

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 5

Session of 2011

INTRODUCED BY ERICKSON, EICHELBERGER, PILEGGI, SCARNATI, D. WHITE, BAKER, M. WHITE, RAFFERTY, GREENLEAF, VANCE, COSTA, GORDNER, ORIE, ALLOWAY, KITCHEN, SMUCKER, FONTANA, CORMAN, EARLL, YAW, WAUGH, FOLMER, ROBBINS, BROWNE, BRUBAKER, WARD, PIPPY, MENSCH, WOZNIAC AND DINNIMAN, FEBRUARY 17, 2011

AS REPORTED FROM COMMITTEE ON HEALTH, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 27, 2012

AN ACT

1 Establishing the Community-Based Health Care SUBSIDY (CHCS)
2 Program in the Department of Health; and providing for
3 hospital health clinics AND FOR MOBILE PRENATAL AND NATAL
4 CARE DEMONSTRATION PROJECT.



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

10 CHAPTER 1

11 HEALTH CARE ASSISTANCE

12 SUBCHAPTER A

13 PRELIMINARY PROVISIONS

14 Section 101. Short title.

15 This act shall be known and may be cited as the Community-  
16 Based Health Care SUBSIDY (CHCS) Act. ←

17 Section 102. Definitions.

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

21 "Chronic care and disease management." A model of care that  
22 includes the following:

23 (1) The provision of effective health management through  
24 support and information that also promotes patient self-care  
25 for patients with chronic conditions.

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

28 (3) The coordination of care and use of reasonably  
29 accessible and updated patient information that encourages  
30 follow-up care as a standard procedure.

1 (4) The tracking of clinical information for individual  
2 and general patient populations to guide treatment and  
3 effectively anticipate community health care problems.

4 "Community-based health care clinic." A nonprofit health  
5 care center located in this Commonwealth that provides  
6 comprehensive health care services without regard for a  
7 patient's ability to pay and that:

8 (1) meets either of the following criteria:

9 (i) serves a federally designated medically  
10 underserved area, a medically underserved population or a  
11 health professional shortage area; or

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

15 (2) includes any of the following:

16 (i) A federally qualified health center as defined  
17 in section 1905(1)(2)(B) of the Social Security Act (49  
18 Stat. 620, 42 U.S.C. § 1396d(1)(2)(B)) or a federally  
19 qualified health center look-alike AND IS A PARTICIPATING ←  
20 PROVIDER WITH THE DEPARTMENT OF PUBLIC WELFARE UNDER THE  
21 ACT OF JUNE 13, 1967 (P.L.31, NO.21), KNOWN AS THE PUBLIC  
22 WELFARE CODE.

23 (ii) 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 AND IS A ←  
26 PARTICIPATING PROVIDER WITH THE DEPARTMENT OF PUBLIC  
27 WELFARE UNDER THE PUBLIC WELFARE CODE.

28 (iii) A hospital health clinic AND IS A ←  
29 PARTICIPATING PROVIDER WITH THE DEPARTMENT OF PUBLIC  
30 WELFARE UNDER THE PUBLIC WELFARE CODE.

1 (iv) A free or partial-pay health clinic that  
2 provides services by volunteer and nonvolunteer health  
3 care providers.

4 (v) A nurse-managed health care clinic that is  
5 managed by advanced practice nurses and is associated  
6 with a nursing education program, a federally qualified  
7 health center or an independent nonprofit health or  
8 social services agency AND IS A PARTICIPATING PROVIDER ←  
9 WITH THE DEPARTMENT OF PUBLIC WELFARE UNDER THE PUBLIC  
10 WELFARE CODE.

11 "Department." Except as provided under section 113, the  
12 Department of Health of the Commonwealth.

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

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

20 "LOW-INCOME PATIENT." A PATIENT WHOSE HOUSEHOLD INCOME IS ←  
21 BELOW 200% OF THE FEDERAL POVERTY INCOME GUIDELINES.

