
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

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DAILEY, JANUARY 23, 2001

REFERRED TO COMMITTEE ON APPROPRIATIONS, JANUARY 23, 2001

AN ACT

1 Establishing a special fund and account for money received by
2 the Commonwealth from the Master Settlement Agreement with
3 tobacco manufacturers; establishing the Tobacco Settlement
4 Investment Board; providing for the improvement of health
5 care; establishing an adult basic coverage insurance program
6 in the Insurance Department and a medical assistance purchase
7 program for workers with disabilities in the Department of
8 Public Welfare; providing for tobacco use prevention;
9 conferring powers and duties on the Department of Health;
10 establishing the Uncompensated Care Program in the Department
11 of Public Welfare; providing for home and community-based
12 care services to certain individuals for responsibilities of
13 the Department of Aging and the Department of Public Welfare;
14 establishing regional biotechnology research centers and
15 providing for powers and duties of the Department of
16 Community and Economic Development and the Department of
17 Health; and making appropriations.

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1 The General Assembly of the Commonwealth of Pennsylvania
2 hereby enacts as follows:

3 CHAPTER 1

4 PRELIMINARY PROVISIONS

5 Section 101. Short title.

6 This act shall be known and may be cited as the Health Care
7 Improvement Act.

8 Section 102. Definitions.

9 The following words and phrases when used in this act shall
10 have the meanings given to them in this section unless the
11 context clearly indicates otherwise:

12 "Fund." The Tobacco Settlement Fund established in section
13 303.

14 CHAPTER 3

15 HEALTH INVESTMENT

16 Section 301. Scope.

17 This chapter deals with establishing a special fund and
18 account for money received by the Commonwealth from the Master
19 Settlement Agreement with tobacco manufacturers; and
20 establishing the Tobacco Settlement Investment Board.

21 Section 302. Definitions.

22 The following words and phrases when used in this chapter
23 shall have the meanings given to them in this section unless the
24 context clearly indicates otherwise:

25 "Account." The Tobacco Endowment Account established in
26 section 303(b).

27 "Board." The Tobacco Settlement Investment Board established
28 in section 304(a).

29 "Fund." The Tobacco Settlement Fund established in section
30 303(a).

1 "Jurisdictional payment." A payment received by the
2 Commonwealth resulting from a court retaining jurisdiction over
3 the Escrow Agreement pursuant to section IX(b) of the Master
4 Settlement Agreement.

5 "Master Settlement Agreement." The settlement agreement and
6 related documents entered into on November 23, 1998, by the
7 Commonwealth and leading United States tobacco product
8 manufacturers approved by the Court of Common Pleas,
9 Philadelphia County, on January 13, 1999.

10 "Strategic contribution payment." A payment received by the
11 Commonwealth pursuant to section IX(c)(2) of the Master
12 Settlement Agreement.

13 "Tobacco Endowment Account." The Tobacco Endowment Account
14 established in section 303(b).

15 "Tobacco Settlement Fund." The Tobacco Settlement Fund
16 established in section 303(a).

17 Section 303. Establishment of special fund and account.

18 (a) Tobacco Settlement Fund.--There is hereby established a
19 special fund known as the Tobacco Settlement Fund. Except as
20 provided in subsection (b), all payments received by the
21 Commonwealth pursuant to the Master Settlement Agreement shall
22 be deposited by the Treasury Department in the fund.

23 (b) Tobacco Endowment Account.--There is hereby established
24 within the fund the Tobacco Endowment Account. The following
25 amounts shall be deposited by the Treasury Department into the
26 Tobacco Endowment Account:

27 (1) The jurisdictional payment received by the
28 Commonwealth pursuant to the Master Settlement Agreement.

29 (2) The strategic contribution payments received by the
30 Commonwealth pursuant to the Master Settlement Agreement.

1 (3) Five percent of any other payment received by the
2 Commonwealth pursuant to the Master Settlement Agreement.

3 (4) Earnings derived from the investment of the money in
4 the fund after deduction of investment expenses.

5 (5) Earnings derived from the investment of the money in
6 the Tobacco Endowment Account after deduction of investment
7 expenses and the expenses of the board.

8 (6) Money received as a result of investment of the
9 money in the Health Venture Investment Account established in
10 section 1703.

11 (7) Money from an appropriation pursuant to section 306
12 which lapses.

13 Section 304. Tobacco Settlement Investment Board.

14 (a) Establishment.--There is hereby established the Tobacco
15 Settlement Investment Board, consisting of 11 members as
16 follows: the Governor or a designee; the Secretary of the
17 Budget; the State Treasurer or a designee; one member appointed
18 by the President pro tempore of the Senate and one member
19 appointed by the Minority Leader of the Senate; one member
20 appointed by the Speaker of the House of Representatives and one
21 member appointed by the Minority Leader of the House of
22 Representatives; three members appointed by the Governor; and
23 one member appointed by the State Treasurer. Legislative
24 appointments shall serve at the pleasure of the appointing
25 authority. Other appointed members shall serve for a term of
26 four years and until a successor is appointed. Members of the
27 board shall serve without compensation, but shall be reimbursed
28 for actual and reasonable expenses incurred in the performance
29 of their official duties. The Governor shall select one member
30 as chairperson, and the members of the board shall select one

1 member as secretary.

2 (b) Professional personnel.--The board may employ investment
3 advisors, fund managers and staff as the board deems advisable.

4 (c) Expenses.--All expenses of the board and related
5 professional personnel expenses shall be paid from investment
6 earnings of the Tobacco Endowment Account. The board shall,
7 through the Governor, submit to the General Assembly an annual
8 budget covering its proposed administrative expenses. Approved
9 expenses of the board and its professional personnel shall be
10 deducted from the investment earnings of the Tobacco Endowment
11 Account. Concurrently with its annual budget request, the board
12 shall submit to the General Assembly a list of proposed
13 expenditures for the period covered by the budget request that
14 the board intends to pay through the use of directed
15 commissions, together with a list of the actual expenditures
16 from the previous year actually paid by the board through the
17 use of directed commissions. All such directed commission
18 expenditures shall be made by the board for the exclusive
19 benefit of the fund and the Tobacco Endowment Account.

20 (d) Records.--The board shall keep a record of its
21 proceedings, which shall be open to inspection by the public.

22 Section 305. Investment of fund and accounts.

23 (a) Control and management.--Notwithstanding any other
24 provision of law, the board shall have exclusive control and
25 authority to manage and invest money in the fund and the account
26 in accordance with this section, subject, however, to the
27 exercise of that degree of judgment, skill and care under the
28 circumstances then prevailing that persons of prudence,
29 discretion and intelligence, who are familiar with investment
30 matters, exercise in the management of their own affairs, not in

1 regard to speculation but in regard to permanent disposition of
2 the funds, considering the probable income to be derived from
3 the investments and the probable safety of their capital. The
4 board may hold, purchase, sell, lend, assign, transfer or
5 dispose of investments in which money in the fund or the
6 accounts has been invested and of the proceeds of the
7 investments, including any directed commissions that have
8 accrued to the benefit of the fund or the accounts as a
9 consequence of the investments, and of money belonging to the
10 fund or the accounts subject to the standard of prudence in this
11 section.

12 (b) Fiduciary status of board.--The members of the board and
13 their professional personnel shall stand in a fiduciary
14 relationship to the Commonwealth and its citizens regarding the
15 investments of the money of the fund and the accounts and shall
16 not profit, either directly or indirectly, with respect thereto.

17 (c) Custodian.--The State Treasurer shall be the custodian
18 of the fund and the accounts. All investment draws from the fund
19 or the accounts shall be made by the State Treasurer in
20 accordance with requisitions signed by the secretary of the
21 board and ratified by resolution of the board.

22 (d) Authorized investment vehicles for the fund and the
23 Tobacco Endowment Account.--The board may invest the money in
24 the fund and the Tobacco Endowment Account in investments that
25 meet the standard of prudence set forth in subsection (a) by
26 becoming a limited partner in partnerships that will hold such
27 investments; or by acquiring shares or units of participation or
28 otherwise participating beneficially in bank collective trusts
29 or in the separate accounts of any insurance company authorized
30 to do business in this Commonwealth; or by acquiring stocks or

1 shares or units of participation or otherwise participating
2 beneficially in a corporate fund or trust organized or created
3 and existing under the laws of the United States or of any
4 state, district or territory thereof, if the corporate funds or
5 trusts are maintained for and consist of assets of employees'
6 benefit trusts, including governmental plans as defined in
7 section 414(d) of the Internal Revenue Code of 1986 (Public Law
8 99-514, 26 U.S.C. § 414(d)), or which meet the requirements for
9 qualification under section 401 of the Internal Revenue Code of
10 1986 (26 U.S.C. § 401). The liability of the fund or the
11 accounts shall be limited to the amount of their investment
12 under this subsection.

13 (e) Additional authorized investment vehicles for the
14 Tobacco Endowment Account.--The board may invest the money in
15 the Tobacco Endowment Account in investments that meet the
16 standard of prudence set forth in subsection (a) by becoming a
17 limited partner in partnerships that make venture capital
18 investments by acquiring equity interests or a combination of
19 debt and equity interests in businesses which are expected to
20 grow substantially in the future and in which the expected
21 returns on investment are to come predominantly from an increase
22 in value of the equity interests and are not interests in or
23 secured by real estate. Venture capital investments shall be
24 limited to not more than 2% of the book value of the total
25 assets of the Tobacco Endowment Account as determined for
26 financial purposes as of June 30 next preceding the date of
27 investment. A venture capital investment may only be made if, in
28 the judgment of the board, the investment is reasonably likely
29 to enhance the general welfare of this Commonwealth and its
30 citizens. In determining whether an investment meets the

1 standard of prudence required by subsection (a), the board may
2 consider, together with the expected return on and the risk
3 characteristics of the particular investment, the actual and
4 expected future returns and the risk characteristics of the
5 total venture capital investments held by the board at the time
6 and the degree to which the proposed new investment would
7 promote further diversification within the venture capital asset
8 class.

