

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 889 Session of 2009

INTRODUCED BY BAKER, REICHLEY, CLYMER, CUTLER, BRENNAN, CAUSER, FAIRCHILD, FLECK, FRANKEL, GOODMAN, HARHAI, HARHART, HENNESSEY, HESS, HUTCHINSON, M. KELLER, PICKETT, QUINN, SCAVELLO, SIPTROTH, J. TAYLOR, VULAKOVICH, CREIGHTON AND RAPP, MARCH 12, 2009

REFERRED TO COMMITTEE ON HEALTH AND HUMAN SERVICES, MARCH 12, 2009

AN ACT

1 Establishing the Community-Based Health Care Provider Access
2 (CHCPA) Program in the Department of Health; providing for
3 hospital health clinics and for a tax credit; and making an
4 appropriation.

5 The General Assembly finds and declares as follows:

6 The purpose of the Community-Based Health Care Provider
7 Access Program is to provide access to quality community-
8 based health care to improve the health of local residents.

9 Community health workers play an important role by
10 helping individuals who utilize community services understand
11 how to navigate the health care system. They provide
12 information to patients about staying healthy and managing
13 diseases, emphasizing prevention and primary care, resulting
14 in more appropriate use of the health care system, leading to
15 lower overall costs of care reducing the burden of
16 uncompensated care.

17 Specifically this act seeks to:

1 (1) Expand and improve health care access and
2 services, such as preventative care, chronic care and
3 disease management, prenatal, obstetric, postpartum and
4 newborn care, dental treatment, behavioral health, mental
5 health and substance abuse and primary services resulting
6 in improved health statuses of Commonwealth residents
7 regardless of insurance status or ability to pay.

8 (2) Reduce unnecessary utilization of hospital
9 emergency services by providing an effective alternative
10 health care delivery system.

11 (3) Encourage collaborative relationships among
12 community-based health care clinics, hospitals and other
13 health care providers.

14 Community health centers serve millions of patients
15 nationally. Federally qualified health centers (FQHC) alone
16 served 521,194 individuals as medical home and family
17 physician in the Commonwealth of Pennsylvania. Health centers
18 are located in areas where care is needed but scarce, their
19 costs rank among the lowest, and they reduce the need for
20 more expensive inpatient and specialty care. Only six states
21 served more individuals in FQHCs (California, Florida,
22 Illinois, New York, Texas and Washington). Pennsylvania has
23 no direct funding to health centers.

24 Ninety-one percent of patients served in community
25 centers are of low income with 71% being families with
26 incomes at or below poverty levels. Nearly two-thirds of
27 individuals accessing community care are racial and ethnic
28 minorities. About 39% of health center patients are uninsured
29 and another 35% depend on Medicaid. About half of health
30 center patients reside in rural areas, while the other half

tend to live in economically depressed inner city communities.

Expanding and strengthening community-based health centers will continue to improve the health outcomes for this Commonwealth's medically vulnerable as well as narrow health disparities.

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

4 CHAPTER 1

5 HEALTH CARE ASSISTANCE

6 SUBCHAPTER A

7 PRELIMINARY PROVISIONS

8 Section 101. Short title.

9 This act shall be known and may be cited as the Community-
10 Based Health Care Provider Access (CHCPA) Act.

11 Section 102. Definitions.

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

15 "Advanced practice nurse." A registered nurse with a
16 master's or doctorate degree licensed to practice as a
17 certificate-registered nurse practitioner, clinical nurse
18 specialist or certified nurse-midwife.

19 "Chronic care and disease management." A model of care that
20 includes the following:

21 (1) The provision of effective health management through
22 support and information that also promotes self-care for
23 patients with chronic conditions so they can effectively
24 manage their health.

25 (2) The use of evidence-based medicine to ensure
26 appropriate treatment decisions by health care providers.

27 (3) Tracking clinical information for individual and
28 general patient populations to guide treatment and
29 effectively anticipate community health care problems.

30 (4) Ensuring patients get the care they need by

1 clarifying roles and tasks of health care providers and
2 encouraging a coordination of care for all who treat patients
3 and have centralized, up-to-date information about the
4 patient and that follow-up care is provided as a standard
5 procedure.

