharmacy, or public health, graduate programs in health administration, and other health-related specialties as determined by Secretary. May include physician assistant, expanded function dental auxiliary, or nurse practitioner students. Recipients obligated to serve not less than 1 year for every year of training or 2 years. Service to be performed in NHS Corps or Indian Health Service, specified other Federal service, other medical facility designated by Secretary as having priority need for health personnel, or other DHEW service, in that order; or, alternatively, service may be performed in private practice of profession in an area in which is located a medically underserved population designated under Sec. 329(b). Individuals failing to complete service obligations liable to repay twice the amount paid to or on behalf of him under the scholarship program, plus interest, within 3 years. Appropriations authorizations of \$80 million for FY 1976 and \$120 million for FY 1977 (FY 1975 authorization of \$40 million enacted in P.L. 93-385).

TITLE IV - GRANTS FOR HEALTH PROFESSIONS SCHOOLS

Capitation

Payments authorized for schools of MODVOPP and public health based on full-time enrollment only. Includes capitation for PA and expanded function dental auxiliary students (not nurse practitioner students). Separate appropriation authorizations for MOD, PA's and expanded function dental auxiliaries, PH, V, and OPP. In addition, "such sums as necessary" authorized to be appropriated in FYs 75-77 for continuation of grants based on "enrollment bonus students" so designated prior to June 30, 1974.

Amount of Capitation

- MOD - \$2,100 per full-time student
650 per full-time physician assistant or
expanded function dental auxiliary student
- *MOD - \$2,000 per full-time student in FY 77
- PH - 1,500 per full-time student
- V - 1,500 per full-time student
- O - 700 per full-time student
- Ph - 700 per full-time student (in last 4 years,
if program longer than 4 years)
- *Po - 1,500 per full-time student

Eligibility for Capitation Grants

All schools required to maintain first-year enrollment of the previous year and maintain non-Federal expenditures at level at least as great as amount in preceding fiscal year (formerly average of last three years).

All schools must give assurance that in year following award of grant and in each year thereafter in which grant is received, school will enter into legally enforceable agreement with each student enrolled under which student agrees to repay, following graduation, the amount of capitation paid on his behalf, in a number of annual installments equal to number of years of capitation support given. However, no installment payable if individual is serving (i) as a member of the NHS Corps in area which is located a medically underserved population, (ii) as a member of the Indian Health Service, or (iii) in accordance with an agreement to fulfill NHS Corps Scholarship service obligation through private practice in an area in which is located a medically underserved population.

*Capitation requirements to take effect in academic year 1976-1977.

Medical, osteopathic, and dental schools would be required also to (a) expand first-year enrollment over 1973-74 base year or offer a program for the training of physician assistants or expanded function dental auxiliaries and (b) effective for FY 1976 grants, have an approved AHEC-type plan to train students (including PA and EFDA students) in part in areas geographically remote from main campus. Waiver of enrollment increase requirement authorized if compliance impossible without lowering quality of education.

Schools of public health would be required also to expand first-year enrollment over 1973-74 base year. Waiver authorized as for MOD schools.

Schools of veterinary medicine would be required also to expand first-year enrollment over 1973-74 base year or enroll at least 20% of students from States without accredited school. No waiver provision.

Schools of optometry would be required also to expand first-year enrollment over 1973-74 base year. Waiver authorized as for MOD schools.

Schools of pharmacy would be required also to expand first-year enrollment improvement, or operation of at least two of three types of pharmacy teaching programs. No waiver provision.

Schools of podiatry would be required also to expand first-year enrollment over 1973-74 base year or enroll at least 40% of students from States without accredited school. No waiver provision.

Special Projects

Existing broad authority replaced by limited authority for aid to disadvantaged students (See under Title V below).

Start-up and Conversion Grants

Authorities extended and amended to make schools of veterinary medicine, optometry, pharmacy, podiatry, and public health eligible for start-up grants (now only MOD schools eligible).

Financial Distress Grants

Authority extended and amended to add schools of public health to list of eligible schools.

Standard Recording and Reporting of Financial Information

All schools receiving capitation, start-up, or financial distress grants to be required to use standard procedures for recording and reporting financial information, to enable Secretary to determine costs of education.

Emergency Medical Services Training (existing Sec. 776)

Authority extended for three years at \$7 million per year authorization level.

TITLE V - SPECIAL PROJECT GRANTS AND CONTRACTS

Training in Family Medicine and General Practice of Dentistry

Family medicine training authority (existing Sec. 767) extended and amended to add authority for grants to dental schools or accredited postgraduate dental training institutions for residency programs in general practice of dentistry.

*Also grants to MO schools to establish and maintain academic instruction units in family medicine authorized at \$10, \$15, and \$20 million for FY 75-77.

Aid to Disadvantaged Students

Authorizes grants and contracts to health professions schools and other public or private nonprofit health or educational entities to assist students from disadvantaged backgrounds. No specific authority for stipends to students. To qualify for assistance, schools required to enroll in first-year class a number of students from disadvantaged backgrounds at least equal to the lesser of (a) 5% of preceding year's first-year students or (b) ten.

*Authorization level increased to \$40 million per year, FY 75-77.

Area Health Education Centers

Existing Section 774(a) HMEIA authority substantially amended to (1) provide aid for AHEC projects only, (2) limit eligibility to educational entities in which at least three degree or diploma granting health professions education programs (of which one is a medical or osteopathic school) agree to affiliate, (3) modify the purposes of the authority, adding a new purpose related to health education of the public, (4) require applicants to accomplish each (rather than one or more) of the listed purposes, and (5) spell out a detailed list of requirements for projects, covering such matters as designation of geographic boundaries, listing of manpower needs, minimum amounts of training to be provided in centers, faculty, types of training to be provided, and coordination with related programs, among others. Secretary required to assess program of grants under their authority and submit a report to Congress on the assessment by January 1, 1977.