9 (f) Legislative declaration.--The General Assembly finds and
10 declares that authorized investments of the fund or the accounts
11 made by or on behalf of the board under this section, whereby
12 the board becomes a joint owner, limited partner or stockholder
13 in a company, corporation, limited partnership or association,
14 are outside the scope of the original intent of, and do not
15 violate, the prohibition set forth in section 8 of Article VIII
16 of the Constitution of Pennsylvania.

17 Section 306. Use of Tobacco Settlement Fund.

18 The Governor shall include a spending plan for the fund in
19 the annual budget. The General Assembly shall appropriate the
20 fund for health-related purposes.

21 Section 307. Use of Tobacco Endowment Account.

22 Whenever the Governor determines that money from the Tobacco
23 Endowment Account is necessary to meet the extraordinary or
24 emergency health care needs of the citizens of this
25 Commonwealth, the Governor shall present a detailed spending
26 proposal with a request for an appropriation and any necessary
27 legislation to the chairman of the Appropriations Committee of
28 the Senate and the chairman of the Appropriations Committee of
29 the House of Representatives. The General Assembly may, through
30 approval of a separate appropriation bill by a vote of two-

1 thirds of the members elected to the Senate and to the House of
2 Representatives, appropriate money from the Tobacco Endowment
3 Account to meet the needs identified in the Governor's request.
4 Any money appropriated under this section that lapses shall be
5 returned to the Tobacco Endowment Account.

6 Section 308. Annual report.

7 By October 1 of each year, the board shall submit a report to
8 the Governor and the General Assembly. The report shall provide
9 an analysis of the status of the current investments and
10 transactions made over the last fiscal year for the fund and the
11 accounts and shall include, at a minimum:

12 (1) a listing of individual securities that exceed one-
13 year duration either purchased or sold during the fiscal
14 year;

15 (2) a listing of individual securities held at the end
16 of the fiscal year; and

17 (3) the realized and unrealized gains or losses
18 resulting from appreciation or depreciation of securities
19 owned at any time during the fiscal year.

20 CHAPTER 5

21 HEALTH INVESTMENT INSURANCE

22 Section 501. Scope.

23 This chapter deals with health investment insurance.

24 Section 502. Definitions.

25 The following words and phrases when used in this chapter
26 shall have the meanings given to them in this section unless the
27 context clearly indicates otherwise:

28 "Contractor." An insurer or other entity or its subsidiaries
29 operating under 40 Pa.C.S. Ch. 61 (relating to hospital plan
30 corporations) or 63 (relating to professional health services

1 plan corporations), or both.

2 "Department." The Insurance Department of the Commonwealth.

3 "Eligible adult." A low-income adult who meets all of the
4 following:

5 (1) Legally resides within the United States.

6 (2) Has been domiciled in this Commonwealth for at least
7 90 days prior to enrollment.

8 (3) Is not covered by a health insurance plan, a self-
9 insurance plan or a self-funded plan.

10 (4) Has not been covered by a health insurance plan, a
11 self-insurance plan or a self-funded plan during the three
12 months immediately preceding the determination of eligibility
13 unless the individual:

14 (i) Is currently eligible to receive benefits
15 pursuant to the act of December 5, 1936 (2nd Sp.Sess.,
16 1937 P.L.2897, No.1), known as the Unemployment
17 Compensation Law.

18 (ii) Was covered under one of the above plans, but
19 is no longer employed and is presently ineligible to
20 receive benefits pursuant to the Unemployment
21 Compensation Law.

22 (iii) Is the spouse of an adult in subparagraph (i)
23 or (ii).

24 (5) Is ineligible for medical assistance or Medicare.

25 "Hospital." A hospital as defined and licensed under the act
26 of July 19, 1979 (P.L.130, No.48), known as the Health Care
27 Facilities Act.

28 "Insurer." An insurance company, association, reciprocal,
29 health maintenance organization, fraternal benefits society or a
30 risk-bearing preferred provider organization that offers health

1 care benefits and is subject to regulation under the act of May
2 17, 1921 (P.L.682, No.284), known as The Insurance Company Law
3 of 1921, or the act of December 29, 1972 (P.L.1701, No.364),
4 known as the Health Maintenance Organization Act.

5 "Low-income adult." An individual who is between 19 and 64
6 years of age and whose household income is less than 200% of the
7 Federal poverty level at the time of eligibility determination.

8 "Medicare." The Federal program established under Title
9 XVIII of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1395
10 et seq.).

11 "Medical assistance." The State program of medical
12 assistance established under the act of June 13, 1967 (P.L.31,
13 No.21), known as the Public Welfare Code.

14 "Monthly income." The monthly income of an individual as
15 determined by the Department of Public Welfare when applying the
16 income deductions applicable in determining eligibility for
17 Medicare cost-sharing in accordance with 42 U.S.C. §
18 1396a(a)(10)(E).

19 "Offeror." A person who submits a proposal in response to
20 the department's request for proposals issued pursuant to
21 section 503(f).

22 "Preexisting condition." A disease or physical condition for
23 which medical advice or treatment has been received prior to the
24 effective date of coverage.

25 Section 503. Adult basic coverage insurance program.

26 (a) Program establishment.--There is established in the
27 department an adult basic coverage insurance program. Fund
28 appropriations to the department for the program shall be used
29 for contracts to provide basic health care insurance for
30 eligible adults and outreach activities. The department shall,

1 to the greatest extent practicable, ensure that all eligible
2 adults in this Commonwealth have access to the program
3 established in this section.

4 (b) Eligible adult responsibilities.--An eligible adult
5 seeking to purchase adult basic coverage insurance shall:

6 (1) Submit an application to the department.

7 (2) Pay to the department or its contractor \$30 per
8 month for coverage.

9 (3) Be responsible for any required copayments for
10 health care services rendered under the benefit package in
11 subsection (f)(2).

12 (4) Notify the department or its contractor of any
13 change in the eligible adult's income.

14 (c) Purchase of insurance.--An eligible adult's payment to
15 the department or its contractor under subsection (b)(2) shall
16 be used to purchase the benefit package in subsection (f)(2) for
17 the adult. The appropriations for the program shall be used by
18 the department to pay the difference between the cost of the
19 benefit package in subsection (f)(2) and the eligible adult's
20 payment. Subsidization of the benefit package in subsection
21 (f)(2) is contingent upon the amount of the appropriations to
22 the program and limited to eligible adults in compliance with
23 subsection (b). Nothing under this section shall constitute an
24 entitlement derived from the Commonwealth or a claim on any
25 funds of the Commonwealth.

26 (d) Insufficient appropriations.--The department shall
27 maintain a waiting list of eligible adults who have applied for
28 adult basic coverage insurance but who are not enrolled due to
29 insufficient appropriations. The department shall maintain the
30 list in a manner that reflects the order in which applications

1 were received by the department. An eligible adult placed on the
2 list shall be notified when that eligible adult becomes eligible
3 for subsidization of the benefit package. An eligible adult who
4 does not receive adult basic coverage insurance due to
5 insufficient appropriations to the program may purchase the
6 benefit package in subsection (f)(2) at the actual cost of the
7 benefit package.

8 (e) Department responsibilities.--The department shall:

9 (1) Administer the adult basic coverage insurance
10 program.

11 (2) Enter into contracts for health care insurance in
12 accordance with 62 Pa.C.S. (relating to procurement). The
13 department may award contracts on a multiple award basis.

14 (3) Conduct monitoring and oversight of executed
15 contracts.

16 (4) Annually redetermine the eligibility of individuals
17 receiving subsidization of the benefit package in subsection
18 (f)(2).

19 (5) In consultation with appropriate Commonwealth
20 agencies, monitor, review and evaluate the adequacy,
21 accessibility and availability of insurance being subsidized
22 by the program.

23 (6) In consultation with appropriate Commonwealth
24 agencies, establish and coordinate the development,
25 implementation and supervision of an outreach plan.

26 (7) Report on an annual basis to the General Assembly
27 the number of eligible adults purchasing the adult basic
28 coverage insurance, the cost of the insurance and the amount
29 an eligible adult contributes toward the insurance.

30 (f) Request for proposals.--In accordance with subsection

1 (e)(2), the department shall issue a request for proposals for
2 the adult basic coverage insurance. The request shall require:

3 (1) An offeror to assure that if selected as a
4 contractor it will do all of the following:

5 (i) Ensure, to the greatest extent possible, that on
6 a Statewide basis eligible adults have access to primary
7 health care physicians and nurse practitioners.

8 (ii) Contract with qualified, cost-effective
9 providers, which may include primary health care
10 physicians, nurse practitioners, clinics and health
11 maintenance organizations, to provide health care for
12 eligible adults in a manner that best manages the costs
13 of the services, including using managed health care
14 techniques that cap physician office copayments and other
15 appropriate medical cost-management methods.

16 (iii) Ensure that an individual who may be eligible
17 for medical assistance receives assistance in applying
18 for medical assistance, including, at a minimum, written
19 notice of the telephone number and address of the county
20 assistance office where the adult can apply for these
21 benefits. If requested by the individual, a contractor
22 shall forward a completed application for medical
23 assistance to the appropriate office for a medical
24 assistance determination of eligibility.