6 (5) Forming partnerships and alliances with State,
7 local, business, religious and other organizations to support
8 or expand care for those with chronic disease.

9 "Community-based health care clinic." A nonprofit health
10 care center located in this Commonwealth that provides
11 comprehensive health care services without regard for a
12 patient's ability to pay and that:

13 (1) meets either of the following criteria:

14 (i) serves a federally designated medically
15 underserved area, a medically underserved population or a
16 health professional shortage area; or

17 (ii) serves a patient population with a majority of
18 that population having an income less than 200% of the
19 Federal poverty income guidelines; and

20 (2) includes any of the following:

21 (i) A federally qualified health center as defined
22 in section 1905(1)(2)(B) of the Social Security Act (49
23 Stat. 620, 42 U.S.C. § 1396d(1)(2)(B)) or a federally
24 qualified health center look-alike.

25 (ii) A rural health clinic as defined in section
26 1861(aa)(2) of the Social Security Act (49 Stat. 620, 42
27 U.S.C. § 1395x(aa)(2)), certified by Medicare.

28 (iii) A hospital health clinic.

29 (iv) A free or partial-pay health clinic that
30 provides services by volunteer and nonvolunteer health

care providers.

(v) A nurse-managed health care clinic that is managed by advanced practice nurses and is associated with a nursing education program, a federally qualified health center or an independent nonprofit health or social services agency.

(vi) A not-for-profit dental clinic.

"Community health needs assessment." An assessment conducted by a community-based health improvement partnership under section 111.

"Department." Except as provided under section 122, the Department of Health of the Commonwealth.

"Fund." The Community-Based Health Care Provider Access (CHCPA) Fund.

"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. A health care provider licensed to practice a component of the healing arts by a licensing board within the Department of State who provides health care services at a community-based health care clinic.

"Hospital." An entity located in this Commonwealth that is licensed as a hospital under the act of July 19, 1979 (P.L.130, No.48), known as the Health Care Facilities Act.

"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 health care

1 services to vulnerable populations and is associated with a
2 school, college or department of nursing, a federally qualified
3 health center or an independent nonprofit health or social
4 services agency.

5 "Patient." A natural person receiving health care in or from
6 a health care provider at a community-based health care clinic.

7 "Program." The Community-Based Health Care Provider Access
8 (CHCPA) Program.

9 SUBCHAPTER B

10 COMMUNITY-BASED HEALTH CARE PROVIDER ACCESS (CHCPA)

11 Section 111. Community-Based Health Care Provider Access
12 (CHCPA) Program.

13 (a) Establishment.--The Community-Based Health Care Provider
14 Access (CHCPA) Program is established within the department to:

15 (1) Improve availability, access to and provide quality
16 community-based health care, reduce unnecessary utilization
17 of emergency health care services by providing and supporting
18 the development and provision of appropriate alternatives
19 offered by or through community-based health care providers,
20 while reducing duplicative services.

21 (2) Expand and improve health care access and services
22 to medically necessary preventative care, chronic care and
23 disease management in an effort to optimize both individual
24 health outcomes and the use of health care resources,
25 obstetric services, including prenatal, postpartum and
26 newborn care, dental treatment, pharmacy services and
27 behavioral health care services provided in the Commonwealth
28 through community-based health care providers.

29 (3) Encourage collaborative relationships among
30 community-based health care clinics, hospitals and other

1 health care providers as well as provide outreach into the
2 community to identify individuals who would qualify for the
3 program and integrate them into the program.

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

8 (5) Provide for the establishment of a case manager
9 system for each eligible individual to assist the individual
10 in meeting his health care needs.

11 (6) Monitor the changes in health status of the low-
12 income residents in the community.

13 (b) Grant award methodology.--A methodology for the
14 allocation of grant awards shall be developed by the department
15 based on the following distribution:

16 (1) Fifty percent for the expansion of an existing or
17 the development of a new community-based health care clinic
18 using criteria that include:

19 (i) The actual and projected number of total
20 patients, new patients and patient visits for all
21 patients served or to be served, including the number of
22 low-income and uninsured patients, who fall below 200% of
23 the Federal poverty income guidelines.

