

## THE GENERAL ASSEMBLY OF PENNSYLVANIA

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# HOUSE BILL

## No. 1824

Session of  
2007

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INTRODUCED BY J. EVANS, PALLONE, BOYD, WATSON, PICKETT, CUTLER, KILLION, MUSTIO, STERN, BAKER, BROOKS, CAPPELLI, CAUSER, CLYMER, DENLINGER, HARKINS, KENNEY, MACKERETH, NICKOL, ROSS, RUBLEY, SAYLOR, SONNEY, SIPTROTH, READSHAW, MILNE, HELM, MENSCH, EVERETT, HENNESSEY, HARHART, McILVAINE SMITH, QUINN AND HORNAMAN, DECEMBER 6, 2007

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AS RE-REPORTED FROM COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 26, 2008

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## AN ACT

1 Establishing the Community-Based Health Care Provider Assistance  
2 Program in the Department of Health; setting criteria for  
3 eligibility for and authorizing payments to community-based  
4 health care providers to assist in providing medically  
5 necessary care to Pennsylvanians; providing for powers and  
6 duties of the Department of Health; and establishing the  
7 Community-Based Health Care Provider Assistance Fund.

8 The General Assembly of the Commonwealth of Pennsylvania  
9 hereby enacts as follows:

10 Section 1. Short title.

11 This act shall be known and may be cited as the Community-  
12 Based Health Care Provider Assistance Act.

13 Section 2. Statement of purpose.

14 The General Assembly recognizes that there exists a great  
15 need for increased access to community-based health care  
16 services throughout this Commonwealth in order:

17 (1) to allow for individuals to establish medical homes  
18 and obtain preventive care;

1           (2) to reduce the inappropriate use of emergency health  
2     care services by providing effective alternatives to such  
3     services;

4           (3) to reduce the burden of uncompensated care and the  
5     needs of the uninsured; and

6           (4) to improve maternal and child health.

7     Therefore, the General Assembly seeks to increase the  
8     availability of such community-based health care services by  
9     assisting in the expansion of community-based health care  
10    providers through the provision of additional resources and  
11    generally promoting their use as a cost-effective supplement to  
12    other providers of health care services.

### 13   Section 3. Definitions.

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

17    "Community-based health care provider." Any of the following  
18    nonprofit health care centers that provide primary health care  
19    services:

20           (1) A federally qualified health center as defined in  
21     section 1905(1)(2)(B) of the Social Security Act (49 Stat.  
22     620, 42 U.S.C. § 1396d(1)(2)(B)).

23           (2) A rural health clinic as defined in section  
24     1861(aa)(2) of the Social Security Act (49 Stat. 620, 42  
25     U.S.C. § 1395x(aa)(2)), certified by Medicare.

26           (3) A freestanding hospital clinic that serves a  
27     federally designated:

28               (i) health care professional shortage area;

29               (ii) medically underserved area; or

30               (iii) medically underserved population.

(4) A free or partial-pay health clinic that provides services by volunteer medical providers.

(5) An entity meeting the requirements of the Federal Government to be recognized as a federally qualified health center look-alike.

(6) A nurse-managed health clinic that serves a federally designated:

(i) health care professional shortage area;

(ii) medically underserved area; or

(iii) medically underserved population.

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

"Fund." The Community-Based Health Care Provider Assistance Fund establish under this act.

"Health care provider." A health care facility or health care practitioner as defined in the act of July 19, 1979 (P.L.130, No.48), known as the Health Care Facilities Act, a group practice or a community-based health care provider.

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

"Nurse-managed health clinic." A nurse practice arrangement, managed by advanced practice nurses, that provides primary care and is associated with a school, college or department of nursing, federally qualified health center or an independent nonprofit health or social services agency.

"Program." The Community-Based Health Care Provider Assistance Program established under this act.

Section 4. Community-Based Health Care Provider Assistance Program.

(a) Establishment.--The Community-Based Health Care Provider

Assistance Program is established within the department to provide grants to community-based health care providers to:

(1) Improve the access to and quality of health care in this Commonwealth.

(2) Assist in covering the reasonable costs of providing health care services, outreach and care management opportunities to persons eligible to receive health care services from or through community-based health care providers.

(3) Improve access to medically necessary preventive, curative and palliative physical, dental and behavioral health care services offered by and through community-based health care providers, while reducing unnecessary or duplicative services.

(4) Reduce the unnecessary utilization of emergency health care services by supporting the development and provision of effective alternatives offered by or through community-based health care providers.

