

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 5

Session of
2008

INTRODUCED BY ERICKSON, BAKER, CORMAN, M. WHITE, RAFFERTY,
O'PAKE, ORIE, VANCE, MADIGAN, COSTA, PIPPY, EARLL,
EICHELBERGER, D. WHITE, REGOLA, WONDERLING, BROWNE, BRUBAKER,
FOLMER, GREENLEAF, GORDNER, SCARNATI, ARMSTRONG AND PILEGGI,
JUNE 24, 2008

SENATOR ERICKSON, PUBLIC HEALTH AND WELFARE, AS AMENDED,
SEPTEMBER 18, 2008

AN ACT

1 ~~Establishing the Community Based Health Care (CHC) Program in~~ <—
2 ~~the Department of Health; providing for hospital health~~
3 ~~clinics and for a tax credit; and making an appropriation.~~

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2 ~~Section 125. Tax credit.~~

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5 ~~Chapter 51. Miscellaneous Provisions~~

6 ~~Section 5101. Appropriation.~~

7 ~~Section 5102. Effective date.~~

8 ESTABLISHING THE COMMUNITY-BASED HEALTH CARE (CHC) PROGRAM IN

<—

9 THE DEPARTMENT OF HEALTH; PROVIDING FOR HOSPITAL HEALTH

10 CLINICS AND FOR A TAX CREDIT; AND MAKING AN APPROPRIATION.

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29 CHAPTER 51. MISCELLANEOUS PROVISIONS

30 SECTION 5101. APPROPRIATIONS.

1 SECTION 5102. EFFECTIVE DATE.

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 (CHC) 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 ~~"Chronic care model." A model that includes the following:~~

16 ~~(1) The provision of support and information for~~
17 ~~patients with chronic conditions for the purpose of effective~~
18 ~~health management.~~

19 ~~(2) The use of evidence based medicine to ensure~~
20 ~~appropriate treatment decisions by health care providers.~~

21 ~~(3) The coordination of care and use of centralized,~~
22 ~~updated patient information that encourages follow up care as~~
23 ~~a standard procedure.~~

24 ~~(4) The tracking of individual patient clinical~~
25 ~~information to guide treatment and effectively anticipate and~~
26 ~~track health care problems.~~

27 ~~"Community based health care clinic." A nonprofit health~~
28 ~~care center that provides primary health care services primarily~~
29 ~~to low income and uninsured individuals, including:~~

30 ~~(1) A federally qualified health center as defined in~~

~~section 1905(1)(2)(B) of the Social Security Act (49 Stat. 620, 42 U.S.C. § 1396d(1)(2)(B)) or a federally qualified health center look alike.~~

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

~~(3) A hospital health clinic as set forth under section 112.~~

~~(4) A free or partial pay health clinic that provides services by volunteer and nonvolunteer health care providers.~~

~~(5) A nurse managed health care clinic that serves a federally designated medically underserved area or medically underserved population or is in a primary care health professional shortage area.~~

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

~~"Fund." The Community Based Health Care (CHC) Fund.~~

~~"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.~~

~~"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 care 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, a federally qualified health center or an independent nonprofit health or social services agency.~~

~~"Program." The Community Based Health Care (CHC) Program.~~

SUBCHAPTER B

~~COMMUNITY BASED HEALTH CARE (CHC)~~

~~Section 111. Community Based Health Care (CHC) Program.~~

~~(a) Establishment. The Community Based Health Care (CHC) Program is established within the department to provide grants to community based health care clinics to:~~

~~(1) Improve and expand access to quality primary care in medically underserved areas or to medically underserved populations in this Commonwealth.~~

~~(2) Assist in covering the reasonable costs of providing health care services through community based health care clinics.~~

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

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

~~(5) Improve the availability of quality health care services offered by or through community based health care clinics for women who are pregnant or who have recently given birth.~~

~~(6) Promote the use of chronic care and disease management protocols offered by or through community based health care clinics.~~

~~(7) Encourage collaborative relationships among community based health care clinics, hospitals and other health care providers.~~

~~(b) Administration. The program shall be administered by the department and shall be funded by annual transfers as provided under this subchapter.~~

~~(c) Department responsibilities. The department shall:~~

~~(1) Administer the program.~~

~~(2) Within 90 days of the effective date of this section, develop and provide an application form consistent with this subchapter. The department shall provide applications for grants under this section to all known community based health care clinics. A grant under this section may be extended over two State fiscal years at the request of the community based health care clinic.~~

~~(3) Establish a process to allocate funding based on all of the following:~~

~~(i) Number of patient visits to the community based health care clinic.~~

~~(ii) Evidence of increased operating capacity.~~

~~(iii) Addition or expansion of ancillary health care services, such as dental, behavioral health and pharmacy.~~