24 (ii) The addition or expansion of ancillary health
25 care services, such as dental, behavioral health and
26 pharmacy.

27 (iii) The development or enhancement of preventive
28 and chronic care and disease management techniques.

29 (2) Twenty-five percent for improvements in prenatal,
30 obstetric, postpartum and newborn care.

1 (3) Twenty percent for improved access and services,
2 including patient transportation, intended to reduce
3 unnecessary emergency room utilization.

4 (4) Five percent for the establishment of collaborative
5 relationships among community-based health care clinics,
6 hospitals and other health care providers.

7 (c) Limitation.--No more than 25% of the grants awarded
8 under subsection (b) shall go to federally qualified health
9 centers or Federally qualified health center look-alikes.

10 (d) Distribution.--Funds shall be distributed in a manner
11 that improves access and expands services in all geographic
12 areas of this Commonwealth.

13 (e) Reallocation.--The department shall reallocate funds
14 among the categories described in subsection (b) if sufficient
15 grant requests are not received to use all the funds available
16 in a specific category.

17 (f) Amount of grants.--A grant under this subsection shall
18 not exceed \$500,000, and shall require a matching commitment of
19 25% of the grant, which can be in the form of cash or equivalent
20 in-kind services.

21 (g) Federal funds.--The department shall seek any available
22 Federal funds, as well as any available grants and funding from
23 other sources, to supplement amounts made available under this
24 subchapter to the extent permitted by law.

25 Section 112. Powers and duties of department.

26 The department shall have the following powers and duties:

27 (1) To administer the program.

28 (2) To develop an allocation methodology under section
29 111(b).

30 (3) Within 90 days of the effective date of this

1 section, to develop and provide a grant application form
2 consistent with this act. The department shall provide
3 applications for grants under this section to all known
4 community-based health care clinics. A grant under this
5 section may be extended over two State fiscal years at the
6 request of the community-based health care clinic.

7 (4) To calculate and make grants to qualified community-
8 based health care clinics.

9 (5) To provide an annual report no later than November
10 30 to the chair and minority chair of the Public Health and
11 Welfare Committee of the Senate and the chair and minority
12 chair of the Health and Human Services Committee of the House
13 of Representatives. The report shall include accountability
14 measures for all of the following:

15 (i) The total dollar amount for each grant awarded,
16 listing the type of community-based health care clinic
17 and the name of the grantee.

18 (ii) A summary of the use of the grant by each
19 grantee.

20 (iii) A summary of how each grant expanded access
21 and services in accordance with the criteria set forth in
22 section 111(a) and (b), including a specific
23 documentation of low-income and uninsured patients
24 served, and the total amount of funds allocated in each
25 distribution category under section 111(b).

26 (iv) The impact of the grant on improving the
27 delivery and quality of health care in the community.

28 (v) An accountability assessment of the benefits of
29 the assistance provided under this subchapter and any
30 recommendations for changes to the program.

1 The report shall be made available for public inspection and
2 posted on the department's publicly accessible Internet
3 website.

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

8 (7) To establish and maintain an online database of
9 community-based health care clinics.

10 (8) To establish a toll-free telephone number for
11 individuals to obtain information about community-based
12 health care clinics.

13 Section 113. Hospital health clinics.

14 (a) Program.--The Department of Public Welfare shall be
15 responsible for administering the program as it relates to
16 hospital health clinics in accordance with the requirements of
17 this act and shall have the following additional duties:

18 (1) To develop an application and collect such data and
19 information as may be necessary to determine the eligibility
20 of hospital health clinics for payments under this section
21 using the criteria set forth in section 111(a) and (b).

22 (2) To review an application and make a final
23 determination regarding a hospital health clinic's
24 eligibility for funding within 90 days of receipt.

25 (3) To make payments to hospital health clinics in
26 accordance with the payment calculation set forth in
27 subsection (e).

28 (b) Submission of application.--In order to qualify for
29 funding pursuant to this section, a hospital health clinic shall
30 submit the required application to the Department of Public

Welfare no later than 90 days after the effective date of this act.

