

**AMENDMENT IN THE NATURE OF A SUBSTITUTE  
TO H.R. 1343  
OFFERED BY MR. PALLONE OF NEW JERSEY**

Strike all after the enacting clause and insert the following:

**1 SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Health Centers Re-  
3 newal Act of 2008”.

**4 SEC. 2. FINDINGS.**

5 The Congress finds as follows:

6 (1) Community, migrant, public housing, and  
7 homeless health centers are vital to thousands of  
8 communities across the United States.

9 (2) There are more than 1,000 such health cen-  
10 ters serving nearly 16,000,000 people at over 5,000  
11 health delivery sites, located in all 50 States of the  
12 United States, the District of Columbia, and Puerto  
13 Rico, Guam, the Virgin Islands, and other territories  
14 of the United States.

15 (3) Health centers provide cost-effective, high-  
16 quality health care to poor and medically under-  
17 served people in the States, the District of Colum-  
18 bia, and the territories, including the working poor,

1 the uninsured, and many high-risk and vulnerable  
2 populations, and have done so for over 40 years.

3 (4) Health centers provide care to 1 of every 8  
4 uninsured Americans, 1 of every 4 Americans in  
5 poverty, and 1 of every 9 rural Americans.

6 (5) Health centers provide primary and preven-  
7 tive care services to more than 700,000 homeless  
8 persons and more than 725,000 farm workers in the  
9 United States.

10 (6) Health centers are community-oriented and  
11 patient-focused and tailor their services to fit the  
12 special needs and priorities of local communities,  
13 working together with schools, businesses, churches,  
14 community organizations, foundations, and State  
15 and local governments.

16 (7) Health centers are built through community  
17 initiative.

18 (8) Health centers encourage citizen participa-  
19 tion and provide jobs for 50,000 community resi-  
20 dents.

21 (9) Health centers make health care responsive  
22 and cost-effective through aggressive outreach, pa-  
23 tient education, translation, and other enabling sup-  
24 port services.

1           (10) Health centers help reduce health dispari-  
2           ties, meet escalating health care needs, and provide  
3           a vital safety net in the health care delivery system  
4           of the United States.

5           (11) Health centers increase the use of preven-  
6           tive health services, including immunizations, pap  
7           smears, mammograms, and HBA1c tests for diabetes  
8           screenings.

9           (12) Expert studies have demonstrated the im-  
10          pact that these community-owned and patient-con-  
11          trolled primary care delivery systems have achieved  
12          both in the reduction of traditional access barriers  
13          and the elimination of health disparities among their  
14          patients.

15          (13) Congress established the health centers  
16          program as a unique public-private partnership, and  
17          has continued to provide direct funding to commu-  
18          nity organizations for the development and operation  
19          of health centers systems that address pressing local  
20          health needs and meet national performance stand-  
21          ards.

22          (14) Federal grants assist participating commu-  
23          nities in finding partners and recruiting doctors and  
24          other health professionals.

1           (15) Federal grants constitute, on average, 24  
2           percent of the annual budget of such health centers,  
3           with the remainder provided by State and local gov-  
4           ernments, Medicare, Medicaid, private contributions,  
5           private insurance, and patient fees.

6           (16) Reauthorizing the health centers program  
7           for 5 years will strengthen and expand health cen-  
8           ters in order to put them on a path to become the  
9           health care home for nearly 30 million patients  
10          served by the year 2015, creating further systemic  
11          savings and a healthier Nation.

12 **SEC. 3. ADDITIONAL AUTHORIZATIONS OF APPROPRIA-**  
13 **TIONS FOR HEALTH CENTERS PROGRAM.**

14          Section 330(r)(1) of the Public Health Service Act  
15          (42 U.S.C. 254b(r)(1)) is amended to read as follows:

16               “(1) IN GENERAL.—For the purpose of car-  
17               rying out this section, in addition to the amounts  
18               authorized to be appropriated under subsection (d),  
19               there are authorized to be appropriated—

20                       “(A) for fiscal year 2008, \$2,213,020,000;

21                       “(B) for fiscal year 2009, \$2,451,394,400;

22                       “(C) for fiscal year 2010, \$2,757,818,700;

23                       “(D) for fiscal year 2011, \$3,116,335,131;

24                       and

1                   “(E) for fiscal year 2012,  
2                   \$3,537,040,374.”.