~~(iv) The development or enhancement of preventative and chronic disease health care management techniques and community outreach.~~

~~(v) The establishment of collaborative relationships among community based health care clinics, hospitals and other health care providers.~~

~~(4) Calculate and make grants to qualified community based health care clinics.~~

~~(5) The department shall provide an annual report to the chair and minority chair of the Public Health and Welfare Committee of the Senate and the chair and minority chair of~~

~~the Health and Human Services Committee of the House of Representatives. The report shall be due November 30. The report shall include a list of the total dollar amount for each grant awarded by grantee, a summary of the use of the grant by grantee, the impact of the grant on improving the delivery and quality of health care in the community and the total amount of funds spent. The report shall be made available for public inspection and posted on the department's publicly accessible Internet website.~~

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

~~(7) Provide assessment of the benefits and costs of the assistance provided under this subchapter.~~

~~(d) Grants for resources. Grants shall be available to community based health care clinics to increase access and improve health care services which will enhance the delivery and quality of health care by developing and expanding necessary community based health care resources. A grant under this subsection shall not exceed \$500,000, which can be in the form of cash or equivalent in kind services, and shall require a matching commitment of 25% of the grant.~~

~~(e) Federal matching funds. The department shall seek any available Federal matching funds under medical assistance, as well as any available grants and funding from other sources, to supplement amounts made available under this subchapter to the extent permitted by law.~~

~~(f) Limitations on payments by department. Payments to community based health care clinics for assistance under this subchapter shall not exceed the amount of funds available in the~~

~~fund for the program and any payment under this subchapter shall not constitute an entitlement from the Commonwealth or a claim on any other funds of the Commonwealth.~~

~~(g) Report. A community based health care clinic that receives a grant under this subchapter shall report at least annually to the department. The report shall include a description of:~~

~~(1) The community based health care clinic'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 clinics, with particular emphasis on indicators including:~~

~~(i) The creation and maintenance of relationships among community based health care clinics, health care providers and individuals, which are directed at establishing a point of service for the individuals and the provision of preventive and chronic care management services.~~

~~(ii) Prenatal and postpartum care.~~

~~(iii) The care of newborns and infants.~~

~~(iv) Any other matters as may be specified by the department.~~

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

~~Section 112. Hospital health clinics.~~

~~(a) Funding.~~

~~(1) For fiscal year 2008-2009 and each year thereafter, upon Federal approval of an amendment to the Medicaid State plan, the Department of Public Welfare shall distribute annually from funds appropriated for this purpose disproportionate share payments to hospitals in this Commonwealth to provide financial assistance to assure readily available and coordinated primary health care of the highest quality to the citizens of this Commonwealth.~~

~~(2) For July 1, 2008, and annually thereafter, the Secretary of Public Welfare may evaluate the funds available and may make appropriate adjustments based on the number of qualifying hospitals.~~

~~(b) 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.), available for burn care stabilization.~~

~~(c) Eligibility. 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, and which operates a nonprofit hospital clinic that serves a medically underserved area, serves a medically underserved population or is in a federally designated health professional shortage area shall be eligible to receive funds under this section.~~

~~(d) Payment calculation.~~

~~(1) Fifteen percent of the total amount available shall be allocated to rural hospitals located in this Commonwealth as follows:~~

~~(i) Twenty five percent of the total amount available for rural hospitals shall be allocated equally~~

~~among each rural hospital.~~

~~(ii) Seventy five percent of the total amount available for rural hospitals shall be allocated on the basis of each hospital's percentage of medical assistance hospital outpatient clinic visits compared to the Statewide total number of medical assistance hospital outpatient clinic visits for all rural hospitals.~~

~~(2) Eighty five percent of the total amount available shall be allocated to qualified nonrural hospitals located in this Commonwealth as follows:~~

~~(i) Twenty five percent of the total amount available for nonrural hospitals shall be allocated equally among each nonrural hospital.~~

~~(ii) Seventy five percent of the total amount available for nonrural hospitals shall be allocated on the basis of each hospital's percentage of medical assistance hospital outpatient clinic visits compared to the Statewide total number of medical assistance hospital outpatient clinic visits for all nonrural hospitals.~~

~~(3) Any hospital that has reached its disproportionate share limit under Title XIX of the Social Security Act shall receive its share of the State funds available under this act.~~

~~(c) Definitions. For the purpose of this section, a "rural hospital" is a hospital that is located in a geographic area not located in a Core Based Statistical Area (CBSAs) established by the United States Office of Management and Budget.~~