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

25 "Patient." A natural person receiving health care from a  
26 health care provider at a community-based health care clinic.

27 "Program." The Community-Based Health Care ~~(CHC)~~ SUBSIDY ←  
28 (CHCS) Program.

29 SUBCHAPTER B

30 COMMUNITY-BASED HEALTH CARE ~~(CHC)~~ SUBSIDY (CHCS) ←

1 Section 111. Community-Based Health Care ~~(CHC)~~ SUBSIDY (CHCS) ←  
2 Program.

3 (a) Establishment.--The Community-Based Health Care ~~(CHC)~~ ←  
4 SUBSIDY (CHCS) Program is established within the department to ←  
5 provide grants to community-based health care clinics to:

6 (1) Expand and improve health care access and services,  
7 such as preventive care, chronic care and disease management,  
8 prenatal, obstetric, postpartum and newborn care, dental  
9 treatment, behavioral health and pharmacy services.

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

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

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

19 (1) ~~Fifty percent~~ NOT MORE THAN 50% for the expansion of ←  
20 an existing or the development of a new community-based  
21 health care clinic using criteria that include:

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

27 (ii) The addition or expansion of ancillary health  
28 care services, such as dental, behavioral health and  
29 pharmacy.

30 (iii) The development or enhancement of preventive

1 and chronic care and disease management techniques.

2 (2) ~~Twenty five percent~~ NOT MORE THAN 25% for ←  
3 improvements in prenatal, obstetric, postpartum and newborn  
4 care.

5 (3) ~~Twenty percent~~ NOT MORE THAN 20% for improved access ←  
6 and services, including patient transportation, intended to  
7 reduce unnecessary emergency room utilization.

8 (4) ~~Five percent~~ NOT MORE THAN 5% for the establishment ←  
9 of collaborative relationships among community-based health  
10 care clinics, hospitals and other health care providers.

11 (5) NOT MORE THAN 15% OF THE FUNDS MADE AVAILABLE FOR ←  
12 THE PROGRAM AUTHORIZED BY THIS SECTION MAY BE AWARDED TO  
13 APPLICANTS WITHIN ANY ONE CITY, TOWN, BOROUGH OR TOWNSHIP OF  
14 THIS COMMONWEALTH.

15 ~~(c) Limitation. No more than 25% of the grants awarded ←~~  
16 ~~under subsection (b) shall go to federally qualified health~~  
17 ~~centers or federally qualified health center look-alikes.~~

18 ~~(d)~~ (C) Distribution.--Funds shall be distributed in a ←  
19 manner that improves access and expands services in all  
20 geographic areas of this Commonwealth.

21 ~~(e)~~ (D) Reallocation.--The department shall reallocate funds ←  
22 among the categories described in subsection (b) if sufficient  
23 grant requests are not received to use all the funds available  
24 in a specific category.

25 ~~(f)~~ (E) Amount of grants.--A grant under this subsection ←  
26 shall require a matching commitment of 25% of the grant, which  
27 can be in the form of cash or equivalent in-kind services.

28 ~~(g)~~ (F) Federal funds.--The department shall seek any ←  
29 available Federal funds, as well as any available grants and  
30 funding from other sources, to supplement amounts made available

1 under this subchapter to the extent permitted by law.

2 Section 112. Powers and duties of department.

3 The department shall have the following powers and duties:

4 (1) To administer the program.

5 (2) To develop an allocation methodology pursuant to  
6 section 111(b).

7 (3) Within 90 days of the effective date of this  
8 section, to develop and provide a grant application form  
9 consistent with this act. The department shall provide  
10 applications for grants under this section to all known  
11 community-based health care clinics. A grant under this  
12 section may be extended over two State fiscal years at the  
13 request of the community-based health care clinic.

