

One Hundred Fourth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, one thousand nine hundred and ninety-six*

An Act

An Act to amend the Public Health Service Act to revise and extend programs established pursuant to the Ryan White Comprehensive AIDS Resources Emergency Act of 1990.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Ryan White CARE Act Amendments of 1996”.

SEC. 2. REFERENCES.

Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

SEC. 3. GENERAL AMENDMENTS.

(a) PROGRAM OF GRANTS.—

(1) NUMBER OF CASES.—Section 2601(a) (42 U.S.C. 300ff-11) is amended—

(A) by striking “subject to subsection (b)” and inserting “subject to subsections (b) through (d)”; and

(B) by striking “metropolitan area” and all that follows and inserting the following: “metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome for the most recent period of 5 calendar years for which such data are available.”.

(2) OTHER PROVISIONS REGARDING ELIGIBILITY.—Section 2601 (42 U.S.C. 300ff-11) is amended by adding at the end thereof the following new subsections:

“(c) REQUIREMENTS REGARDING POPULATION.—

“(1) NUMBER OF INDIVIDUALS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may not make a grant under this section for a metropolitan area unless the area has a population of 500,000 or more individuals.

“(B) LIMITATION.—Subparagraph (A) does not apply to any metropolitan area that was an eligible area under this part for fiscal year 1995 or any prior fiscal year.

“(2) GEOGRAPHIC BOUNDARIES.—For purposes of eligibility under this part, the boundaries of each metropolitan area are

the boundaries that were in effect for the area for fiscal year 1994.

“(d) CONTINUED STATUS AS ELIGIBLE AREA.—Notwithstanding any other provision of this section, a metropolitan area that was an eligible area under this part for fiscal year 1996 is an eligible area for fiscal year 1997 and each subsequent fiscal year.”.

(3) CONFORMING AMENDMENT REGARDING DEFINITION OF ELIGIBLE AREA.—Section 2607(1) (42 U.S.C. 300ff–17(1)) is amended by striking “The term” and all that follows and inserting the following: “The term ‘eligible area’ means a metropolitan area meeting the requirements of section 2601 that are applicable to the area.”.

(b) EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES.—

(1) HIV HEALTH SERVICES PLANNING COUNCIL.—Subsection (b) of section 2602 (42 U.S.C. 300ff–12(b)) is amended—

(A) in paragraph (1)—

(i) by striking “include” and all that follows through the end thereof, and inserting “reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations.”; and

(ii) by adding at the end thereof the following new sentences: “Nominations for membership on the council shall be identified through an open process and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard that is in accordance with paragraph (5).”;

(B) in paragraph (2), by adding at the end thereof the following new subparagraph:

“(C) CHAIRPERSON.—A planning council may not be chaired solely by an employee of the grantee.”;

(C) in paragraph (3)—

(i) in subparagraph (A), by striking “area;” and inserting “area, including how best to meet each such priority and additional factors that a grantee should consider in allocating funds under a grant based on the—

“(i) documented needs of the HIV-infected population;

“(ii) cost and outcome effectiveness of proposed strategies and interventions, to the extent that such data are reasonably available (either demonstrated or probable);

“(iii) priorities of the HIV-infected communities for whom the services are intended; and

“(iv) availability of other governmental and non-governmental resources;”;

(ii) by striking “and” at the end of subparagraph (B);

(iii) by striking the period at the end of subparagraph (C) and inserting “, and at the discretion of the planning council, assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs;”;

(iv) by adding at the end thereof the following new subparagraphs:

“(D) participate in the development of the statewide coordinated statement of need initiated by the State public health agency responsible for administering grants under part B; and

“(E) establish methods for obtaining input on community needs and priorities which may include public meetings, conducting focus groups, and convening ad-hoc panels.”;

(D) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(E) by inserting after paragraph (1), the following new paragraph:

“(2) REPRESENTATION.—The HIV health services planning council shall include representatives of—

“(A) health care providers, including federally qualified health centers;

“(B) community-based organizations serving affected populations and AIDS service organizations;

“(C) social service providers;

“(D) mental health and substance abuse providers;

“(E) local public health agencies;

“(F) hospital planning agencies or health care planning agencies;