~~Section 113. Community Based Health Care (CHC) Fund.~~

~~(a) Establishment. The Community Based Health Care (CHC) Fund is established in the State Treasury.~~

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

~~(1) Transfers or appropriations to the fund.~~

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

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

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

~~(c) Use. The department shall utilize the fund to carry out the program.~~

~~(d) Nonlapse. The money in the fund is appropriated on a continuing basis to the department and shall not lapse at the end of any fiscal year.~~

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

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

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

1 ~~Section 123.— Establishment of program.~~

2 ~~A community based health care clinic tax credit program is~~
3 ~~hereby established in order to fund the Community Based Health~~
4 ~~Care (CHC) Program.~~

5 ~~Section 124.— Application.~~

6 ~~(a) Application.— A business firm shall apply to the~~
7 ~~department in a form and manner determined by the department for~~
8 ~~a tax credit under section 125.~~

9 ~~(b) Availability of tax credits.— Tax credits under this~~
10 ~~subchapter shall be made available by the department on a first-~~
11 ~~come, first served basis within the limitations established~~
12 ~~under section 126.~~

13 ~~(c) Contributions.— A contribution shall be made no later~~
14 ~~than 60 days following the approval of an application under~~
15 ~~subsection (a).~~

16 ~~Section 125.— Tax credit.~~

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

26 ~~(b) Expense.— All money received from business firms in~~
27 ~~accordance with this subchapter shall be expended solely for~~
28 ~~community based health care clinics pursuant to Subchapter A.~~

29 ~~Section 126.— Limitations.~~

30 ~~(a) Amount.— The total aggregate amount of all tax credits~~

~~approved under this subchapter shall not exceed \$5,000,000 in a fiscal year.~~

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

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

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

~~Section 127. Report.~~

~~(a) Delivery. The department shall provide a report to the chair and minority chair of the Appropriations Committee of the Senate, the chair and minority chair of the Public Health and Welfare Committee of the Senate, the chair and minority chair of the Appropriations Committee of the House of Representatives and the chair and minority chair of the Health and Human Services Committee of the House of Representatives.~~

~~(b) Substance. The report shall include:~~

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

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

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

~~CHAPTER 51~~

~~MISCELLANEOUS PROVISIONS~~

~~Section 5101. Appropriation.~~

~~The sum of \$45,000,000 is hereby appropriated to the Department of Health for deposit into the Community Based Health~~

~~Care (CHC) Fund for the fiscal year July 1, 2008, to June 30,~~
~~2009, to carry out the provisions of Ch. 1 Subch. B. This~~
~~appropriation is subject to section 113(d).~~
~~Section 5102. Effective date.~~

~~This act shall take effect in 90 days.~~

CHAPTER 1

HEALTH CARE ASSISTANCE

SUBCHAPTER A

PRELIMINARY PROVISIONS

SECTION 101. SHORT TITLE.

THIS ACT SHALL BE KNOWN AND MAY BE CITED AS THE COMMUNITY-
BASED HEALTH CARE (CHC) ACT.

SECTION 102. DEFINITIONS.

THE FOLLOWING WORDS AND PHRASES WHEN USED IN THIS CHAPTER
SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SECTION UNLESS THE
CONTEXT CLEARLY INDICATES OTHERWISE:

"CHRONIC CARE AND DISEASE MANAGEMENT." A MODEL OF CARE THAT
INCLUDES THE FOLLOWING:

(1) THE PROVISION OF EFFECTIVE HEALTH MANAGEMENT THROUGH
SUPPORT AND INFORMATION THAT ALSO PROMOTES PATIENT SELF-CARE
FOR PATIENTS WITH CHRONIC CONDITIONS.

(2) THE USE OF EVIDENCE-BASED MEDICINE TO ENSURE
APPROPRIATE TREATMENT DECISIONS BY HEALTH CARE PROVIDERS.

(3) THE COORDINATION OF CARE AND USE OF REASONABLY
ACCESSIBLE AND UPDATED PATIENT INFORMATION THAT ENCOURAGES
FOLLOW-UP CARE AS A STANDARD PROCEDURE.

(4) THE TRACKING OF CLINICAL INFORMATION FOR INDIVIDUAL
AND GENERAL PATIENT POPULATIONS TO GUIDE TREATMENT AND
EFFECTIVELY ANTICIPATE COMMUNITY HEALTH CARE PROBLEMS.