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

16 (5) To provide an annual report no later than November  
17 30 to the chair and minority chair of the Public Health and  
18 Welfare Committee of the Senate and the chair and minority  
19 chair of the Health Committee of the House of  
20 Representatives. The report shall include all of the  
21 following:

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

25 (ii) The use of the grant by each grantee.

26 (iii) How each grant expanded access and services  
27 in accordance with the criteria set forth in section  
28 111(a) and (b), including specific documentation of low-  
29 income and uninsured patients served, and the total  
30 amount of funds allocated in each distribution category

1 under section 111(b).

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

4 (v) The benefits of the assistance provided under  
5 this subchapter and any recommendations for changes to  
6 the program.

7 The report shall be made available for public inspection and  
8 posted on the department's publicly accessible Internet  
9 website.

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

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

16 (8) To establish a toll-free telephone number for  
17 individuals to obtain information about community-based  
18 health care clinics.

19 Section 113. Hospital health clinics.

20 (a) Program.--The Department of Public Welfare shall, IN ←  
21 COOPERATION WITH THE DEPARTMENT, be responsible for  
22 administering the program as it relates to hospital health  
23 clinics in accordance with the requirements of this act and  
24 shall have the following additional duties:

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

29 (2) To review an application and make a final  
30 determination regarding a hospital health clinic's

1 eligibility for funding within 90 days of receipt.

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

5 (b) Submission of application.--In order to qualify for  
6 funding under this section, a hospital health clinic shall  
7 submit the required application to the Department of Public  
8 Welfare no later than 90 days after the effective date of this  
9 act.

10 (c) Funding.--

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

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

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

26 (e) Payment calculation.--

27 (1) Thirty percent of the total amount available shall  
28 be allocated to eligible hospital health clinics of hospitals  
29 located in counties of the first and second class. The total  
30 amount available for each hospital health clinic at a

1 hospital in these counties shall be allocated on the basis of  
2 each hospital's percentage of medical assistance and low-  
3 income hospital health clinic visits compared to the total  
4 number of medical assistance and low-income hospital health  
5 clinic visits for all hospitals in the first and second class  
6 counties.

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

17 (3) Twenty percent of the total amount available shall  
18 be allocated to eligible hospital health clinics of hospitals  
19 located in counties of the sixth, seventh and eighth class.  
20 The total amount available for each hospital health clinic at  
21 a hospital in these counties shall be allocated on the basis  
22 of each hospital's percentage of medical assistance and low-  
23 income hospital health clinic visits compared to the total  
24 number of medical assistance and low-income hospital health  
25 clinic visits for all hospitals in the sixth, seventh and  
26 eighth class counties.

27 (4) Any hospital that has reached its disproportionate  
28 share limit under Title XIX of the Social Security Act shall  
29 receive its share of the State funds available under this  
30 act.

1 ~~(f) Definition. As used in this section, the term "low~~  
2 ~~income" means under 200% of the Federal poverty income~~  
3 ~~guidelines.~~

4 SUBCHAPTER C

5 MOBILE PRENATAL AND

6 NATAL CARE DEMONSTRATION PROJECT

7 SECTION 121. ESTABLISHMENT.

8 THERE IS ESTABLISHED WITHIN THE DEPARTMENT A PROGRAM TO BE  
9 KNOWN AS THE MOBILE PRENATAL AND NATAL CARE DEMONSTRATION  
10 PROJECT. THE PROGRAM SHALL PROVIDE PRENATAL, OBSTETRIC,  
11 POSTPARTUM AND NEWBORN CARE TO INDIVIDUALS ON A MOBILE BASIS.