3 **SEC. 4. LIABILITY PROTECTIONS FOR HEALTH CENTER**  
4 **VOLUNTEER PRACTITIONERS.**

5           (a) IN GENERAL.—Section 224 of the Public Health  
6 Service Act (42 U.S.C. 233) is amended—

7           (1) in subsection (g)(1)(A)—

8                   (A) in the first sentence, by striking “or  
9                   employee” and inserting “employee, or (subject  
10                   to subsection (k)(4)) volunteer practitioner”;  
11                   and

12                   (B) in the second sentence, by inserting  
13                   “and subsection (k)(4)” after “subject to para-  
14                   graph (5)”; and

15           (2) in each of subsections (g), (i), (j), (k), (l),  
16           and (m)—

17                   (A) by striking the term “employee, or  
18                   contractor” each place such term appears and  
19                   inserting “employee, volunteer practitioner, or  
20                   contractor”;

21                   (B) by striking the term “employee, and  
22                   contractor” each place such term appears and  
23                   inserting “employee, volunteer practitioner, and  
24                   contractor”;

1 (C) by striking the term “employee, or any  
2 contractor” each place such term appears and  
3 inserting “employee, volunteer practitioner, or  
4 contractor”; and

5 (D) by striking the term “employees, or  
6 contractors” each place such term appears and  
7 inserting “employees, volunteer practitioners, or  
8 contractors”.

9 (b) **APPLICABILITY; DEFINITION.**—Section 224(k) of  
10 the Public Health Service Act (42 U.S.C. 233(k)) is  
11 amended by adding at the end the following paragraph:

12 “(4)(A) Subsections (g) through (m) apply with  
13 respect to volunteer practitioners beginning with the  
14 first fiscal year for which an appropriations Act pro-  
15 vides that amounts in the fund under paragraph (2)  
16 are available with respect to such practitioners.

17 “(B) For purposes of subsections (g) through  
18 (m), the term ‘volunteer practitioner’ means a prac-  
19 titioner who, with respect to an entity described in  
20 subsection (g)(4), meets the following conditions:

21 “(i) The practitioner is a licensed physi-  
22 cian, a licensed clinical psychologist, or other li-  
23 censed or certified health care practitioner.

24 “(ii) At the request of such entity, the  
25 practitioner provides services to patients of the

1           entity, at a site at which the entity operates or  
2           at a site designated by the entity. The weekly  
3           number of hours of services provided to the pa-  
4           tients by the practitioner is not a factor with  
5           respect to meeting conditions under this sub-  
6           paragraph.

7                   “(iii) The practitioner does not for the pro-  
8           vision of such services receive any compensation  
9           from such patients, from the entity, or from  
10          third-party payors (including reimbursement  
11          under any insurance policy or health plan, or  
12          under any Federal or State health benefits pro-  
13          gram).”.

14 **SEC. 5. LIABILITY PROTECTIONS FOR HEALTH CENTER**  
15                   **PRACTITIONERS PROVIDING SERVICES IN**  
16                   **EMERGENCY AREAS.**

17          Section 224(g) of the Public Health Service Act (42  
18 U.S.C. 233(g)) is amended—

19           (1) in paragraph (1)(B)(ii), by striking “sub-  
20          paragraph (C)” and inserting “subparagraph (C)  
21          and paragraph (6)”; and

22           (2) by adding at the end the following para-  
23          graph:

24                   “(6)(A) Subject to subparagraph (C), para-  
25          graph (1)(B)(ii) applies to health services provided

1 to individuals who are not patients of the entity in-  
2 volved if, as determined under criteria issued by the  
3 Secretary, the following conditions are met:

4 “(i) The services are provided by a con-  
5 tractor, volunteer practitioner (as defined in  
6 subsection (k)(4)(B)), or employee of the entity  
7 who is a physician or other licensed or certified  
8 health care practitioner and who is otherwise  
9 deemed to be an employee for purposes of para-  
10 graph (1)(A) when providing services with re-  
11 spect to the entity.

12 “(ii) The services are provided in an emer-  
13 gency area (as defined in subparagraph (D)),  
14 with respect to a public health emergency or  
15 major disaster described in subparagraph (D),  
16 and during the period for which such emer-  
17 gency or disaster is determined or declared, re-  
18 spectively.

19 “(iii) The services of the contractor, volun-  
20 teer practitioner, or employee (referred to in  
21 this paragraph as the ‘out-of-area practitioner’)  
22 are provided under an arrangement with—

23 “(I) an entity that is deemed to be an  
24 employee for purposes of paragraph (1)(A)  
25 and that serves the emergency area in-

1           involved (referred to in this paragraph as an  
2           ‘emergency-area entity’); or

3           “(II) a Federal agency that has re-  
4           sponsibilities regarding the provision of  
5           health services in such area during the  
6           emergency.