"COMMUNITY-BASED HEALTH CARE CLINIC." A NONPROFIT HEALTH

CARE CENTER LOCATED IN THIS COMMONWEALTH THAT PROVIDES
COMPREHENSIVE PRIMARY CARE SERVICES WITHOUT REGARD FOR A
PATIENT'S ABILITY TO PAY AND THAT:

(1) MEETS EITHER OF THE FOLLOWING CRITERIA:

(I) SERVES A FEDERALLY DESIGNATED MEDICALLY
UNDERSERVED AREA, A MEDICALLY UNDERSERVED POPULATION OR A
HEALTH PROFESSIONAL SHORTAGE AREA; OR

(II) SERVES A PATIENT POPULATION WITH A MAJORITY OF
THAT POPULATION HAVING AN INCOME LESS THAN 200% OF THE
FEDERAL POVERTY INCOME GUIDELINES; AND

(2) INCLUDES ANY OF THE FOLLOWING:

(I) A FEDERALLY QUALIFIED HEALTH CENTER AS DEFINED
IN SECTION 1905(L)(2)(B) OF THE SOCIAL SECURITY ACT (49
STAT. 620, 42 U.S.C. § 1396D(L)(2)(B)) OR A FEDERALLY
QUALIFIED HEALTH CENTER LOOK-ALIKE.

(II) A RURAL HEALTH CLINIC AS DEFINED IN SECTION
1861(AA)(2) OF THE SOCIAL SECURITY ACT (49 STAT. 620, 42
U.S.C. § 1395X(AA)(2)), CERTIFIED BY MEDICARE.

(III) A HOSPITAL HEALTH CLINIC.

(IV) A FREE OR PARTIAL-PAY HEALTH CLINIC THAT
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.

"DEPARTMENT." EXCEPT AS PROVIDED UNDER SECTION 122, THE
DEPARTMENT OF HEALTH OF THE COMMONWEALTH.

"FUND." THE COMMUNITY-BASED HEALTH CARE (CHC) FUND.

1 "HEALTH CARE PROVIDER." A HEALTH CARE PROVIDER LICENSED TO
2 PRACTICE A COMPONENT OF THE HEALING ARTS BY A LICENSING BOARD
3 WITHIN THE DEPARTMENT OF STATE WHO PROVIDES HEALTH CARE SERVICES
4 AT A COMMUNITY-BASED HEALTH CARE CLINIC.

5 "HOSPITAL." AN ENTITY LOCATED IN THIS COMMONWEALTH THAT IS
6 LICENSED AS A HOSPITAL UNDER THE ACT OF JULY 19, 1979 (P.L.130,
7 NO.48), KNOWN AS THE HEALTH CARE FACILITIES ACT.

8 "MEDICAL ASSISTANCE." A STATE PROGRAM OF MEDICAL ASSISTANCE
9 ESTABLISHED UNDER ARTICLE IV(F) OF THE ACT OF JUNE 13, 1967
10 (P.L.31, NO.21), KNOWN AS THE PUBLIC WELFARE CODE.

11 "PATIENT." A NATURAL PERSON RECEIVING HEALTH CARE FROM A
12 HEALTH CARE PROVIDER AT A COMMUNITY-BASED HEALTH CARE CLINIC.

13 "PROGRAM." THE COMMUNITY-BASED HEALTH CARE (CHC) PROGRAM.

14 SUBCHAPTER B

15 COMMUNITY-BASED HEALTH CARE (CHC)

16 SECTION 111. COMMUNITY-BASED HEALTH CARE (CHC) PROGRAM.

17 (A) ESTABLISHMENT.--THE COMMUNITY-BASED HEALTH CARE (CHC)
18 PROGRAM IS ESTABLISHED WITHIN THE DEPARTMENT TO PROVIDE GRANTS
19 TO COMMUNITY-BASED HEALTH CARE CLINICS TO:

20 (1) EXPAND AND IMPROVE HEALTH CARE ACCESS AND SERVICES,
21 SUCH AS PREVENTIVE CARE, CHRONIC CARE AND DISEASE MANAGEMENT,
22 PRENATAL, OBSTETRIC, POSTPARTUM AND NEWBORN CARE, DENTAL
23 TREATMENT, BEHAVIORAL HEALTH AND PHARMACY SERVICES.

24 (2) REDUCE UNNECESSARY UTILIZATION OF HOSPITAL EMERGENCY
25 SERVICES BY PROVIDING AN EFFECTIVE ALTERNATIVE HEALTH CARE
26 DELIVERY SYSTEM.

27 (3) ENCOURAGE COLLABORATIVE RELATIONSHIPS AMONG
28 COMMUNITY-BASED HEALTH CARE CLINICS, HOSPITALS AND OTHER
29 HEALTH CARE PROVIDERS.