(c) Funding.--

(1) For fiscal year 2009-2010 and each year thereafter, upon Federal approval of an amendment to the Medicaid State plan, the Department of Public Welfare shall annually distribute any available funds obtained under this act for hospital health clinics through disproportionate share payments to hospitals to provide financial assistance that will assure readily available and coordinated comprehensive health care to the citizens of this Commonwealth.

(2) The Secretary of Public Welfare shall determine the funds available and make appropriate adjustments based on the number of qualifying hospitals with hospital health clinics.

(d) Maximization.--The Department of Public Welfare shall seek to maximize any Federal funds, including funds obtained under Title XIX of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1396 et seq.).

(e) Payment calculation.--

(1) Thirty percent of the total amount available shall be allocated to eligible hospital health clinics of hospitals located in counties of the first and second class. The total amount available for each hospital health clinic at a hospital in these counties shall be allocated on the basis of each hospital's percentage of medical assistance and low-income hospital health clinic visits compared to the total number of medical assistance and low-income hospital health clinic visits for all hospitals in these counties.

(2) Fifty percent of the total amount available shall be allocated to eligible hospital health clinics of hospitals

1 located in counties of the third, fourth and fifth class. The
2 total amount available for each hospital health clinic at a
3 hospital in these counties shall be allocated on the basis of
4 each hospital's percentage of medical assistance and low-
5 income hospital health clinic visits compared to the total
6 number of medical assistance and low-income hospital health
7 clinic visits for all hospitals in these counties.

8 (3) Twenty percent of the total amount available shall
9 be allocated to eligible hospital health clinics of hospitals
10 located in counties of the sixth, seventh and eighth class.
11 The total amount available for each hospital health clinic at
12 a hospital in these counties shall be allocated on the basis
13 of each hospital's percentage of medical assistance and low-
14 income hospital health clinic visits compared to the total
15 number of medical assistance and low-income hospital health
16 clinic visits for all hospitals in these counties.

17 (4) Any hospital that has reached its disproportionate
18 share limit under Title XIX of the Social Security Act shall
19 receive its share of the State funds available under this
20 act.

21 (f) Definition.--As used in this section, the term "low-
22 income" means under 200% of the Federal poverty income
23 guidelines.

24 Section 114. Community-Based Health Care Provider Access
25 (CHCPA) Fund.

26 (a) Establishment.--The Community-Based Health Care Provider
27 Access (CHCPA) Fund is established in the State Treasury.

28 (b) Funding sources.--Funding sources for the fund shall
29 include all of the following:

30 (1) Transfers or appropriations to the fund.

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

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

5 (4) Investment earnings from the fund, net of investment
6 costs.

7 (c) Use.--The department shall utilize the fund to carry out
8 the program.

9 Section 115. Report and program adjustment.

10 (a) The department shall provide a report to the chair and
11 minority chair of the Public Health and Welfare Committee of the
12 Senate and the chair and minority chair of the Health and Human
13 Services Committee of the House of Representatives no later than
14 July 1, 2012, that includes an assessment of the effectiveness
15 of the initial phase of the program and describes any changes in
16 the allocation of funds described in section 111(b) that the
17 department intends to make beginning in the fourth year of the
18 program.

19 (b) The department shall develop the program changes
20 anticipated by this subsection and included in the report under
21 subsection (a) after consultation with and receiving input from
22 community-based health care providers, consumers and others with
23 an interest in the provision of community-based health care.

24 (c) The department, after determining program changes, shall
25 make necessary revisions in the program requirements and
26 procedures and provide notice to prospective applicants, such
27 that grants can be awarded on a timely basis beginning in the
28 fourth year of the program.

29 (d) A community-based health care provider that receives a
30 grant under this act shall report at least annually to the

department, which report shall include a description of:

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

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

(3) Changes in overall health indicators and in utilization of health care services among the communities and individuals served by the community-based health care providers, with particular emphasis on indicators, including, but not limited to:

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

(ii) Prenatal, postpartum, new born and infant care.

(iii) Such other matters as may be specified by the department.

SUBCHAPTER C

TAX CREDIT

Section 121. Scope of subchapter.

This subchapter deals with the community-based health care clinic tax credit.

Section 122. Definitions.