7           “(iv) The purposes of the arrangement  
8           are—

9           “(I) to coordinate, to the extent prac-  
10          ticable, the provision of health services in  
11          the emergency area by the out-of-area  
12          practitioner with the provision of services  
13          by the emergency-area entity, or by the  
14          Federal agency, as the case may be;

15          “(II) to identify a location in the  
16          emergency area to which such practitioner  
17          should report for purposes of providing  
18          health services, and to identify an indi-  
19          vidual or individuals in the area to whom  
20          the practitioner should report for such pur-  
21          poses;

22          “(III) to verify the identity of the  
23          practitioner and that the practitioner is li-  
24          censed or certified by one or more of the  
25          States; and

1                   “(v) with respect to the licensure or  
2                   certification of health care practitioners,  
3                   the provision of services by the out-of-area  
4                   practitioner in the emergency area is not a  
5                   violation of the law of the State in which  
6                   the area is located.

7                   “(B) In issuing criteria under subparagraph  
8                   (A), the Secretary shall take into account the need  
9                   to rapidly enter into arrangements under such sub-  
10                  paragraph in order to provide health services in  
11                  emergency areas promptly after the emergency be-  
12                  gins.

13                  “(C) Subparagraph (A) applies with respect to  
14                  an act or omission of an out-of-area practitioner  
15                  only to the extent that the practitioner is not im-  
16                  mune from liability for such act or omission under  
17                  the Volunteer Protection Act of 1997.

18                  “(D) For purposes of this paragraph, the term  
19                  ‘emergency area’ means a geographic area for  
20                  which—

21                         “(i) the Secretary has made a determina-  
22                         tion under section 319 that a public health  
23                         emergency exists; or

24                         “(ii) a presidential declaration of major  
25                         disaster has been issued under section 401 of

1 the Robert T. Stafford Disaster Relief and  
2 Emergency Assistance Act.”.

3 **SEC. 6. DEMONSTRATION PROJECT FOR INTEGRATED**  
4 **HEALTH SYSTEMS TO EXPAND ACCESS TO**  
5 **PRIMARY AND PREVENTIVE SERVICES FOR**  
6 **THE MEDICALLY UNDERSERVED.**

7 Part D of title III of the Public Health Service Act  
8 (42 U.S.C. 259b et seq.) is amended by adding at the end  
9 the following new subpart:

10 **“Subpart XI—Demonstration Project for Integrated**  
11 **Health Systems to Expand Access to Primary**  
12 **and Preventive Services for the Medically Un-**  
13 **derserved**

14 **“SEC. 340H. DEMONSTRATION PROJECT FOR INTEGRATED**  
15 **HEALTH SYSTEMS TO EXPAND ACCESS TO**  
16 **PRIMARY AND PREVENTIVE CARE FOR THE**  
17 **MEDICALLY UNDERSERVED.**

18 “(a) ESTABLISHMENT OF DEMONSTRATION.—

19 “(1) IN GENERAL.—Not later than January 1,  
20 2009, the Secretary shall establish a demonstration  
21 project (hereafter in this section referred to as the  
22 ‘demonstration’) under which up to 30 qualifying in-  
23 tegrated health systems receive grants for the costs  
24 of their operations to expand access to primary and  
25 preventive services for the medically underserved.

1           “(2) RULE OF CONSTRUCTION.—Nothing in  
2           this section shall be construed as authorizing grants  
3           to be made or used for the costs of specialty care or  
4           hospital care furnished by an integrated health sys-  
5           tem.

6           “(b) APPLICATION.—Any integrated health system  
7           desiring to participate in the demonstration shall submit  
8           an application in such manner, at such time, and con-  
9           taining such information as the Secretary may require.

10          “(c) CRITERIA FOR SELECTION.—In selecting inte-  
11          grated health systems to participate in the demonstration  
12          (hereafter in this section referred to as ‘participating inte-  
13          grated health systems’), the Secretary shall ensure rep-  
14          resentation of integrated health systems that are located  
15          in a variety of States (including the District of Columbia  
16          and the territories and possessions of the United States)  
17          and locations within States, including rural areas, inner-  
18          city areas, and frontier areas.

19          “(d) DURATION.—Subject to the availability of ap-  
20          propriations, the demonstration shall be conducted (and  
21          operating grants be made to each participating integrated  
22          health system) for a period of 3 years.

23          “(e) REPORTS.—

24                  “(1) IN GENERAL.—The Secretary shall submit  
25                  to the appropriate committees of the Congress in-

1       terim and final reports with respect to the dem-  
2       onstration, with an interim report being submitted  
3       not later than 3 months after the demonstration has  
4       been in operation for 24 months and a final report  
5       being submitted not later than 3 months after the  
6       close of the demonstration.