30 (B) GRANT AWARD METHODOLOGY.--A METHODOLOGY FOR THE

1 ALLOCATION OF GRANT AWARDS SHALL BE DEVELOPED BY THE DEPARTMENT
2 BASED ON THE FOLLOWING DISTRIBUTION:

3 (1) FIFTY PERCENT FOR THE EXPANSION OF AN EXISTING OR
4 THE DEVELOPMENT OF A NEW COMMUNITY-BASED HEALTH CARE CLINIC
5 USING CRITERIA THAT INCLUDE:

6 (I) THE ACTUAL AND PROJECTED NUMBER OF TOTAL
7 PATIENTS, NEW PATIENTS AND PATIENT VISITS FOR ALL
8 PATIENTS SERVED OR TO BE SERVED, SPECIFICALLY DELINEATING
9 THE NUMBER OF LOW-INCOME AND UNINSURED PATIENTS, WHO FALL
10 BELOW 200% OF THE FEDERAL POVERTY INCOME GUIDELINES.

11 (II) THE ADDITION OR EXPANSION OF ANCILLARY HEALTH
12 CARE SERVICES, SUCH AS DENTAL, BEHAVIORAL HEALTH AND
13 PHARMACY.

14 (III) THE DEVELOPMENT OR ENHANCEMENT OF PREVENTIVE
15 AND CHRONIC CARE AND DISEASE MANAGEMENT TECHNIQUES.

16 (2) TWENTY-FIVE PERCENT FOR IMPROVEMENTS IN PRENATAL,
17 OBSTETRIC, POSTPARTUM AND NEWBORN CARE.

18 (3) TWENTY PERCENT FOR IMPROVED ACCESS AND SERVICES
19 INTENDED TO REDUCE UNNECESSARY EMERGENCY ROOM UTILIZATION.

20 (4) FIVE PERCENT FOR THE ESTABLISHMENT OF COLLABORATIVE
21 RELATIONSHIPS AMONG COMMUNITY-BASED HEALTH CARE CLINICS,
22 HOSPITALS AND OTHER HEALTH CARE PROVIDERS.

23 (C) LIMITATION.--NO MORE THAN 15% OF THE GRANTS AWARDED
24 UNDER SUBSECTION (B) SHALL GO TO FEDERALLY QUALIFIED HEALTH
25 CENTERS OR FEDERALLY QUALIFIED HEALTH CENTER LOOK-ALIKES.

26 (D) DISTRIBUTION.--FUNDS SHALL BE DISTRIBUTED IN A MANNER
27 THAT IMPROVES ACCESS AND EXPANDS SERVICES IN ALL GEOGRAPHIC
28 AREAS OF THIS COMMONWEALTH.

29 (E) REALLOCATION.--THE DEPARTMENT SHALL REALLOCATE FUNDS
30 AMONG THE CATEGORIES DESCRIBED IN SUBSECTION (B) IF SUFFICIENT

1 GRANT REQUESTS ARE NOT RECEIVED TO USE ALL THE FUNDS AVAILABLE
2 IN A SPECIFIC CATEGORY.

3 (F) AMOUNT OF GRANTS.--A GRANT UNDER THIS SUBSECTION SHALL
4 NOT EXCEED \$500,000, AND SHALL REQUIRE A MATCHING COMMITMENT OF
5 25% OF THE GRANT, WHICH CAN BE IN THE FORM OF CASH OR EQUIVALENT
6 IN-KIND SERVICES.

7 (G) FEDERAL FUNDS.--THE DEPARTMENT SHALL SEEK ANY AVAILABLE
8 FEDERAL FUNDS, AS WELL AS ANY AVAILABLE GRANTS AND FUNDING FROM
9 OTHER SOURCES, TO SUPPLEMENT AMOUNTS MADE AVAILABLE UNDER THIS
10 SUBCHAPTER TO THE EXTENT PERMITTED BY LAW.

11 SECTION 112. POWERS AND DUTIES OF DEPARTMENT.

12 THE DEPARTMENT SHALL HAVE THE FOLLOWING POWERS AND DUTIES:

13 (1) TO ADMINISTER THE PROGRAM.

14 (2) TO DEVELOP AN ALLOCATION METHODOLOGY PURSUANT TO
15 SECTION 111(B).

16 (3) WITHIN 90 DAYS OF THE EFFECTIVE DATE OF THIS
17 SECTION, TO DEVELOP AND PROVIDE A GRANT APPLICATION FORM
18 CONSISTENT WITH THIS ACT. THE DEPARTMENT SHALL PROVIDE
19 APPLICATIONS FOR GRANTS UNDER THIS SECTION TO ALL KNOWN
20 COMMUNITY-BASED HEALTH CARE CLINICS. A GRANT UNDER THIS
21 SECTION MAY BE EXTENDED OVER TWO STATE FISCAL YEARS AT THE
22 REQUEST OF THE COMMUNITY-BASED HEALTH CARE CLINIC.