25 (iv) Not prohibit enrollment based upon a
26 preexisting condition nor exclude a diagnosis or
27 treatment for the condition based on the condition's
28 preexistence.

29 (v) Provide a basic benefit package for eligible
30 adults consistent with the scope and duration

1 requirements of the request for proposals.

2 (vi) Provide an insurance identification card to
3 each eligible adult covered under a contract executed
4 under this section. The card shall not specifically
5 identify the holder as low income.

6 (vii) Not pay any claim on behalf of an eligible
7 adult unless all other Federal, State and local resources
8 available to the adult are utilized first.

9 (viii) Require each primary care physician providing
10 primary care services under this section to make
11 necessary arrangements for admission to hospitals and for
12 necessary specialty care.

13 (2) A basic benefit package with scope and duration
14 determined by the department that includes:

15 (i) Preventive care.

16 (ii) Physician services.

17 (iii) Diagnosis and treatment of illness or injury,
18 including all medically necessary covered services
19 related to the diagnosis and treatment of sickness and
20 injury and other conditions provided on an ambulatory
21 basis, such as laboratory tests, x-rays, wound dressing
22 and casting to immobilize fractures.

23 (iv) Inpatient hospitalization.

24 (v) Outpatient hospital services.

25 (vi) Emergency accident and emergency medical care.

26 (3) An offeror to demonstrate that it is providing
27 health care services for eligible adults that meet the
28 purposes and intent of subsection (f)(2) before requesting a
29 waiver of subsection (f)(1)(v).

30 (g) Proposals.--Upon publication of a request for proposals,

1 an entity and its subsidiaries that operate subject to the
2 provisions of 40 Pa.C.S. Ch. 61 (relating to hospital plan
3 corporations) or 63 (relating to professional health services
4 plan corporations), or both, shall submit a proposal to the
5 department to carry out the purposes of this section. Upon
6 publication of a request for proposals, an insurer doing
7 business in this Commonwealth may submit a proposal to the
8 department to carry out the purposes of this section.

9 (h) Reviewing, scoring and selection of proposals.--The
10 department shall review and score the proposals on the basis of
11 all of the requirements for the adult basic coverage insurance
12 program. The department may include such other criteria in the
13 request for proposals and in the scoring and selection of the
14 proposals that the department, in the exercise of its
15 administrative duties under this section, deems necessary;
16 however, the department shall:

17 (1) Select, to the greatest extent practicable, offerors
18 that contract with providers to provide health care services
19 on a cost-effective basis. The department shall select
20 offerors that use appropriate cost-management methods that
21 enable the program to provide coverage to the maximum number
22 of eligible adults and that, whenever possible, pursue and
23 utilize available public and private funds.

24 (2) Select, to the greatest extent practicable, only
25 offerors that comply with all procedures relating to
26 coordination of benefits as required by the department and
27 the Department of Public Welfare.

28 (3) Select offerors that limit administrative expenses
29 to no more than 7.5% of the amount of any contract. If after
30 the first three full years of operation any contractor

1 presents documented evidence that administrative expenses are
2 in excess of 7.5% of the amount of the contract, the
3 department may make an additional payment, not to exceed 2.5%
4 of the amount of the contract, for future administrative
5 expenses to the contractor to the extent that the department
6 finds the expenses reasonable and necessary.

7 (i) Negotiations.--The department shall not negotiate a
8 contract for a period in excess of three years.

9 (j) Waivers.--The department may grant a waiver of the
10 benefit package required by subsection (f)(1)(v) if the offeror
11 demonstrates that it is providing health care services for
12 eligible adults that meet the purposes and intent of subsection
13 (f)(2).

14 (k) Adjustments.--Following the first year of operation, and
15 periodically thereafter, the department, in consultation with
16 appropriate Commonwealth agencies, shall review enrollment
17 patterns for the adult basic coverage insurance program. Based
18 on the results of the review and the amount of available
19 appropriations, the department may adjust the amount paid by an
20 eligible adult toward the basic benefit package by regulation.
21 Changes in the amount shall be promulgated as a final-form
22 regulation with proposed rulemaking omitted in accordance with
23 the act of June 25, 1982 (P.L.633, No.181), known as the
24 Regulatory Review Act.

25 (l) Limitation.--In no case shall the total aggregate amount
26 of annual contracts entered into pursuant to this section exceed
27 the amount of the aggregate annual appropriations to the
28 department for the adult basic coverage insurance program.

29 CHAPTER 7

30 TOBACCO USE PREVENTION AND CESSATION EFFORTS

1 Section 701. Scope.

2 This chapter deals with tobacco use prevention and cessation
3 efforts.

4 Section 702. Definitions.

5 The following words and phrases when used in this chapter
6 shall have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 "Committee." The Tobacco Use Prevention and Cessation
9 Advisory Committee established in section 705.

10 "Department." The Department of Health of the Commonwealth.

11 "Primary contractor." A person located in this Commonwealth
12 that develops, implements or monitors tobacco use prevention and
13 cessation programs in a service area. The term includes:

14 (1) A for-profit or nonprofit organization, including a
15 community foundation, that provides tobacco use prevention
16 and cessation programs.

17 (2) An entity created under the act of April 14, 1972
18 (P.L.221, No.63), known as the Pennsylvania Drug and Alcohol
19 Abuse Control Act.

20 (3) A municipality or a municipal health department
21 created pursuant to the act of August 24, 1951 (P.L.1304,
22 No.315), known as the Local Health Administration Law.

23 (4) An institution of higher education.

24 (5) A hospital established under the act of July 19,
25 1979 (P.L.130, No.48), known as the Health Care Facilities
26 Act.

27 "Secretary." The Secretary of Health of the Commonwealth.

28 "Service area." A geographic area designated by the
29 Department of Health under section 704.

30 "Service provider." A person located in this Commonwealth

1 that is selected by the primary contractor to receive a grant to
2 provide tobacco use prevention and cessation programs. The term
3 includes:

4 (1) A for-profit or nonprofit organization that provides
5 tobacco use prevention and cessation programs.

6 (2) An entity created under the act of April 14, 1972
7 (P.L.221, No.63), known as the Pennsylvania Drug and Alcohol
8 Abuse Control Act.

9 (3) A municipality or a municipal health department
10 created under the act of August 24, 1951 (P.L.1304, No.315),
11 known as the Local Health Administration Law.

12 (4) An institution of higher education.

13 (5) A hospital established under the act of July 19,
14 1979 (P.L.130, No.48), known as the Health Care Facilities
15 Act.

16 (6) A school district or intermediate unit.

17 "Tobacco prevention program." The comprehensive tobacco use
18 prevention and cessation program established in section 703, the
19 goal of which is to eliminate or reduce disease, disability and
20 death, related to tobacco use among residents of this
21 Commonwealth, utilizing the "Best Practices for Comprehensive
22 Tobacco Control Programs," or a successor program, of the
23 National Centers for Disease Control and Prevention.
24 Section 703. Tobacco prevention program.

25 (a) Establishment.--There is hereby established in the
26 department a tobacco prevention program. Appropriations from the
27 fund to the department for the tobacco prevention program shall
28 be used to implement the tobacco prevention program.

29 (b) Components.--The program shall include the following:

30 (1) Statewide, community and school programs designed to

1 reduce tobacco use.

2 (2) Chronic disease programs to reduce the burden of
3 tobacco-related diseases.

4 (3) Enforcement.

5 (4) Counter-marketing.

6 (5) Cessation programs.

7 (6) Monitoring program accountability.

8 (7) Administration and management.

9 Section 704. Powers and duties of department.

10 The department has the following powers and duties:

11 (1) To administer the tobacco prevention program in a
12 manner which provides Statewide and local services to
13 Commonwealth residents.

14 (2) To annually establish tobacco prevention program
15 priorities for the Commonwealth in consultation with the
16 committee.

17 (3) On a Statewide basis, to award grants and enter into
18 contracts to implement the priorities established under
19 paragraph (2). The department shall set specific goals for
20 the reduction of tobacco consumption under programs developed
21 by Statewide grant recipients.

22 (4) To divide this Commonwealth into no more than 67
23 service areas in order to provide for the effective and
24 geographically dispersed delivery of the tobacco prevention
25 program. The department shall foster collaboration among
26 geographic regions of this Commonwealth.

27 (5) To enter into contracts with at least one and no
28 more than two primary contractors in each service area, under
29 section 708.

30 (6) To approve plans submitted by primary contractors,

1 including the goals to be met by the primary contractors for
2 each service area.

3 (7) To coordinate, monitor and evaluate the tobacco
4 prevention program funded under this chapter to ensure
5 compliance with program priorities and goals and to ensure
6 delivery of program services in all geographic areas of this
7 Commonwealth. Programs shall be coordinated with other
8 efforts to prevent and reduce exposure to and consumption of
9 tobacco.

10 (8) To determine the level of tobacco use in this
11 Commonwealth and each of the service areas and monitor
12 changes in the level of tobacco use in this Commonwealth and
13 each of the service areas based on available information.

14 (9) To submit a report to the chair and minority chair
15 of the Public Health and Welfare Committee of the Senate and
16 the chair and minority chair of the Health and Human Services
17 Committee of the House of Representatives. The annual report
18 also shall be posted on the department's publicly accessible
19 World Wide Web site. The report shall include the activities
20 of the department in implementing the act, including:

21 (i) Identification of Statewide grant recipients.

22 (ii) Identification of the primary contractor and
23 all service providers in each service area.

24 (iii) Identification of tobacco prevention program
25 priorities under paragraph (2).

26 (iv) The goals of each primary contractor and
27 whether its goals have been met.