(Note: Existing Section 774(b) authority replaced by authority for special projects to aid disadvantaged students, described above.)

Project Grants and Contracts for OPP Schools

Separate authority would be provided for grants and contracts to schools of optometry, pharmacy, and podiatry providing for closer association of OPP and other health professions training, and, in the case of pharmacy, projects to expand or improve specific types of pharmacy teaching programs.

*Also added two additional purposes for which schools of optometry could receive special project grants and contracts:

1. planning, developing, and operating residency training programs in special optometric services or in meeting the optometric needs of special populations, or
2. planning, developing, and operating educational programs which provide training in the early detection and diagnosis of health problems which are accompanied by visual or ocular symptoms.

Postgraduate Training of Physicians and Dentists (existing Sec. 768)
Authority (never funded since enactment of 1971) repealed.

Health Professions Teacher Training (existing Sec. 769)
Authority (not funded since FY 73) repealed.

*Computer Technology Health Care Demonstrations (existing Sec. 769A)
Authority extended for three years at \$3 million per year authorization level.

*Training of U.S. Graduates of Foreign Medical Schools
Authority to make grants to allow U.S. graduates of foreign medical schools to enter U.S. schools with advanced standing. Authorizations of \$2 million, \$3 million, and \$4 million, FY 75-77.

TITLE VI - PUBLIC AND ALLIED HEALTH PERSONNEL

Public Health Training

Secs. 306 (public health traineeships) and 309 (public health training project grants and formula-type grants to schools of public health) repealed, and replaced as follows:

- Schools of public health to be eligible for capitation payments (See above.)
- Students in schools of public health to be eligible for health professions student loans. (See "Student Loans" above.)
- Traineeship grants authorized for schools of public health (See "STUDENT ASSISTANCE" above) and, separately, for graduate programs in health administration, hospital administration, or health planning (proposed new Sec. 792).
- Schools of public health to be eligible for start-up and financial distress grants. (See above.)
- Accredited graduate programs in health administration, hospital administration, or health planning (other than those in schools of public health) to be entitled to institutional grants (proposed new Sec. 791).

Secretary required, in coordination with the National Center for Health Statistics, to collect and disseminate statistics and other information respecting public and community health personnel. Annual reports to be submitted to Congress by Secretary, with legislative recommendations as needed.

"Public and community health personnel" defined in bill (formerly no statutory definition).

Allied Health Training

Existing authorities for special project grants and contracts, advanced traineeship and grants and contracts to encourage full utilization of educational talent for allied health personnel training extended with relatively minor changes.

*Added an amendment to make clear that two-year schools could qualify for allied health special project aid.

Secretary required, in coordination with the National Center for Health Statistics, to collect and disseminate statistics and other information on allied health personnel, and to report annually to Congress.

"Allied health personnel" defined in bill (formerly no statutory definition).

Medical Residency Training Programs

Bill would establish a system for national control of the number of first-year positions in any accredited medical residency training program which may be made available in calendar year 1978 or thereafter, with the aggregate number in any year not to exceed 125% of medical school graduates in preceding calendar year. An entity in charge for services any amount based on compensation paid to a physician in an "unapproved" residency position would be subject to a civil penalty of \$5,000 for each such charge. No grant or contract under the PHS Act could be paid to any entity operating an unaccredited training program or operating a program with an excess number of positions.

For the purpose of accrediting programs, Secretary would be required to designate or establish a residency training program accrediting agency. The Liaison Committee for Graduate Medical Education of the Coordinating Council for Medical Education, if it met requirements, would be the designated agency. If neither the Liaison Committee nor any other entity met requirements for designation by January 1, 1976, the Secretary would establish his own accrediting agency.

For the purpose of establishing the number of positions in each residency training program, Secretary would be required to designate or establish an agency to carry out this function, with an application from the Coordinating Council on Medical Education to have first preference. In assigning positions, this agency would be required to (1) take into consideration the report findings of the Study of the Distribution of Physicians required by this bill (see below), (2) insure that positions were equitably distributed geographically, (3) afford special consideration to positions in AHEC programs, and (4) afford particular attention to the need for residency training programs in the primary care specialties of general internal medicine, general pediatrics, and family medicine.

*Obstetrics and Gynecology added to the list of "primary care specialties" to receive particular attention in the determination of positions to be allowed in each accredited residency program.

*Indicates amendments at full Committee level.

TITLE VIII - MISCELLANEOUS

Study of Distribution of Physicians

Secretary required within 90 days to contract for the conduct of a \$10 million study to analyze distribution of physicians by specialty and subspecialty by geographic area, project expected distributions, and develop methodology and project optimal numbers for the years 1980, 1985, and 1990. Type of organization to be selected as the contractor described in some detail in bill. Final report on study to be completed by October 31, 1976. No specific appropriation authorization.

Allied Health Training Quality Assurances

Secretary required to report to Congress in one year on any HEW programs directly or indirectly paying the costs of allied health personnel training and to take such action as may be required to provide assistance only to those programs meeting quality standards prescribed by Secretary.

Allied Health Personnel Study

Secretary required to arrange for two-year study to identify types of allied health, determine costs of training, and identify shortages of allied health personnel. Study to be conducted by National Academy of Sciences or, if NAS is unwilling, by another appropriate nonprofit private group. No specific appropriation authorization.