(5) Improve the availability of quality health care services offered by or through community-based health care providers for women who are pregnant or who have recently given birth and their children.

(6) Promote the use of chronic care and disease management protocols offered by or through community-based health care providers in an effort to optimize both individual health outcomes and the use of health care resources.

(b) Administration.--The program shall be administered by the department and shall be funded by annual transfers as provided under this act to the fund to support community-based

1 health care providers' provision of health care.

2 (c) Department responsibilities.--~~The~~ AFTER SUFFICIENT <—  
3 MONEYS HAVE BEEN TRANSFERRED OR DEPOSITED INTO THE COMMUNITY-  
4 BASED HEALTH CARE PROVIDER ASSISTANCE FUND, THE department  
5 shall:

6 (1) Administer the program.

7 (2) Within 90 days of ~~the effective date of this section~~ <—  
8 SUCH MONEYS BEING SO TRANSFERRED OR DEPOSITED, develop and <—  
9 provide an application form consistent with this act.

10 (3) Determine the eligibility of community-based health  
11 care providers for the assistance provided under this act,  
12 based upon its consideration of community health needs across  
13 this Commonwealth, revenue and cost data and other  
14 information provided by community-based health care providers  
15 and such other information as the department determines to be  
16 appropriate to ascertain the financial condition and needs of  
17 such programs and this Commonwealth.

18 (4) Establish a process to allocate funding as provided  
19 under this act, to determine the optimal use of funds and to  
20 reallocate funds if acceptable requests for funding within a  
21 particular category are not received.

22 (5) Calculate and make grants to qualified community-  
23 based health care providers from the funds deposited in the  
24 fund for the purposes established under this act pursuant to  
25 this section AND SECTION 5. <—

26 (6) Provide an annual report to the chairman and  
27 minority chairman of the Public Health and Welfare Committee  
28 of the Senate and the chairman and minority chairman of the  
29 Health and Human Services Committee of the House of  
30 Representatives describing the operation of the program and

1 detailing grants made, the names and addresses of the  
2 community-based health care providers receiving grants and  
3 such other information as may be determined by the department  
4 to be necessary or desirable.

5 (7) Audit grants awarded under this act to ensure that  
6 funds have been used in accordance with this act and the  
7 terms and standards adopted by the department.

8 (8) Provide ongoing assessment of the benefits and costs  
9 of the assistance provided under this act.

10 ~~(d) Federal matching funds. The department shall seek~~ <—  
11 ~~Federal matching funds under medical assistance, as well as~~

12 (9) SEEK FEDERAL MATCHING FUNDS UNDER MEDICAL <—  
13 ASSISTANCE, AS WELL AS grants and funding from other sources,  
14 to supplement amounts made available under this act to the  
15 extent permitted by law.

16 ~~(e)~~ (D) Limitations on payments by department.--Payments to <—  
17 community-based health care providers for assistance under this  
18 act shall not exceed the amount of funds available in the fund  
19 for the program and any payment under this act shall not  
20 constitute an entitlement from the Commonwealth or a claim on  
21 any other funds of the Commonwealth.

22 ~~(f)~~ (E) Report.--A community-based health care provider that <—  
23 receives a grant under this act shall report at least annually  
24 to the department, which report shall include a description of:

25 (1) The community-based health care provider's efforts  
26 to improve access to and the delivery and management of  
27 health care services.

28 (2) The reduction of unnecessary and duplicative health  
29 care services.

30 (3) Changes in overall health indicators and in

1 utilization of health care services among the communities and  
2 individuals served by the community-based health care  
3 providers, with particular emphasis on indicators including,  
4 but not limited to:

5 (i) The creation and maintenance of relationships  
6 between health care providers and individuals directed at  
7 establishing a medical home for such individuals and the  
8 provision of preventive and chronic care management  
9 services.

10 (ii) Prenatal and postpartum care.

11 (iii) The care of newborns and infants.

12 (iv) Such other matters as may be specified by the  
13 department.

14 (4) An accounting of the expenditure of funds from the  
15 grant and all funds received from other sources.

16 Section 5. Grants to community-based health care providers.

17 (a) Allocation of funds.--The department shall provide  
18 grants to community-based health care providers on the basis of  
19 the process established under this section.

20 (b) Grant award methodology.--

21 (1) The department shall develop a methodology to  
22 determine grant amounts to be awarded under this act based  
23 upon an assessment by the department of community need for  
24 the services to be supported by funding available to  
25 community-based health care providers and the needs of  
26 community-based health care providers applying for such  
27 assistance.