28 Section 705. Committee.

29 (a) Establishment.--There is established in the department
30 the Tobacco Use Prevention and Cessation Advisory Committee.

1 (b) Membership.--The committee is comprised of the
2 following:

3 (1) The secretary or a designee, who shall serve as
4 chairperson.

5 (2) Six members appointed by the secretary.

6 (3) One member appointed by the President pro tempore of
7 the Senate and one member appointed by the Minority Leader of
8 the Senate.

9 (4) One member appointed by the Speaker of the House of
10 Representatives and one member appointed by the Minority
11 Leader of the House of Representatives.

12 (c) Qualifications.--Members appointed to the committee must
13 possess expertise in community, clinical or public health
14 practices or programs related to tobacco use prevention and
15 cessation.

16 (d) Terms.--

17 (1) The secretary shall serve ex officio.

18 (2) A member under subsection (b)(2) shall serve a term
19 of four years.

20 (3) A member under subsection (b)(3) shall serve a term
21 of four years but may be removed at the pleasure of the
22 appointing authority.

23 (4) A member under subsection (b)(4) shall serve a term
24 of two years but may be removed at the pleasure of the
25 appointing authority.

26 (5) An appointment to fill a vacancy shall be for the
27 period of the unexpired term or until a successor is
28 appointed and qualified.

29 (e) Meetings.--The committee shall meet as needed, but at
30 least twice a year, to fulfill the purposes provided for in this

1 chapter. A majority of the members of the committee constitutes
2 a quorum. A majority of the members of the committee has
3 authority to act upon any matter properly before it. The
4 committee is authorized to establish rules for its operation and
5 shall hold at least one public hearing annually. Meetings of the
6 committee shall be conducted under 65 Pa.C.S. Ch. 7 (relating to
7 open meetings).

8 (f) Expenses.--Members shall receive no payment for their
9 services. Members who are not employees of State government
10 shall be reimbursed for expenses incurred in the course of their
11 official duties.

12 (g) Powers and duties.--The committee has the following
13 powers and duties:

14 (1) Collect and review information relating to tobacco
15 use prevention and cessation.

16 (2) Make annual recommendations to the department
17 regarding tobacco use prevention and cessation priorities.

18 (3) Make annual recommendations to the department on the
19 evaluation procedures to be used in approving primary
20 contractors and service providers.

21 Section 706. Primary contractors.

22 (a) Applicants.--An applicant to be a primary contractor
23 must submit a plan to the department which demonstrates the
24 ability of the primary contractor to develop, implement and
25 monitor the tobacco prevention program in a service area.

26 (b) Department.--The department shall review plans submitted
27 under subsection (a) and shall enter into a contract with the
28 primary contractor selected to provide the tobacco prevention
29 program in each service area.

30 (c) Grants.--The primary contractor shall award grants to

1 service providers to implement the tobacco prevention program
2 for the service area. The grants must be approved by the
3 department.

4 (d) Duties of primary contractor.--The primary contractor
5 shall do all of the following:

6 (1) Develop a proposed plan, subject to department
7 approval, which meets the tobacco use, prevention and
8 cessation needs in the service area and the goals and
9 priorities established under section 704(2).

10 (2) Award grants to service providers to implement the
11 tobacco prevention program in the service area in accordance
12 with the plan developed and approved under paragraph (1).
13 Priority may be given to service providers who have
14 experience in providing tobacco use prevention and cessation
15 services. In a service area with multiple service providers,
16 no individual service provider shall receive more than 50% of
17 the funds awarded to the primary contractor unless otherwise
18 approved by the department.

19 (3) Establish tobacco reduction goals for each service
20 provider in the service area consistent with the plan adopted
21 under paragraph (1).

22 (4) Ensure that service providers are meeting the
23 priorities and goals set forth in the plan.

24 (5) Coordinate the plan with other health-related
25 programs to prevent or reduce tobacco use by individuals
26 receiving services from these programs.

27 (6) Increase participation in tobacco prevention
28 programs by schools in the service area.

29 (7) Solicit input from health care providers, community
30 organizations, public officials and other individuals and

1 groups regarding the plan for each service area.

2 (8) Coordinate efforts with local law enforcement to
3 enforce existing restrictions on smoking.

4 (9) Prepare and submit reports as required by the
5 department.

6 Section 707. Service providers.

7 (a) Applications.--Service providers must apply to the
8 primary contractor in their service area for a grant to deliver
9 tobacco prevention program services in accordance with section
10 506. An application to be a service provider must include a
11 description of the purpose of the service and the manner in
12 which the service will reduce or prevent tobacco use. The
13 application shall include the method by which the service
14 provider will be evaluated.

15 (b) Service provider annual report.--A service provider
16 awarded a grant under this chapter shall annually report to the
17 primary contractor and to the department all of the following:

18 (1) Expenditures made with the grant awards.

19 (2) Whether the goals set by the primary contractor have
20 been met.

21 (3) Any other information deemed necessary by the
22 primary contractor or the department.

23 Section 708. Contracts and grants.

24 (a) Contracts.--Contracts shall be awarded in accordance
25 with 62 Pa.C.S. (relating to procurement) and may be awarded on
26 a multiple-award basis. Contracts with primary contractors and
27 Statewide contractors shall be for a period not to exceed three
28 years.

29 (b) Grants.--

30 (1) At least 60% of the funds allocated under this

1 chapter shall be used for grants to primary contractors to
2 develop tobacco prevention programs.

3 (2) The remaining funds allocated under this chapter
4 shall be used for Statewide efforts consistent with the
5 priorities established under section 704(2).

6 (c) Limitations.--The aggregate amount of contracts and
7 grants in any fiscal year may not exceed the amount of the
8 appropriation to the department for the tobacco prevention
9 program in that fiscal year. The provision of a grant under this
10 chapter shall not constitute an entitlement derived from the
11 Commonwealth or a claim on any other funds of the Commonwealth.

12 (d) Restrictions.--A tobacco company or an agent or
13 subsidiary of a tobacco company may not be awarded a contract as
14 a Statewide contractor, primary contractor or service provider.
15 Section 709. Accountability.

16 (a) Audits.--Contracts with Statewide tobacco prevention
17 program contractors shall be subject to audit as provided by
18 law. Contracts with primary contractors and grants with service
19 providers shall be subject to an annual audit by the department.
20 Audits of these contracts and grants are to be conducted in
21 accordance with generally accepted accounting principles.

22 (b) Review procedures.--Any Statewide tobacco prevention
23 program contractor, primary contractor or service provider that
24 receives a contract or a grant under this chapter shall be
25 subject to review by the department. As appropriate, information
26 submitted to the department shall include the following:

27 (1) The progress made in achieving expected tobacco
28 prevention program priorities and goals.

29 (2) The extent of tobacco prevention and cessation
30 activities initiated and completed, with detailed results and

1 any proposed methods for improvement.

2 (3) Any changes in the incidence of tobacco use among
3 target populations established through tobacco prevention
4 program priorities.

5 (4) Any other information deemed necessary by the
6 department.

7 (c) Penalty.--A Statewide tobacco prevention program
8 contractor, a primary contractor or a service provider that
9 fails to meet audit or performance review standards may be
10 subject to a reduction in or ineligibility for future grant
11 funding.

12 CHAPTER 9

13 UNCOMPENSATED CARE

14 Section 901. Scope.

15 This chapter deals with uncompensated care.

16 Section 902. Definitions.

17 The following words and phrases when used in this chapter
18 shall have the meanings given to them in this section unless the
19 context clearly indicates otherwise:

20 "Children's Health Insurance Program." The insurance program
21 established by Article XXIII of the act of May 17, 1921
22 (P.L.682, No.284), known as The Insurance Company Law of 1921.

23 "Council." The Health Care Cost Containment Council.

24 "Department." The Department of Public Welfare of the
25 Commonwealth.

26 "Emergent medically necessary services." Immediate medical
27 care necessary to treat any serious or life-threatening medical
28 condition and consistent with the concept of emergency services
29 as set forth in section 2116 of the act of May 17, 1921
30 (P.L.682, No.284), known as The Insurance Company Law of 1921.

1 "Extraordinary expenses." The cost of hospital inpatient
2 services provided to the uninsured, in excess of twice the
3 hospitals' average cost per stay for all patients.

4 "Hospital." A health care facility licensed as a hospital
5 pursuant to the act of July 19, 1979 (P.L.130, No.48), known as
6 the Health Care Facilities Act.

7 "Inpatient day." A billing unit corresponding to each day an
8 individual is admitted to a hospital as a patient.

9 "Insurer." Any insurance company, association, reciprocal,
10 health maintenance organization, fraternal benefits society or a
11 risk-bearing preferred provider organization, that offers health
12 care benefits and is subject to regulation under the act of May
13 17, 1921 (P.L.682, No.284), known as The Insurance Company Law
14 of 1921 or the act of December 29, 1972 (P.L.1701, No.364),
15 known as the Health Maintenance Organization Act. The term
16 includes an entity and its subsidiaries that operate subject to
17 the provisions of 40 Pa.C.S. Ch. 61 (relating to hospital plan
18 corporations) or 63 (relating to professional health services
19 plan corporations).

20 "Medical assistance." The State program of medical
21 assistance established under Article IV(f) of the act of June
22 13, 1967 (P.L.31, No.21), known as the Public Welfare Code.

23 "Medical assistance day." An inpatient day when the
24 individual admitted to the hospital is eligible for medical
25 assistance or for a similar program in other states.

26 "Medicare SSI days." An inpatient day when the individual
27 admitted to the hospital is eligible for both Medicare Part A
28 and Supplemental Security Income (SSI) as determined by the
29 Health Care Financing Administration.