7               “(2) CONTENT.—Such reports shall evaluate  
8       the effectiveness of the demonstration in providing  
9       greater access to primary and preventive care for  
10      medically underserved populations, and how the co-  
11      ordinated approach offered by integrated health sys-  
12      tems contributes to improved patient outcomes.

13      “(f) AUTHORIZATION OF APPROPRIATIONS.—

14              “(1) IN GENERAL.—There is authorized to be  
15      appropriated \$25,000,000 for each of the fiscal  
16      years 2009, 2010, and 2011 to carry out this sec-  
17      tion.

18              “(2) CONSTRUCTION.—Nothing in this section  
19      shall be construed as requiring or authorizing a re-  
20      duction in the amounts appropriated for grants to  
21      health centers under section 330 for the fiscal years  
22      referred to in paragraph (1).

23      “(g) DEFINITIONS.—For purposes of this section:

1           “(1) FRONTIER AREA.—The term ‘frontier  
2 area’ has the meaning given to such term in regula-  
3 tions promulgated pursuant to section 330I(r).

4           “(2) INTEGRATED HEALTH SYSTEM.—The term  
5 ‘integrated health system’ means a health system  
6 that—

7                   “(A) has a demonstrated capacity and  
8 commitment to provide a full range of primary  
9 care, specialty care, and hospital care in both  
10 inpatient and outpatient settings; and

11                   “(B) is organized to provide such care in  
12 a coordinated fashion.

13           “(3) QUALIFYING INTEGRATED HEALTH SYS-  
14 TEM.—

15                   “(A) IN GENERAL.—The term ‘qualifying  
16 integrated health system’ means a public or pri-  
17 vate nonprofit entity that is an integrated  
18 health system that meets the requirements of  
19 subparagraph (B) and serves a medically under-  
20 served population (either through the staff and  
21 supporting resources of the integrated health  
22 system or through contracts or cooperative ar-  
23 rangements) by providing—

1           “(i) required primary and preventive  
2 health and related services (as defined in  
3 paragraph (4)); and

4           “(ii) as may be appropriate for a pop-  
5 ulation served by a particular integrated  
6 health system, integrative health services  
7 (as defined in paragraph (5)) that are nec-  
8 essary for the adequate support of the re-  
9 quired primary and preventive health and  
10 related services and that improve care co-  
11 ordination.

12           “(B) OTHER REQUIREMENTS.—The re-  
13 quirements of this subparagraph are that the  
14 integrated health system—

15           “(i) will make the required primary  
16 and preventive health and related services  
17 of the integrated health system available  
18 and accessible in the service area of the in-  
19 tegrated health system promptly, as appro-  
20 priate, and in a manner which assures con-  
21 tinuity;

22           “(ii) will demonstrate financial re-  
23 sponsibility by the use of such accounting  
24 procedures and other requirements as may  
25 be prescribed by the Secretary;

1           “(iii) provides or will provide services  
2           to individuals who are eligible for medical  
3           assistance under title XIX of the Social  
4           Security Act or for assistance under title  
5           XXI of such Act;

6           “(iv) has prepared a schedule of fees  
7           or payments for the provision of its serv-  
8           ices consistent with locally prevailing rates  
9           or charges and designed to cover its rea-  
10          sonable costs of operation and has pre-  
11          pared a corresponding schedule of dis-  
12          counts to be applied to the payment of  
13          such fees or payments, which discounts are  
14          adjusted on the basis of the patient’s abil-  
15          ity to pay;

16          “(v) will assure that no patient will be  
17          denied health care services due to an indi-  
18          vidual’s inability to pay for such services;

19          “(vi) will assure that any fees or pay-  
20          ments required by the system for such  
21          services will be reduced or waived to enable  
22          the system to fulfill the assurance de-  
23          scribed in clause (v);

24          “(vii) provides assurances that any  
25          grant funds will be expended to supple-

1           ment, and not supplant, the expenditures  
2           of the integrated health system for primary  
3           and preventive health services for the  
4           medically underserved; and

5                   “(viii) submits to the Secretary such  
6           reports as the Secretary may require to de-  
7           termine compliance with this subpara-  
8           graph.

9                   “(C) TREATMENT OF CERTAIN ENTI-  
10          TIES.—The term ‘qualifying integrated health  
11          system’ may include a nurse-managed health  
12          clinic if such clinic meets the requirements of  
13          subparagraphs (A) and (B) (except those re-  
14          quirements that have been waived under para-  
15          graph (4)(B)).