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

"Business firm." An entity authorized to do business in this Commonwealth and subject to taxes imposed under Article IV, VI,

1 VII, VIII, IX or XV of the act of March 4, 1971 (P.L.6, No.2),
2 known as the Tax Reform Code of 1971.

3 "Contribution." A donation of cash or personal property by
4 the business firm to the Commonwealth.

5 "Department." Notwithstanding section 102, the Department of
6 Community and Economic Development of the Commonwealth.

7 Section 123. Establishment of program.

8 A community-based health care clinic tax credit program is
9 hereby established in order to fund the Community-Based Health
10 Care Provider Access (CHCPA) Program.

11 Section 124. Application.

12 (a) Application.--A business firm shall apply to the
13 department in a form and manner determined by the department for
14 a tax credit under section 125.

15 (b) Availability of tax credits.--Tax credits under this
16 subchapter shall be made available by the department on a first-
17 come, first-served basis within the limitations established
18 under section 126.

19 (c) Contributions.--A contribution shall be made no later
20 than 60 days following the approval of an application under
21 subsection (a).

22 Section 125. Tax credit.

23 (a) Grant.--The Department of Revenue shall grant a tax
24 credit against any tax due under Article IV, VI, VII, VIII, IX
25 or XV of the act of March 4, 1971 (P.L.6, No.2), known as the
26 Tax Reform Code of 1971, to a business firm that has applied
27 for, been approved for and made a contribution. In the taxable
28 year in which the contribution is made, the credit shall not
29 exceed 75% of the total amount contributed by the business firm.
30 The credit shall not exceed \$100,000 annually per business firm.

1 (b) Expense.--All money received from business firms in
2 accordance with this subchapter shall be expended solely for
3 community-based health care clinics pursuant to Subchapter A.
4 Section 126. Limitations.

5 (a) Amount.--The total aggregate amount of all tax credits
6 approved under this subchapter shall not exceed \$5,000,000 in a
7 fiscal year.

8 (b) Activities.--No tax credit shall be approved for
9 activities that are a part of a business firm's normal course of
10 business.

11 (c) Tax liability.--A tax credit granted for any one taxable
12 year may not exceed the tax liability of a business firm.

13 (d) Use.--A tax credit not used in the taxable year the
14 contribution was made may not be carried forward or carried back
15 and is not refundable or transferable.

16 Section 127. Report.

17 (a) Delivery.--The department shall provide a report to the
18 chair and minority chair of the Appropriations Committee of the
19 Senate, the chair and minority chair of the Public Health and
20 Welfare Committee of the Senate, the chair and minority chair of
21 the Appropriations Committee of the House of Representatives and
22 the chair and minority chair of the Health and Human Services
23 Committee of the House of Representatives.

24 (b) Substance.--The report shall include:

25 (1) The total amount of the tax credits awarded.

26 (2) The total amount of the contributions from all
27 business firms.

28 (3) The total number of additional persons served
29 through the program due to contributions from business firms,
30 by county.

1 CHAPTER 51

2 MISCELLANEOUS PROVISIONS

3 Section 5101. Appropriations.

4 (a) Department of Health.--The sum of \$35,000,000 from the
5 Community-Based Health Care Provider Access (CHCPA) Fund is
6 hereby appropriated to the Department of Health for the fiscal
7 year July 1, 2009, to June 30, 2010, to carry out the provisions
8 of Ch. 1 Subch. B, with the exception of funding under section
9 113.

10 (b) Department of Public Welfare.--The sum of \$10,000,000
11 from the Community-Based Health Care Provider Access (CHCPA)
12 Fund is hereby appropriated to the Department of Public Welfare
13 for the fiscal year July 1, 2009, to June 30, 2010, to carry out
14 the provisions of Ch. 1 Subch. B and the funding of hospital
15 health clinics under section 113.

16 (c) Limitations on payments.--Payments to community-based
17 health care clinics for assistance under this act shall not
18 exceed the amount of funds available for the program, and any
19 payment under this act shall not constitute an entitlement from
20 the Commonwealth or a claim on any other funds of the
21 Commonwealth.

22 Section 5102. Effective date.

23 This act shall take effect in 90 days.