30 "Net patient revenue." The actual revenue received by a

1 hospital for services provided to individuals. The term does not
2 include revenue from other operations, such as cafeteria,
3 parking, rent, research and educational activities.

4 "Pennsylvania Health Care Cost Containment Council." The
5 council established pursuant to the act of July 8, 1986
6 (P.L.408, No.89), known as the Health Care Cost Containment Act.

7 "Qualified hospital." An eligible hospital which has an
8 uncompensated care score exceeding the median score of all
9 eligible hospitals.

10 "Uncompensated care." The cost of care provided to
11 individuals unable or unwilling to pay for services provided by
12 a hospital.

13 "Uninsured." An individual who has no health insurance
14 coverage or whose coverage does not reimburse for some or all of
15 the medically necessary services provided by a hospital.

16 Section 903. Hospital uncompensated care payments.

17 (a) Program establishment.--There is established in the
18 department a hospital uncompensated care program. Appropriations
19 from the fund to the department for the program shall be used to
20 compensate hospitals for uncompensated care to individuals.

21 (b) Department responsibilities.--The department has the
22 following powers and duties:

23 (1) Administer the hospital uncompensated care program.

24 (2) Determine the eligibility of hospitals on an annual
25 basis. Notice of eligibility shall be published in the
26 Pennsylvania Bulletin by April 1 for the forthcoming fiscal
27 year.

28 (3) Calculate uncompensated scores for eligible
29 hospitals under section 904(c).

30 (4) Calculate and make payments to qualified hospitals

1 under section 904(d).

2 (5) Seek Federal matching funds under medical assistance
3 to supplement payments made under section 904.

4 (6) Publish an annual report of all payments made under
5 this chapter. The report shall be delivered to the General
6 Assembly and made available for public inspection. The report
7 shall list all of the following:

8 (i) The name and address of each applicant hospital.

9 (ii) The name and address of each payment recipient.

10 (iii) The amount of the payment.

11 (7) Within two years of the effective date of this
12 chapter, contract with an independent entity to evaluate the
13 qualification and payment calculation methods used in this
14 chapter. The evaluation shall be used to ensure that payments
15 are made to hospitals with the greatest burden of
16 uncompensated care.

17 (8) Establish an advisory committee, comprised of nine
18 individuals with expertise in hospital administration,
19 hospital finance and reimbursement and hospital patient
20 accounts management, including a representative of the
21 department and a representative of the council. The advisory
22 committee shall make recommendations to the department, the
23 General Assembly and the Governor on data collection and
24 changes to the methodologies used under this chapter.

25 (c) Information collection.--The department shall collect
26 data and information as necessary to determine hospital
27 eligibility and payment under this chapter, including the
28 department's medical assistance data for medical inpatient days
29 and data from the council and the Health Care Financing
30 Administration or its designee for Medicare SSI days. The

1 council and the department shall cooperate to develop policies
2 or regulations to improve the accuracy, consistency and
3 timeliness of the information collected. Information used to
4 determine eligibility and qualification for payments under the
5 uncompensated care program shall be made available to the
6 public.

7 Section 904. Eligibility and payment.

8 (a) Determination of eligibility.--The department shall
9 determine the eligibility of each hospital from information
10 collected under section 903(c).

11 (b) Requirements for hospitals.--A hospital is eligible for
12 payment from the uncompensated care program if the hospital does
13 all of the following:

14 (1) Accepts all individuals, regardless of the ability
15 to pay for emergency medically necessary services within the
16 scope of the hospital's service.

17 (2) Seeks collection of a claim, including collection
18 from an insurer or payment arrangements with the person that
19 is responsible for payment of the care rendered.

20 (3) Assists individuals in obtaining health care
21 coverage, including medical assistance or the Children's
22 Health Insurance Program.

23 (4) Ensures that an emergency admission or treatment is
24 not delayed or denied pending determination of coverage or
25 requirement for prepayment or deposit.

26 (5) Posts adequate notice of the availability of medical
27 services and the obligations of hospitals to provide free
28 services.

29 (c) Uncompensated care scoring.--The department shall
30 calculate the uncompensated care score of each eligible hospital

1 from collected data. If information necessary to determine the
2 uncompensated score of an eligible hospital is unavailable due
3 to the refusal of the hospital to provide the information, the
4 hospital shall not be eligible for payment from the
5 uncompensated care program. An eligible hospital's uncompensated
6 score shall be the sum of:

7 (1) the amount of uncompensated care provided as a
8 percentage of net patient revenue;

9 (2) the number of Medicare SSI days as a percentage of
10 inpatient days; and

11 (3) the number of medical assistance days as a
12 percentage of total inpatient days.

13 (d) Payment calculation.--A payment to a qualified hospital
14 shall be calculated as follows:

15 (1) Multiplying each qualified hospital's uncompensated
16 care score by the three-year average of its total reported
17 inpatient days.

18 (2) Dividing the product under paragraph (1) for each
19 qualified hospital by the sum of the products under paragraph
20 (1) for all qualified hospitals.

21 (3) Multiplying the quotient under paragraph (2) by the
22 appropriation from the fund to the hospital uncompensated
23 care program.

24 (e) Limitations.--

25 (1) The sum of payments to a qualified hospital under
26 this section and payments under medical assistance shall not
27 exceed the aggregate cost of the inpatient and outpatient
28 services furnished to:

29 (i) recipients entitled to medical benefits under
30 Title XIX of the Social Security Act (49 Stat. 620, 42

1 U.S.C. § 1396 et seq.);

2 (ii) recipients entitled to medical benefits under
3 section 432(3)(i) of the act of June 13, 1967 (P.L.31,
4 No.21), known as the Public Welfare Code; and

5 (iii) the uninsured.

6 (2) Payments made under this section in a fiscal year
7 shall not exceed the amount of the appropriation to the
8 department for the uncompensated care program for that fiscal
9 year.

10 (3) A payment under this section does not constitute an
11 entitlement derived from the Commonwealth or a claim on any
12 other funds of the Commonwealth.

13 Section 905. Reimbursement for extraordinary expense.

14 (a) Program establishment.--There is established in the
15 Department of Public Welfare a reimbursement for extraordinary
16 expense program. Appropriations to the department for the
17 reimbursement program under this section shall be used to
18 reimburse hospitals for extraordinary expenses in treating the
19 uninsured on an inpatient hospital basis.

20 (b) Department responsibilities.--The department shall:

21 (1) Administer the extraordinary expense program.

22 (2) Collect the data necessary to administer this
23 section, including data from the Pennsylvania Health Care
24 Cost Containment Council.

25 (3) Contact the appropriate data source if there is
26 missing data.

27 (4) Determine the eligibility of hospitals from
28 information collected under paragraph (2).

29 (5) Pay eligible hospitals each fiscal year in an amount
30 consistent with this section. Payments shall be made on a

1 quarterly basis.

2 (6) Seek Federal matching funds under the medical
3 assistance program to supplement payments under this chapter.

4 (c) Eligibility.--

5 (1) A hospital may receive payment under this section if
6 the hospital is ineligible for payment under section 904 and
7 the hospital provided uncompensated care to an individual
8 with extraordinary expenses in the most recent fiscal year
9 for which data is available.

10 (2) A hospital receiving payment under this section
11 shall meet all the requirements of section 904(b).

12 (d) Payment methodology.--Payment to a hospital under this
13 section shall equal the lesser of the cost of:

14 (1) the extraordinary expense claim in excess of twice
15 the hospital's average cost per stay for all patients; or

16 (2) the prorated amount of each hospital's percentage of
17 extraordinary expense costs in relationship to all eligible
18 hospitals extraordinary expense cost, as applied to the total
19 funds available in the extraordinary expense program for the
20 fiscal year.

21 (e) Limitations.--

22 (1) Payments to a hospital under this section shall not
23 exceed the aggregate cost of services furnished to
24 individuals with extraordinary expenses.

25 (2) The aggregate amount of extraordinary expense
26 payments in any fiscal year shall not exceed the amount of
27 the appropriation to the department for the extraordinary
28 expense program. Providing extraordinary expense payments
29 under this section shall not constitute an entitlement
30 derived from the Commonwealth or a claim on any other funds

1 of the Commonwealth.

2 Section 906. Amounts.

3 The total amount of funds received under this chapter shall
4 not exceed the uncompensated care amount contained in the
5 hospital's most recent hospital cost report.

6 CHAPTER 11

7 COMMONWEALTH UNIVERSAL RESEARCH ENHANCEMENT

8 Section 1101. Scope.

9 This chapter deals with universal research enhancement.

10 Section 1102. Definitions.

11 The following words and phrases when used in this chapter
12 shall have the meanings given to them in this section unless the
13 context clearly indicates otherwise:

14 "Advisory committee." The Health Research Advisory Committee
15 established in section 1103(b).

16 "Applicant." Any of the following:

17 (1) A person.

18 (2) An institution.

19 (3) An entity established under the act of August 24,
20 1951 (P.L.1304, No.315), known as the Local Health
21 Administration Law.

22 "Biomedical research." Comprehensive research pertaining to
23 the application of the natural sciences to the study and
24 clinical practice of medicine at an institution, including
25 biobehavioral research related to tobacco use.

26 "Clinical research." Patient-oriented research which
27 involves direct interaction and study of the mechanisms of human
28 disease, including therapeutic interventions, clinical trials,
29 epidemiological and behavioral studies and the development of
30 new technology.

1 "Collaborative research." Peer-reviewed biomedical, clinical
2 or health services research conducted jointly by two or more
3 applicants that cooperate to identify priorities and conduct
4 research which provides for the sharing of infrastructure,
5 resources and expertise.