16                   “(4) REQUIRED PRIMARY AND PREVENTIVE  
17          HEALTH AND RELATED SERVICES.—

18                   “(A) IN GENERAL.—Except as provided in  
19          subparagraph (B), the term ‘required primary  
20          and preventive health and related services’  
21          means basic health services consisting of—

22                           “(i) health services related to family  
23                           medicine, internal medicine, pediatrics, ob-  
24                           stetrics, or gynecology that are furnished  
25                           by physicians where appropriate, physician

1 assistants, nurse practitioners, and nurse  
2 midwives;

3 “(ii) diagnostic laboratory services  
4 and radiologic services;

5 “(iii) preventive health services, in-  
6 cluding prenatal and perinatal care; appro-  
7 priate cancer screening; well-child services;  
8 immunizations against vaccine-preventable  
9 diseases; screenings for elevated blood lead  
10 levels, communicable diseases, and choles-  
11 terol; pediatric eye, ear, and dental  
12 screenings to determine the need for vision  
13 and hearing correction and dental care;  
14 and voluntary family planning services;

15 “(iv) emergency medical services; and

16 “(v) pharmaceutical services, behav-  
17 ioral, mental health, and substance abuse  
18 services, preventive dental services, and re-  
19 cuperative care, as may be appropriate.

20 “(B) EXCEPTION.—In the case of an inte-  
21 grated health system serving a targeted popu-  
22 lation, the Secretary shall, upon a showing of  
23 good cause, waive the requirement that the in-  
24 tegrated health system provide each required  
25 primary and preventive health and related serv-

1           ice under this paragraph if the Secretary deter-  
2           mines one or more such services are inappro-  
3           priate or unnecessary for such population.

4           “(5) INTEGRATIVE HEALTH SERVICES.—The  
5           term ‘integrative health services’ means services that  
6           are not included as required primary and preventive  
7           health and related services and are associated with  
8           achieving the greater integration of a health care de-  
9           livery system to improve patient care coordination so  
10          that the system either directly provides or ensures  
11          the provision of a broad range of culturally com-  
12          petent services. Integrative health services include  
13          but are not limited to the following:

14                   “(A) Outreach activities.

15                   “(B) Case management and patient navi-  
16                   gation services.

17                   “(C) Chronic care management.

18                   “(D) Transportation to health care facili-  
19                   ties.

20                   “(E) Development of provider networks  
21                   and other innovative models to engage local  
22                   physicians and other providers to serve the  
23                   medically underserved within a community.

24                   “(F) Recruitment, training, and compensa-  
25                   tion of necessary personnel.

1           “(G) Acquisition of technology for the pur-  
2           pose of coordinating care.

3           “(H) Improvements to provider commu-  
4           nication, including implementation of shared in-  
5           formation systems or shared clinical systems.

6           “(I) Determination of eligibility for Fed-  
7           eral, State, and local programs that provide, or  
8           financially support the provision of, medical, so-  
9           cial, housing, educational, or other related serv-  
10          ices.

11          “(J) Development of prevention and dis-  
12          ease management tools and processes.

13          “(K) Translation services.

14          “(L) Development and implementation of  
15          evaluation measures and processes to assess pa-  
16          tient outcomes.

17          “(M) Integration of primary care and men-  
18          tal health services.

19          “(N) Carrying out other activities that  
20          may be appropriate to a community and that  
21          would increase access by the uninsured to  
22          health care, such as access initiatives for which  
23          private entities provide non-Federal contribu-  
24          tions to supplement the Federal funds provided  
25          through the grants for the initiatives.

1           “(6) SPECIALTY CARE.—The term ‘specialty  
2           care’ means care that is provided through a referral  
3           and by a physician or nonphysician practitioner,  
4           such as surgical consultative services, radiology serv-  
5           ices requiring the immediate presence of a physician,  
6           audiology, optometric services, cardiology services,  
7           magnetic resonance imagery (MRI) services, comput-  
8           erized axial tomography (CAT) scans, nuclear medi-  
9           cine studies, and ambulatory surgical services.

10           “(7) NURSE-MANAGED HEALTH CLINIC.—The  
11           term ‘nurse-managed health clinic’ means a nurse-  
12           practice arrangement, managed by advanced practice  
13           nurses, that provides care for underserved and vul-  
14           nerable populations and is associated with a school,  
15           college, or department of nursing or an independent  
16           nonprofit health or social services agency.”.

Amend the title so as to read “A Bill to amend the  
Public Health Service Act to provide additional author-  
izations of appropriations for the health centers program  
under section 330 of such Act, and for other purposes.”