23 (4) TO CALCULATE AND MAKE GRANTS TO QUALIFIED COMMUNITY-
24 BASED HEALTH CARE CLINICS.

25 (5) TO PROVIDE AN ANNUAL REPORT NO LATER THAN NOVEMBER
26 30 TO THE CHAIR AND MINORITY CHAIR OF THE PUBLIC HEALTH AND
27 WELFARE COMMITTEE OF THE SENATE AND THE CHAIR AND MINORITY
28 CHAIR OF THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE HOUSE
29 OF REPRESENTATIVES. THE REPORT SHALL INCLUDE ALL OF THE
30 FOLLOWING:

1 (I) THE TOTAL DOLLAR AMOUNT FOR EACH GRANT AWARDED,
2 LISTING THE TYPE OF COMMUNITY-BASED HEALTH CARE CLINIC
3 AND THE NAME OF THE GRANTEE.

4 (II) A SUMMARY OF THE USE OF THE GRANT BY EACH
5 GRANTEE.

6 (III) A SUMMARY OF HOW EACH GRANT EXPANDED ACCESS
7 AND SERVICES IN ACCORDANCE WITH THE CRITERIA SET FORTH IN
8 SECTION 111(A) AND (B) AND THE TOTAL AMOUNT OF FUNDS
9 ALLOCATED IN EACH DISTRIBUTION CATEGORY UNDER SECTION
10 111(B).

11 (IV) THE IMPACT OF THE GRANT ON IMPROVING THE
12 DELIVERY AND QUALITY OF HEALTH CARE IN THE COMMUNITY.

13 (V) AN ACCOUNTABILITY ASSESSMENT OF THE BENEFITS OF
14 THE ASSISTANCE PROVIDED UNDER THIS SUBCHAPTER AND ANY
15 RECOMMENDATIONS FOR CHANGES TO THE PROGRAM.

16 THE REPORT SHALL BE MADE AVAILABLE FOR PUBLIC INSPECTION AND
17 POSTED ON THE DEPARTMENT'S PUBLICLY ACCESSIBLE INTERNET
18 WEBSITE.

19 (6) TO AUDIT GRANTS AWARDED UNDER THIS SUBCHAPTER TO
20 ENSURE THAT FUNDS HAVE BEEN USED IN ACCORDANCE WITH THIS
21 SUBCHAPTER AND THE TERMS AND STANDARDS ADOPTED BY THE
22 DEPARTMENT.

23 (7) TO ESTABLISH AND MAINTAIN AN ONLINE DATABASE OF
24 COMMUNITY-BASED HEALTH CARE CLINICS.

25 (8) TO ESTABLISH A TOLL-FREE TELEPHONE NUMBER FOR
26 INDIVIDUALS TO OBTAIN INFORMATION ABOUT COMMUNITY-BASED
27 HEALTH CARE CLINICS.

28 SECTION 113. HOSPITAL HEALTH CLINICS.

29 (A) PROGRAM.--THE DEPARTMENT OF PUBLIC WELFARE SHALL BE
30 RESPONSIBLE FOR ADMINISTERING THE PROGRAM AS IT RELATES TO

HOSPITAL HEALTH CLINICS IN ACCORDANCE WITH THE REQUIREMENTS OF
THIS ACT AND SHALL HAVE THE FOLLOWING ADDITIONAL DUTIES:

(1) TO DEVELOP AN APPLICATION AND COLLECT SUCH DATA AND
INFORMATION AS MAY BE NECESSARY TO DETERMINE THE ELIGIBILITY
OF HOSPITAL HEALTH CLINICS FOR PAYMENTS UNDER THIS SECTION
USING THE CRITERIA SET FORTH IN SECTION 111(A) AND (B).

(2) TO REVIEW AN APPLICATION AND MAKE A FINAL
DETERMINATION REGARDING A HOSPITAL HEALTH CLINIC'S
ELIGIBILITY FOR FUNDING WITHIN 90 DAYS OF RECEIPT.

(3) TO MAKE PAYMENTS TO HOSPITAL HEALTH CLINICS IN
ACCORDANCE WITH THE PAYMENT CALCULATION SET FORTH IN
SUBSECTION (E).

(B) SUBMISSION OF APPLICATION.--IN ORDER TO QUALIFY FOR
FUNDING PURSUANT TO THIS SECTION, A HOSPITAL HEALTH CLINIC SHALL
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
PRIMARY 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
LOCATED IN COUNTIES OF THE THIRD, FOURTH AND FIFTH 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.