6 "Department." The Department of Health of the Commonwealth.

7 "Health services research." Any of the following:

8 (1) Research on the promotion and maintenance of health.

9 (2) The prevention and reduction of disease.

10 "Infrastructure." Equipment, supplies, personnel, laboratory
11 construction or renovations, or the acquisition or maintenance
12 of technology.

13 "Institution." Any of the following located in this
14 Commonwealth:

15 (1) A nonprofit entity that conducts research.

16 (2) A hospital established under the act of July 19,
17 1979 (P.L.130, No.48), known as the Health Care Facilities
18 Act.

19 (3) An institution of higher education.

20 "NIH." The National Institutes of Health.

21 "Peer review." A process approved by the Department of
22 Health or the National Institutes of Health in which a review
23 panel which includes an applicant's professional peers reviews
24 and evaluates research grant applications using a rating system
25 of scientific and technical merit.

26 "Research." Includes biomedical, clinical, collaborative and
27 health services research.

28 Section 1103. Health research program.

29 (a) Program establishment.--There is hereby established in
30 the Department of Health a health research program, which shall

1 be known as the Commonwealth Universal Research Enhancement
2 Program. Appropriations from the fund to the department shall be
3 used to fund research projects conducted by eligible applicants.

4 This includes all of the following:

- 5 (1) Biomedical research.
- 6 (2) Health services research.
- 7 (3) Collaborative research.
- 8 (4) Clinical research.

9 (b) Advisory committee.--

10 (1) There is hereby established in the Department of
11 Health the Health Research Advisory Committee.

12 (2) The committee is comprised of the following:

13 (i) The Secretary of Health or a designee, who shall
14 serve as chairperson.

15 (ii) Four members appointed by the secretary.

16 (3) Members appointed to the committee must possess
17 expertise in health care or health research, including
18 institution-based research specialists, practicing clinicians
19 and public health professionals.

20 (4) Terms are as follows:

21 (i) The secretary shall serve ex officio.

22 (ii) A member under paragraph (2)(ii) shall serve a
23 term of four years.

24 (iii) An appointment to fill a vacancy shall be for
25 the period of the unexpired term or until a successor is
26 appointed and qualified.

27 (5) The committee shall meet as needed, but at least
28 twice a year, to fulfill the purposes provided for in this
29 chapter. A majority of the members of the committee
30 constitutes a quorum. A majority of the members of the

1 committee has authority to act upon any matter properly
2 before it. The committee is authorized to establish rules for
3 its operation and shall obtain public input and make
4 recommendations to the department regarding research
5 priorities, evaluation and accountability procedures, and
6 related issues. Meetings of the committee shall be conducted
7 under 65 Pa.C.S. Ch. 7 (relating to open meetings).

8 (6) Members shall receive no payment for their services.
9 Members who are not employees of State government shall be
10 reimbursed for expenses incurred in the course of their
11 official duties from the fund.

12 Section 1104. Department responsibilities.

13 The department has the following powers and duties:

14 (1) Administer the health research program established
15 under this chapter.

16 (2) Establish, in conjunction with the Health Research
17 Advisory Committee, the research priorities of the
18 Commonwealth. In developing these research priorities, the
19 national health promotion and disease prevention objectives
20 established by the United States Department of Health and
21 Human Services, as applied to this Commonwealth, shall be
22 considered. The priorities shall include the identification
23 of critical research areas, disparities in health status
24 among various Commonwealth populations, expected research
25 outcomes and benefits and disease prevention and treatment
26 methodologies. The priorities shall be reviewed annually and
27 revised as necessary.

28 (3) Solicit and review applications and award research
29 grants to applicants consistent with the priorities
30 established under paragraph (2). Research grants may be

1 awarded for a period not to exceed four years for each
2 project.

3 (4) Develop and implement peer review procedures to be
4 used for the review of grant applications for projects funded
5 pursuant to section 1106(a)(2) and (3).

6 (5) Publish an annual report on all research funded.

7 (6) The report shall be provided to the General
8 Assembly, shall be made available to the public and shall be
9 posted on the department's publicly accessible World Wide Web
10 site.

11 Section 1105. Peer review procedures to determine research
12 project eligibility.

13 (a) Peer review.--Except for formula-funded research, as
14 provided for in section 1108, all research funded under this act
15 shall be peer reviewed in accordance with this section.

16 (b) Prior review.--The department may fund research that has
17 been previously peer reviewed by the National Institutes of
18 Health, the Centers for Disease Control and Prevention or other
19 Federal agency.

20 (c) Other research.--Research not previously peer reviewed
21 as provided for in subsection (b) shall be peer reviewed prior
22 to receiving funding under this act in accordance with
23 subsection (d).

24 (d) Panels.--Peer review of research applications under
25 subsection (c) shall be conducted as follows:

26 (1) The department shall convene peer review panels in
27 various disciplines as necessary to review research proposals
28 that are consistent with the priorities established under
29 section 1104(2).

30 (2) The department shall appoint nationally recognized

1 physicians, scientists and researchers to serve on peer
2 review panels convened to review research in the same
3 discipline. Members of review panels may be from other
4 states.

5 (3) The department shall establish procedures to ensure
6 that members of peer review panels do not have conflicts of
7 interest.

8 Section 1106. Use of funds.

9 (a) Allocation.--Funds under this section shall be allocated
10 as follows:

11 (1) No less than 50% of the funds appropriated under
12 this section shall be used to fund research pursuant to
13 section 1108.

14 (2) No less than 40% of the funds appropriated under
15 this section shall be used to fund collaborative research
16 projects by eligible applicants.

17 (3) No less than 10% of funds appropriated under this
18 section shall be used to fund other research projects by
19 eligible applicants.

20 (b) Excess funds.--If an insufficient number of qualified
21 applications are received or are deemed ineligible for funding
22 by the department under subsection (a), the remaining funds
23 shall be deposited in the Tobacco Endowment Account established
24 pursuant to section 303(b).

25 Section 1107. Applications.

26 (a) General rule.--An application for a research grant under
27 section 1106(a) must include all of the following, as
28 applicable:

29 (1) The name and address of the applicant.

30 (2) The identification of eligible researchers.

1 (3) The description of the purpose and methodology of
2 the research project.

3 (4) The expected research outcomes and benefits.

4 (5) The explanation of the project's evaluative
5 procedures.

6 (6) Any other information deemed necessary by the
7 department.

8 (b) Collaborative projects.--In the case of a collaborative
9 research project, the application shall include, in addition to
10 the information required in subsection (a):

11 (1) The names and addresses of the collaborating
12 entities.

13 (2) The process used to jointly establish priorities and
14 share infrastructure resources.

15 (c) Report.--An applicant receiving a research grant under
16 this chapter shall report annually to the department on the
17 progress of the research project, or as often as the department
18 deems necessary. The results of the research and other
19 information deemed necessary by the department shall be reported
20 to the department upon conclusion of the research project.

21 (d) Limitations.--The award of a research grant shall not
22 constitute an entitlement derived from the Commonwealth or a
23 claim on any funds of the Commonwealth.

24 Section 1108. National Institutes of Health funding formula.

25 (a) Eligibility.--An institution that conducts research in
26 this Commonwealth and has received funding from the National
27 Institutes of Health during each of the three immediately
28 preceding Federal fiscal years shall be eligible to receive a
29 grant pursuant to section 1106(a)(1).

30 (b) Fund distribution.--Funds shall be distributed to an

1 eligible institution based on the percentage calculated by
2 dividing that institution's average award from the National
3 Institutes of Health for the three immediately available
4 preceding Federal fiscal years divided by the sum of the average
5 annual award from the National Institutes of Health for all
6 Pennsylvania-based eligible institutions during the three
7 immediately available preceding Federal fiscal years.

8 (c) Exceptions.--

9 (1) No eligible institution shall receive a grant of
10 more than 20% of the funds available under section 1106(a)(1)
11 in any fiscal year.

12 (2) No eligible institution shall receive a grant of
13 less than \$10,000 of the funds available under section
14 1106(a)(1) in any fiscal year.

15 (3) No eligible institution may expend more than 50% of
16 its grant for building construction or renovation.

17 (d) Remaining funds.--As a result of the exceptions
18 contained in subsection (c), funds distributed pursuant to
19 subsection (b) shall be redistributed to the other eligible
20 institutions on a revised proportional basis.

21 Section 1109. Accountability procedures.

22 (a) Requirements.--An applicant that receives a research
23 grant under section 1106 shall be subject to review by the
24 department upon completion of a research project. The review
25 shall be based on an evaluation process developed by the
26 department in consultation with the advisory committee.
27 Information shall be submitted by research grant recipients to
28 the department on an annual basis and shall include, as
29 applicable, the following:

30 (1) The progress made in achieving expected research

1 outcomes and benefits.

2 (2) The extent of clinical activities initiated and
3 completed, detailing the number of treatment, prevention and
4 diagnostic studies; the number of hospitals and health care
5 professionals; the number of subjects relative to targeted
6 goals; and the extent of penetration of the studies
7 throughout the region or this Commonwealth.

8 (3) The number of peer-reviewed publications and the
9 number of inventions and patents filed.

10 (4) Any changes in risk factors; services provided;
11 incidence of disease; death from disease; stage of disease at
12 the time of diagnosis; or other relevant measures of the
13 outcome, impact and effectiveness of the research being
14 conducted.

15 (5) Any major discoveries, new drugs and new approaches
16 for prevention, diagnosis and treatment, which are
17 attributable to the completed research project.

18 (6) Any other information deemed necessary by the
19 department.