12 SECTION 122. APPLICATIONS FOR PLANNING GRANTS.

13 A HOSPITAL OR HEALTH CARE PROVIDER MAY SUBMIT AN APPLICATION  
14 TO THE DEPARTMENT REQUESTING A GRANT FOR COSTS ASSOCIATED WITH  
15 ESTABLISHING A MOBILE UNIT TO PROVIDE PRENATAL, OBSTETRIC,  
16 POSTPARTUM AND NEWBORN CARE. THE APPLICATION SHALL BE ON THE  
17 FORM REQUIRED BY THE DEPARTMENT AND SHALL INCLUDE ALL OF THE  
18 FOLLOWING:

- 19 (1) THE APPLICANT'S NAME AND ADDRESS.
- 20 (2) THE GEOGRAPHIC REGION WHERE THE UNIT WILL OPERATE.
- 21 (3) A STATEMENT OF THE SERVICES TO BE PROVIDED.
- 22 (4) AN ESTIMATE OF THE COST OF THE MOBILE UNIT.
- 23 (5) PROOF OF PARTICIPATION IN THE MEDICAL ASSISTANCE  
24 PROGRAM.
- 25 (6) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT.

26 SECTION 123. REVIEW AND APPROVAL OF GRANT APPLICATIONS.

27 (A) REVIEW.--THE DEPARTMENT SHALL REVIEW THE APPLICATIONS.  
28 PREFERENCE SHALL BE GIVEN TO APPLICANTS IN COMMUNITIES WHERE  
29 PRENATAL, OBSTETRIC, POSTPARTUM AND NEWBORN CARE IS LIMITED.  
30 UPON BEING SATISFIED THAT ALL REQUIREMENTS HAVE BEEN MET, THE

1 DEPARTMENT MAY APPROVE FOUR APPLICATIONS AND AWARD GRANTS. THE  
2 FOLLOWING GRANTS SHALL BE AWARDED:

3 (1) ONE TO AN APPLICANT WHICH SEEKS TO PROVIDE SERVICES  
4 IN AN URBAN SETTING.

5 (2) ONE TO AN APPLICANT WHICH SEEKS TO PROVIDE SERVICES  
6 IN A SUBURBAN SETTING.

7 (3) ONE TO AN APPLICANT WHICH SEEKS TO PROVIDE SERVICES  
8 IN A RURAL SETTING.

9 (4) ONE TO AN UNDERSERVED AREA WHICH IS MOST LIKELY TO  
10 BENEFIT FROM A MOBILE CLINIC.

11 (B) LIMIT.--GRANTS AWARDED MAY NOT BE MORE THAN \$100,000.

12 SECTION 124. REPORT.

13 BY MAY 1, 2014, THE DEPARTMENT SHALL FILE A REPORT WITH THE  
14 CHAIRMAN AND MINORITY CHAIRMAN OF THE PUBLIC HEALTH AND WELFARE  
15 COMMITTEE OF THE SENATE, THE CHAIRMAN AND MINORITY CHAIRMAN OF  
16 THE HEALTH COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE  
17 CHAIRMAN AND MINORITY CHAIRMAN OF THE HUMAN SERVICES COMMITTEE  
18 OF THE HOUSE OF REPRESENTATIVES. THE REPORT SHALL ADDITIONALLY  
19 BE POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET  
20 WEBSITE AND SHALL INCLUDE ALL OF THE FOLLOWING FOR EACH GRANT  
21 MADE IN THE PRIOR CALENDAR YEAR:

22 (1) THE NAME OF EACH GRANTEE.

23 (2) THE AMOUNT OF EACH GRANT AWARDED.

24 (3) THE USE OF EACH GRANT BY EACH GRANTEE.

25 (4) A SUMMARY OF HOW EACH GRANT EXPANDED ACCESS AND  
26 SERVICES AND IMPROVED THE DELIVERY AND QUALITY OF HEALTH CARE  
27 IN THE COMMUNITY, INCLUDING A COMPARISON OF THE RATE OF  
28 INFANT MORTALITY AND LOW BIRTH WEIGHT IN THE COMMUNITY FOR  
29 THE YEAR IMMEDIATELY PRIOR TO THE AWARD OF THE GRANT WITH  
30 THOSE RATES IN THE COMMUNITY FOR THE YEAR OF THE GRANT.