28 (2) During each of the first three years of the program,  
29 the department shall use its best efforts to make grants as  
30 follows, subject to reallocation as provided under subsection

1 (f):

2 (i) (A) Fifty percent for expansion of current  
3 community-based health care providers and development  
4 of new community-based health care providers.

5 (B) Amounts provided under this subparagraph, in  
6 addition to funds provided for the costs of expansion  
7 and development, may be used by the department to  
8 make planning grants to community-based health care  
9 providers not to exceed more than \$25,000 for any  
10 single community-based health care provider.

11 (C) In making grants under this subparagraph,  
12 the department shall give first priority to  
13 applications that seek to use grant proceeds for  
14 machinery, equipment and reasonably necessary  
15 renovation of existing facilities rather than new  
16 construction. All reasonable actions should be taken  
17 to optimize the use of the funding provided under  
18 this act and avoid unnecessary construction costs.

19 (ii) Twenty-five percent for improvements in  
20 prenatal, obstetric, postpartum and newborn care provided  
21 by or through community-based health care providers,  
22 which amount during the initial three-year period shall  
23 include grants for at least one new mobile clinic serving  
24 primarily rural areas and one new mobile clinic serving  
25 primarily urban areas.

26 (iii) Twenty-five percent for services intended to  
27 reduce unnecessary emergency room utilization and to  
28 expand capacity and services offered by or through  
29 existing community-based health care providers.

30 (c) Program adjustment.--



1           (1) The department shall provide a report to the  
2 chairman and minority chairman of the Public Health and  
3 Welfare Committee of the Senate and the chairman and minority  
4 chairman of the Health and Human Services Committee of the  
5 House of Representatives no later than July 1, 2010, that  
6 includes an assessment of the effectiveness of the initial  
7 phase of the program and describes any changes in the  
8 allocation of funds described in subsection (b) that the  
9 department intends to make beginning in the fourth year of  
10 the program.

11           (2) The Department shall develop the program changes  
12 anticipated by this subsection and included in the report  
13 required under paragraph (1) after consultation with and  
14 receiving input from community-based health care providers,  
15 consumers and others with an interest in the provision of  
16 community-based health care.

17           (3) The department, after determining program changes,  
18 shall make necessary revisions in program requirements and  
19 procedures and provide notice to prospective applicants, such  
20 that grants can be awarded on a timely basis beginning in the  
21 fourth year of the program.

22           (d) Additional information.--In addition to the application,  
23 an applicant must provide:

24           (1) A feasibility study of the proposed uses of funds to  
25 be provided under the grant.

26           (2) A business or financial plan that describes the  
27 long-term sustainability, financial cost to the applicant and  
28 the proposed benefits of the work to be accomplished pursuant  
29 to the grant.

30           (3) A strategic plan and schedule for the development

1 and implementation of the work to be accomplished pursuant to  
2 the grant.

3 (e) Limitation.--The total amount of grants under the  
4 program to any single community-based health care provider shall  
5 not exceed \$2,000,000 and no grant shall be for a term in excess  
6 of five years.

7 (f) Reallocation of funds.--The department shall reallocate  
8 funds among the categories described in subsection (b) if  
9 sufficient requests are not received by the department that  
10 comply with this act or the requirements of the department.

11 Section 6. Community-Based Health Care Provider Assistance  
12 Fund.

13 (a) Establishment.--The Community-Based Health Care Provider  
14 Assistance Fund is established in the State Treasury.

15 (b) Funding sources.--The fund shall be funded by:

16 (1) Transfers or appropriations to the fund.

17 (2) Money received from the Federal Government or other  
18 sources.

19 (3) Money required to be deposited in the fund pursuant  
20 to other provisions under this act or any other law.

21 (4) Investment earnings from the fund, net of investment  
22 costs.

23 (c) Nonlapse.--The money in the fund is appropriated on a  
24 continuing basis to the department and shall not lapse at the  
25 end of any fiscal year.

26 SECTION 7. FUNDING CONTINGENCY. <—

27 THE POWERS AND DUTIES OF THE DEPARTMENT UNDER THIS ACT SHALL  
28 BE CONTINGENT ON FUNDS BEING APPROPRIATED OR OTHERWISE MADE  
29 AVAILABLE TO THE DEPARTMENT FOR THE PURPOSES OF THIS ACT.

30 Section 7 8. Effective date. <—

1       This act shall take effect July 1, 2008, or immediately,  
2   whichever is later.