20 (b) Penalty.--Notwithstanding any other provision of this
21 chapter, an applicant that receives an unfavorable review by the
22 department under subsection (a) may be subject to a reduction in
23 or ineligibility for research grant funding under this chapter.

24 CHAPTER 13

25 HOME AND COMMUNITY-BASED CARE

26 Section 1301. Scope.

27 This chapter deals with home and community-based care.

28 Section 1302. Definitions.

29 The following words and phrases when used in this chapter
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Applicant." An individual who meets all of the following:

3 (1) Legally resides in the United States.

4 (2) Is domiciled in this Commonwealth for at least 30
5 days prior to requesting an assessment.

6 (3) Is 60 years of age or older.

7 "Assisted individual." A recipient whose monthly income is
8 below 300% of the Federal poverty guidelines.

9 "Fund." The Tobacco Settlement Fund established in section
10 303.

11 "Funded individual." A recipient who meets all of the
12 following:

13 (1) Is assessed to be in need of care equivalent to the
14 level of care provided by a nursing facility.

15 (2) Is financially eligible for medical assistance under
16 the act of June 13, 1967 (P.L.31, No.21), known as the Public
17 Welfare Code.

18 "Home and community-based services." The services provided
19 to recipients through the options program.

20 "Nursing facility." Premises which is:

21 (1) licensed under the act of July 19, 1979 (P.L.130,
22 No.48), known as the Health Care Facilities Act; and

23 (2) qualified to participate under Title XIX of the
24 Federal Social Security Act.

25 "Options program." The program established and administered
26 by the Department of Aging in cooperation with the Department of
27 Health and the Department of Public Welfare pursuant to section
28 2203-A(17.1) and (17.2) of the act of April 9, 1929 (P.L.177,
29 No.175), known as The Administrative Code of 1929.

30 "Recipient." An applicant with monthly income greater than

1 300% of the Federal poverty level guidelines who is assessed as
2 an individual who is in need of home and community-based
3 services.

4 Section 1303. Home and community-based care services.

5 (a) Appropriations.--Appropriations from the fund to the
6 Department of Public Welfare for home and community-based
7 services shall be used to pay certified providers for home and
8 community-based services provided to funded individuals.

9 Appropriations from the fund to the Department of Aging for home
10 and community-based services shall be used to recruit and enroll
11 qualified providers and to provide funding to entities
12 designated by the Department of Aging to provide home and
13 community-based services to assisted individuals.

14 Notwithstanding section 311 of the act of August 26, 1971
15 (P.L.351, No.91), known as the State Lottery Law, appropriations
16 from the State Lottery Fund to the options program shall be used
17 by the Department of Aging to administer the options program and
18 to provide home and community-based services to assisted
19 individuals in accordance with this chapter.

20 (b) Applicant responsibilities.--An applicant for home and
21 community-based services shall do all of the following:

22 (1) Request an assessment in accordance with the options
23 program.

24 (2) Assist the Department of Public Welfare to determine
25 his financial eligibility for home and community-based
26 services.

27 (c) Ineligible recipient.--A recipient who is determined by
28 the Department of Public Welfare and the Department of Aging not
29 to be a funded individual or an assisted individual may purchase
30 home and community-based services from the entity designated by

1 the Department of Aging under the options program to provide
2 home and community-based services in the recipient's county of
3 residence.

4 (d) Funded individual responsibilities.--A recipient who is
5 determined by the Department of Public Welfare to be a funded
6 individual shall notify the Department of Public Welfare of any
7 change in resources or monthly income.

8 (e) Assisted individual responsibilities.--A recipient
9 determined by the Department of Aging to be an assisted
10 individual shall do all of the following:

11 (1) Pay a monthly copayment on a sliding scale developed
12 by the Department of Aging and the Department of Public
13 Welfare based on his monthly income. The monthly fee shall
14 not exceed the actual costs of the home and community-based
15 services he receives to the Department of Aging.

16 (2) Notify the Department of Aging of any change in his
17 resources and monthly income.

18 (f) Department of Public Welfare responsibilities.--The
19 Department of Public Welfare shall do all of the following:

20 (1) Determine the financial eligibility of funded
21 individuals.

22 (2) Notify the Department of Aging of recipients
23 determined to be assisted individuals.

24 (3) Certify and enter into agreements with providers of
25 home and community-based services in accordance with the act
26 of June 13, 1967 (P.L.31, No.21), known as the Public Welfare
27 Code, to provide home and community-based services to funded
28 individuals.

29 (4) Seek reimbursement for home and community-based
30 services provided to funded individuals from the Federal

1 Government.

2 (5) Annually redetermine the continued eligibility of
3 funded individuals.

4 (6) In cooperation with the Department of Aging, report
5 annually to the General Assembly the number of applicants,
6 the number of recipients and the number of funded
7 individuals.

8 (g) Department of Aging responsibilities.--The Department of
9 Aging shall do all of the following:

10 (1) Collect copayments from assisted individuals for
11 home and community-based services.

12 (2) Provide funding to entities designated by the
13 Department of Aging under the options program to provide home
14 and community-based services to assisted individuals.

15 (3) Assist the Department of Public Welfare in the
16 recruitment and certification of qualified providers.

17 (4) In cooperation with the Department of Public
18 Welfare, report annually to the General Assembly the number
19 of applicants, the number of recipients and the number of
20 assisted individuals.

21 (h) Limitation.--In no case shall the total aggregate amount
22 of payments to certified providers under this chapter exceed
23 Federal appropriations and State appropriations from the fund to
24 the Department of Public Welfare for home and community-based
25 services. In no case shall the total aggregate amount of
26 payments to entities under this act exceed Federal
27 appropriations and State appropriations from the fund to the
28 Department of Aging for home and community-based services.

29 CHAPTER 15

30 MEDICAL ASSISTANCE FOR WORKERS WITH DISABILITIES

1 Section 1501. Scope of chapter.

2 This chapter deals with medical assistance benefits for
3 workers with disabilities.

4 Section 1502. Definitions.

5 The following words and phrases when used in this chapter
6 shall have the meanings given to them in this section unless the
7 context clearly indicates otherwise:

8 "Medical assistance." The State program of medical
9 assistance established under the act of June 13, 1967 (P.L.31,
10 No.21), known as the Public Welfare Code.

11 "Monthly income." The monthly income of an individual as
12 determined by the Department of Public Welfare when applying the
13 income deductions applicable in determining eligibility for
14 Medicare cost-sharing in accordance with 42 U.S.C. §
15 1396a(a)(10)(E).

16 "Worker with a disability." An individual who:

17 (1) Is between 16 and 64 years of age.

18 (2) Is employed at least 40 hours per month and is
19 earning at least the applicable minimum wage under section 6
20 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, 29
21 U.S.C. § 206).

22 (3) Is eligible to receive Supplemental Security Income
23 (SSI) except that earnings exceed the limit established in 42
24 U.S.C. § 1396d(q)(2)(B).

25 (4) Has monthly income below 250% of the Federal poverty
26 income guidelines.

27 (5) Has countable resources equal to or less than two
28 times the SSI resource level established pursuant to 42
29 U.S.C. § 1382.

30 Section 1503. Medical assistance benefits for workers with

1 disabilities.

2 (a) Program establishment.--There is established in the
3 Department of Public Welfare a medical assistance purchase
4 program for workers with disabilities. Fund appropriations to
5 the Department of Public Welfare for the program shall be used
6 by the Department of Public Welfare to provide medical
7 assistance to a worker with a disability.

8 (b) Worker with a disability responsibilities.--A worker
9 with a disability seeking to purchase medical assistance
10 benefits shall:

11 (1) Pay to the Department of Public Welfare or its
12 designee 5% of the worker's monthly income in a manner to be
13 determined by the Department of Public Welfare.

14 (2) Notify the Department of Public Welfare or its
15 designee of any change in the worker's monthly income in a
16 manner to be determined by the Department of Public Welfare.

17 (c) Provision of benefits.--Upon receipt of a worker's
18 payment under subsection (b)(1), the Department of Public
19 Welfare or its designee shall provide to the worker medical
20 assistance benefits at the level provided to Supplemental
21 Security Income (SSI) adult recipients.

22 (d) Department of Public Welfare responsibilities.--The
23 Department of Public Welfare shall:

24 (1) Administer the medical assistance purchase program.

25 (2) Report on an annual basis to the General Assembly
26 the number of individuals purchasing medical benefits and the
27 average amount paid for benefits.

28 (e) Limitations.--Provision of medical assistance benefits
29 pursuant to this section shall not exceed the annual amount of
30 State funds appropriated to the medical assistance purchase

1 program for workers with disabilities.

2 CHAPTER 17

3 HEALTH VENTURE INVESTMENT

4 Section 1701. Scope of chapter.

5 This chapter deals with authorized investments for the Health
6 Venture Investment Account.

7 Section 1702. Definitions.

8 The following words and phrases when used in this chapter
9 shall have the meanings given to them in this section unless the
10 context clearly indicates otherwise:

11 "Board." The Tobacco Settlement Investment Board established
12 in section 304(a).

13 Section 1703. Health Venture Investment Account.

14 There is established within the fund the Health Venture
15 Investment Account.

16 Section 1704. Authorized investment vehicles for the Health
17 Venture Investment Account.

18 The board may invest the money in the Health Venture
19 Investment Account in investments that meet the standard of
20 prudence set forth in section 305(a) by becoming a limited
21 partner in partnerships that make venture capital investments by
22 acquiring equity interests or a combination of debt and equity
23 interests in health care, biotechnology or any other health-
24 related businesses that are expected to grow substantially in
25 the future and in which the expected returns on investment are
26 to come predominantly from increases in value of the equity
27 interests and are not interests in or secured by real estate.