(3) TWENTY PERCENT OF THE TOTAL AMOUNT AVAILABLE SHALL
BE ALLOCATED TO ELIGIBLE HOSPITAL HEALTH CLINICS OF HOSPITALS
LOCATED IN COUNTIES OF THE SIXTH, SEVENTH AND EIGHTH 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.

(4) ANY HOSPITAL THAT HAS REACHED ITS DISPROPORTIONATE SHARE LIMIT UNDER TITLE XIX OF THE SOCIAL SECURITY ACT SHALL RECEIVE ITS SHARE OF THE STATE FUNDS AVAILABLE UNDER THIS ACT.

(F) DEFINITION.--AS USED IN THIS SECTION, THE TERM "LOW-INCOME" MEANS UNDER 200% OF THE FEDERAL POVERTY INCOME GUIDELINES.

SECTION 114. COMMUNITY-BASED HEALTH CARE (CHC) FUND.

(A) ESTABLISHMENT.--THE COMMUNITY-BASED HEALTH CARE (CHC) FUND IS ESTABLISHED IN THE STATE TREASURY.

(B) FUNDING SOURCES.--FUNDING SOURCES FOR THE FUND SHALL INCLUDE ALL OF THE FOLLOWING:

(1) TRANSFERS OR APPROPRIATIONS TO THE FUND.

(2) MONEY RECEIVED FROM THE FEDERAL GOVERNMENT OR OTHER SOURCES.

(3) MONEY REQUIRED TO BE DEPOSITED IN THE FUND PURSUANT TO OTHER PROVISIONS UNDER THIS ACT OR ANY OTHER LAW.

(4) INVESTMENT EARNINGS FROM THE FUND, NET OF INVESTMENT COSTS.

(C) USE.--THE DEPARTMENT SHALL UTILIZE THE FUND TO CARRY OUT THE PROGRAM.

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

1 CONTEXT CLEARLY INDICATES OTHERWISE:

2 "BUSINESS FIRM." AN ENTITY AUTHORIZED TO DO BUSINESS IN THIS
3 COMMONWEALTH AND SUBJECT TO TAXES IMPOSED UNDER ARTICLE IV, VI,
4 VII, VIII, IX OR XV OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2),
5 KNOWN AS THE TAX REFORM CODE OF 1971.

6 "CONTRIBUTION." A DONATION OF CASH OR PERSONAL PROPERTY BY
7 THE BUSINESS FIRM TO THE COMMONWEALTH.

8 "DEPARTMENT." NOTWITHSTANDING SECTION 102, THE DEPARTMENT OF
9 COMMUNITY AND ECONOMIC DEVELOPMENT OF THE COMMONWEALTH.
10 SECTION 123. ESTABLISHMENT OF PROGRAM.

11 A COMMUNITY-BASED HEALTH CARE CLINIC TAX CREDIT PROGRAM IS
12 HEREBY ESTABLISHED IN ORDER TO FUND THE COMMUNITY-BASED HEALTH
13 CARE (CHC) PROGRAM.

14 SECTION 124. APPLICATION.

15 (A) APPLICATION.--A BUSINESS FIRM SHALL APPLY TO THE
16 DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT FOR
17 A TAX CREDIT UNDER SECTION 125.

18 (B) AVAILABILITY OF TAX CREDITS.--TAX CREDITS UNDER THIS
19 SUBCHAPTER SHALL BE MADE AVAILABLE BY THE DEPARTMENT ON A FIRST-
20 COME, FIRST-SERVED BASIS WITHIN THE LIMITATIONS ESTABLISHED
21 UNDER SECTION 126.

22 (C) CONTRIBUTIONS.--A CONTRIBUTION SHALL BE MADE NO LATER
23 THAN 60 DAYS FOLLOWING THE APPROVAL OF AN APPLICATION UNDER
24 SUBSECTION (A).

25 SECTION 125. TAX CREDIT.

26 (A) GRANT.--THE DEPARTMENT OF REVENUE SHALL GRANT A TAX
27 CREDIT AGAINST ANY TAX DUE UNDER ARTICLE IV, VI, VII, VIII, IX
28 OR XV OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE
29 TAX REFORM CODE OF 1971, TO A BUSINESS FIRM THAT HAS APPLIED
30 FOR, BEEN APPROVED FOR AND MADE A CONTRIBUTION. IN THE TAXABLE

1 YEAR IN WHICH THE CONTRIBUTION IS MADE, THE CREDIT SHALL NOT
2 EXCEED 75% OF THE TOTAL AMOUNT CONTRIBUTED BY THE BUSINESS FIRM.
3 THE CREDIT SHALL NOT EXCEED \$100,000 ANNUALLY PER BUSINESS FIRM.