28 The board may invest in one or more limited partnerships or
29 comparable investment entities provided that the investment
30 guidelines and strategies of each investment entity require that

1 at least 70% of the investments will be made in companies
2 located primarily in Pennsylvania or in companies willing to
3 relocate significant business operations to Pennsylvania.

4 CHAPTER 19

5 REGIONAL BIOTECHNOLOGY RESEARCH CENTERS

6 Section 1901. Scope of chapter.

7 This chapter deals with the establishment of regional
8 biotechnology research centers.

9 Section 1902. Regional research centers.

10 (a) Establishment of centers.--The Department of Community
11 and Economic Development, in consultation with the Department of
12 Health, shall establish three regional biotechnology research
13 centers to facilitate research through the sharing of funds and
14 infrastructure.

15 (b) Nonprofit corporations to own and operate centers.--The
16 Department of Community and Economic Development shall seek
17 applicants for the purpose of forming nonprofit corporations
18 which shall own and operate regional biotechnology research
19 centers.

20 (c) Board of directors.--The nonprofit corporation shall
21 establish a board of directors consisting of at least seven
22 members of which the Secretary of Community and Economic
23 Development and the Secretary of Health or their designees shall
24 be ex officio members. The board of directors shall include
25 representatives of the for-profit and nonprofit institutions and
26 organizations participating in the research center, as well as
27 other representatives of local, civic or community groups.

28 (d) Board chairperson.--The Secretary of Community and
29 Economic Development shall appoint the chairperson of the board
30 of directors, who shall serve a term of four years.

1 (e) Functions of centers.--The regional biotechnology
2 research centers shall develop and implement biotechnology
3 research projects which promote and coordinate research in this
4 Commonwealth in order to:

5 (1) Create or enhance research and related industries in
6 Pennsylvania.

7 (2) Develop high quality and commercially useful
8 patents.

9 (3) Attract venture capital investments.

10 (4) Attract and retain leading scientists.

11 (5) Encourage training and educational programs.

12 (6) Develop regional research specialties.

13 (7) Implement the commercial development of new research
14 discoveries.

15 (f) Application.--The board of directors of each regional
16 biotechnology research center shall submit an application to the
17 Secretary of Community and Economic Development which contains
18 the following:

19 (1) A listing of the for-profit and nonprofit
20 institutions and organizations that will comprise the
21 nonprofit corporation and that will own and operate the
22 research center.

23 (2) The names and affiliations of the members of the
24 board of directors for the nonprofit corporation.

25 (3) The proposed programs, activities and categories of
26 research to be conducted at the center.

27 (4) The plans for marketing the research center to
28 regional institutions and corporations to build awareness and
29 encourage participation.

30 (5) The proposed location of the research center.

1 (6) A proposed budget for the first year of operations
2 of the facility including projected infrastructure costs and
3 projections on permanent staff to be employed at the research
4 center.

5 (7) The anticipated health, scientific, commercial and
6 economic development outcomes to be achieved by the research
7 center.

8 (8) The amount of funds or infrastructure to be
9 contributed by each participant to the research center.

10 (9) Any other information deemed necessary by the
11 Secretary of Community and Economic Development.

12 (g) Participation.--In order to participate in research or
13 product development at a regional biotechnology research center,
14 an applicant shall make financial or other substantially
15 equivalent contributions to the research being conducted in an
16 amount established by the Department of Community and Economic
17 Development. The board of directors shall develop royalty
18 agreements or other revenue streams to fund ongoing operations
19 of the biotechnology research center. The board of directors
20 shall also reach agreement with the Department of Community and
21 Economic Development on allowing access to and commercialization
22 of intellectual property. Intellectual property shall include
23 work of the mind or intellect associated with an idea,
24 invention, trade secret, process, program, data, formula,
25 patent, copyright or trademark, or an application, right or
26 registration relating thereto.

27 (1) The Department of Community and Economic Development
28 shall reach agreement with the board of directors of each
29 research center regarding the amount of capital to be raised
30 from the for-profit and nonprofit participants prior to

1 disbursement of any State funds.

2 (2) Regarding that portion of revenue which will be
3 returned to the Commonwealth due to successful new inventions
4 or new patents issued as a result of research undertaken at
5 the research center.

6 (h) Personnel.--A regional biotechnology research center may
7 hire personnel to coordinate research projects.

8 (i) Review and report.--

9 (1) Each regional biotechnology research center shall be
10 subject to annual review by the department.

11 (2) Each regional biotechnology research center shall
12 annually submit a report to the Department of Community and
13 Economic Development, the Department of Health, the chairman
14 and the minority chairman of the Appropriations Committee of
15 the Senate, the chairman and minority chairman of the
16 Appropriations Committee of the House of Representatives, the
17 chairman and minority chairman of the Community and Economic
18 Development Committee of the Senate and the chairman and
19 minority chairman of the Commerce and Economic Development
20 Committee of the House of Representatives. This report shall
21 be in a form and manner developed by the Department of
22 Community and Economic Development working in cooperation
23 with the Department of Health and shall include the
24 following:

25 (i) The current members of the board of directors for
26 the research center.

27 (ii) A description of the research facilities, including
28 space and equipment.

29 (iii) The research center's current policies for the
30 management and development of intellectual property and

1 ownership of new inventions created during the course of
2 research undertaken at the center.

3 (iv) The research center's policies on conflicts of
4 interest and the handling of confidential material.

5 (v) A listing of all organizations, for-profit and
6 nonprofit institutions utilizing the services of the research
7 center during the prior year.

8 (vi) A listing of any licenses or other contractual
9 obligations in effect, or anticipated, for the intellectual
10 property developed at the research center during the prior
11 year.

12 (vii) A listing of any new inventions, any new patent
13 applications or patents issued as a result of research
14 undertaken at the center during the prior year.

15 (viii) A copy of the annual operating budget for the
16 year, including a listing of the sources of all funds
17 including financial and in-kind personnel, equipment or other
18 material donations and contributions by all parties involved
19 in the research center, grants obtained, Federal funds
20 leveraged and expenditures made including infrastructure
21 expenditures, administrative and staffing costs.

22 CHAPTER 51

23 MISCELLANEOUS PROVISIONS

24 Section 5101. Appropriations for 2001-2002.

25 The following sums, or as much thereof as may be necessary,
26 are hereby specifically appropriated from the Tobacco Settlement
27 Fund for the fiscal year 2001-2002:

28 (1) Governor.--The following
29 amounts are appropriated to the

30 Governor: Federal State

1 For transfer to the Health Venture
2 Investment Account.

3 State appropriation..... 60,000,000

4 (2) Department of Aging.--The
5 following amounts are appropriated to
6 the Department of Aging:

Federal State

7 For the home and community-based
8 services:

9 State appropriation..... 14,688,000

10 The following Federal amounts are
11 appropriated to supplement the sum
12 appropriated for home and community-
13 based services and support:

14 "Medical Assistance - Home and
15 Community-Based Care."

16 Federal appropriation..... 17,243,000

17 For transfer to the PACE Fund for
18 expansion of the PACENET program.

19 State appropriation..... 47,585,000

20 For the Pennsylvania Extraordinary
21 Prescription Plan Program.

22 State appropriation..... 144,000,000

23 (3) Department of Community and
24 Economic Development.--The following
25 amounts are appropriated to the
26 Department of Community and Economic
27 Development:

Federal State

28 For regional biomedical and life
29 science research centers.

30 State appropriation..... 90,000,000

1 (4) Department of Health.--The
 2 following amounts are appropriated to
 3 the Department of Health: Federal State
 4 For health and related research.
 5 State appropriation..... 32,641,000
 6 For tobacco use prevention and
 7 cessation programs.
 8 State appropriation..... 48,961,000

9 (5) Insurance Department.--The
 10 following amounts are appropriated to
 11 the Insurance Department: Federal State
 12 For the Adult Basic Coverage
 13 Insurance program.
 14 State appropriation..... 105,755,000

15 (6) Department of Public
 16 Welfare.--The following amounts are
 17 appropriated to the Department of
 18 Public Welfare: Federal State
 19 For medical coverage for workers
 20 with disabilities.
 21 State appropriation..... 24,807,000

22 The following Federal amounts are
 23 appropriated to supplement the sum
 24 appropriated for home and community
 25 medical coverage for workers with
 26 disabilities:
 27 "Medical Assistance - Medical
 28 Coverage for Workers with
 29 Disabilities."
 30 Federal appropriation..... 29,121,000

1 For hospital uncompensated care.

2 State appropriation..... 22,641,000

3 The following Federal amounts are

4 appropriated to supplement the sum

5 appropriated for hospital

6 uncompensated care:

7 "Medical Assistance - Uncompensated

8 Care."

9 Federal appropriation..... 26,175,000

10 For reimbursement of hospital

11 extraordinary expense program.

12 State appropriation..... 10,000,000

13 The following Federal amounts are

14 appropriated to supplement the sum

15 appropriated for hospital

16 extraordinary expense program.

17 "Medical Assistance - Hospital

18 Extraordinary Expenses."

19 Federal appropriation..... 11,561,000

20 For home and community-based

21 services.

22 State appropriation..... 34,273,000

23 The following Federal amounts are

24 appropriated to supplement the sum

25 appropriated for home and community

26 services:

27 "Medical Assistance - Home and

28 Community-Based Care."

29 Federal appropriation..... 40,233,000

30 Section 5102. Effective date.

1 This act shall take effect as follows:

2 (1) Chapter 3 and this section shall take effect
3 immediately.

4 (2) The remainder of this act shall take effect July 1,
5 2001.