4 (B) EXPENSE.--ALL MONEY RECEIVED FROM BUSINESS FIRMS IN
5 ACCORDANCE WITH THIS SUBCHAPTER SHALL BE EXPENDED SOLELY FOR
6 COMMUNITY-BASED HEALTH CARE CLINICS PURSUANT TO SUBCHAPTER A.
7 SECTION 126. LIMITATIONS.

8 (A) AMOUNT.--THE TOTAL AGGREGATE AMOUNT OF ALL TAX CREDITS
9 APPROVED UNDER THIS SUBCHAPTER SHALL NOT EXCEED \$5,000,000 IN A
10 FISCAL YEAR.

11 (B) ACTIVITIES.--NO TAX CREDIT SHALL BE APPROVED FOR
12 ACTIVITIES THAT ARE A PART OF A BUSINESS FIRM'S NORMAL COURSE OF
13 BUSINESS.

14 (C) TAX LIABILITY.--A TAX CREDIT GRANTED FOR ANY ONE TAXABLE
15 YEAR MAY NOT EXCEED THE TAX LIABILITY OF A BUSINESS FIRM.

16 (D) USE.--A TAX CREDIT NOT USED IN THE TAXABLE YEAR THE
17 CONTRIBUTION WAS MADE MAY NOT BE CARRIED FORWARD OR CARRIED BACK
18 AND IS NOT REFUNDABLE OR TRANSFERABLE.

19 SECTION 127. REPORT.

20 (A) DELIVERY.--THE DEPARTMENT SHALL PROVIDE A REPORT TO THE
21 CHAIR AND MINORITY CHAIR OF THE APPROPRIATIONS COMMITTEE OF THE
22 SENATE, THE CHAIR AND MINORITY CHAIR OF THE PUBLIC HEALTH AND
23 WELFARE COMMITTEE OF THE SENATE, THE CHAIR AND MINORITY CHAIR OF
24 THE APPROPRIATIONS COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND
25 THE CHAIR AND MINORITY CHAIR OF THE HEALTH AND HUMAN SERVICES
26 COMMITTEE OF THE HOUSE OF REPRESENTATIVES.

27 (B) SUBSTANCE.--THE REPORT SHALL INCLUDE:

28 (1) THE TOTAL AMOUNT OF THE TAX CREDITS AWARDED.

29 (2) THE TOTAL AMOUNT OF THE CONTRIBUTIONS FROM ALL

30 BUSINESS FIRMS.

1 (3) THE TOTAL NUMBER OF ADDITIONAL PERSONS SERVED
2 THROUGH THE PROGRAM DUE TO CONTRIBUTIONS FROM BUSINESS FIRMS,
3 BY COUNTY.

4 CHAPTER 51

5 MISCELLANEOUS PROVISIONS

6 SECTION 5101. APPROPRIATIONS.

7 (A) DEPARTMENT OF HEALTH.--THE SUM OF \$35,000,000 FROM THE
8 COMMUNITY-BASED HEALTH CARE (CHC) FUND IS HEREBY APPROPRIATED TO
9 THE DEPARTMENT OF HEALTH FOR THE FISCAL YEAR JULY 1, 2009, TO
10 JUNE 30, 2010, TO CARRY OUT THE PROVISIONS OF CH. 1 SUBCH. B,
11 WITH THE EXCEPTION OF FUNDING UNDER SECTION 113.

12 (B) DEPARTMENT OF PUBLIC WELFARE.--THE SUM OF \$10,000,000
13 FROM THE COMMUNITY-BASED HEALTH CARE (CHC) FUND IS HEREBY
14 APPROPRIATED TO THE DEPARTMENT OF PUBLIC WELFARE FOR THE FISCAL
15 YEAR JULY 1, 2009, TO JUNE 30, 2010, TO CARRY OUT THE PROVISIONS
16 OF CH. 1 SUBCH. B AND THE FUNDING OF HOSPITAL HEALTH CLINICS
17 UNDER SECTION 113.

18 (C) LIMITATIONS ON PAYMENTS.--PAYMENTS TO COMMUNITY-BASED
19 HEALTH CARE CLINICS FOR ASSISTANCE UNDER THIS ACT SHALL NOT
20 EXCEED THE AMOUNT OF FUNDS AVAILABLE FOR THE PROGRAM, AND ANY
21 PAYMENT UNDER THIS ACT SHALL NOT CONSTITUTE AN ENTITLEMENT FROM
22 THE COMMONWEALTH OR A CLAIM ON ANY OTHER FUNDS OF THE
23 COMMONWEALTH.

24 SECTION 5102. EFFECTIVE DATE.

25 THIS ACT SHALL TAKE EFFECT IN 90 DAYS.