“(G) affected communities, including people with HIV disease or AIDS and historically underserved groups and subpopulations;

“(H) nonelected community leaders;

“(I) State government (including the State medicaid agency and the agency administering the program under part B);

“(J) grantees under subpart II of part C;

“(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations with a history of serving children, youth, women, and families living with HIV and operating in the area; and

“(L) grantees under other Federal HIV programs.”; and

(F) by adding at the end thereof the following:

“(5) CONFLICTS OF INTEREST.—

“(A) IN GENERAL.—The planning council under paragraph (1) may not be directly involved in the administration of a grant under section 2601(a). With respect to compliance with the preceding sentence, the planning council may not designate (or otherwise be involved in the selection of) particular entities as recipients of any of the amounts provided in the grant.

“(B) REQUIRED AGREEMENTS.—An individual may serve on the planning council under paragraph (1) only if the individual agrees that if the individual has a financial interest in an entity, if the individual is an employee of a public or private entity, or if the individual is a member of a public or private organization, and such entity or organization is seeking amounts from a grant under section 2601(a), the individual will not, with respect to the purpose for which the entity seeks such amounts, participate

(directly or in an advisory capacity) in the process of selecting entities to receive such amounts for such purpose.

“(6) GRIEVANCE PROCEDURES.—A planning council under paragraph (1) shall develop procedures for addressing grievances with respect to funding under this part, including procedures for submitting grievances that cannot be resolved to binding arbitration. Such procedures shall be described in the by-laws of the planning council and be consistent with the requirements of subsection (c).

“(c) GRIEVANCE PROCEDURES.—

“(1) FEDERAL RESPONSIBILITY.—

“(A) MODELS.—The Secretary shall, through a process that includes consultations with grantees under this part and public and private experts in grievance procedures, arbitration, and mediation, develop model grievance procedures that may be implemented by the planning council under subsection (b)(1) and grantees under this part. Such model procedures shall describe the elements that must be addressed in establishing local grievance procedures and provide grantees with flexibility in the design of such local procedures.

“(B) REVIEW.—The Secretary shall review grievance procedures established by the planning council and grantees under this part to determine if such procedures are adequate. In making such a determination, the Secretary shall assess whether such procedures permit legitimate grievances to be filed, evaluated, and resolved at the local level.

“(2) GRANTEES.—To be eligible to receive funds under this part, a grantee shall develop grievance procedures that are determined by the Secretary to be consistent with the model procedures developed under paragraph (1)(A). Such procedures shall include a process for submitting grievances to binding arbitration.”

(2) DISTRIBUTION OF GRANTS.—Section 2603 (42 U.S.C. 300ff-13) is amended—

(A) in subsection (a)(2), by striking “Not later than—” and all that follows through “the Secretary shall” and inserting the following: “Not later than 60 days after an appropriation becomes available to carry out this part for each of the fiscal years 1996 through 2000, the Secretary shall”; and

(B) in subsection (b)

(i) in paragraph (1)—

(I) by striking “and” at the end of subparagraph (D);

(II) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(III) by adding at the end thereof the following new subparagraphs:

“(F) demonstrates the inclusiveness of the planning council membership, with particular emphasis on affected communities and individuals with HIV disease; and

“(G) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the statewide coordinated statement of need.”; and

(ii) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(iii) by inserting after paragraph (1), the following new paragraph:

“(2) DEFINITION.—

“(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall consider the ability of the qualified applicant to expend funds efficiently and the impact of relevant factors on the cost and complexity of delivering health care and support services to individuals with HIV disease in the eligible area, including factors such as—

“(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other comorbid factors determined relevant by the Secretary;

“(ii) new or growing subpopulations of individuals with HIV disease; and

“(iii) homelessness.

“(B) PREVALENCE.—In determining the impact of the factors described in subparagraph (A), the Secretary shall, to the extent practicable, use national, quantitative incidence data that are available for each eligible area. Not later than 2 years after the date of enactment of this paragraph, the Secretary shall develop a mechanism to utilize such data. In the absence of such data, the Secretary may consider a detailed description and qualitative analysis of severe need, as determined under subparagraph (A), including any local prevalence data gathered and analyzed by the eligible area.

“(C) PRIORITY.—Subsequent to the development of the quantitative mechanism described in subparagraph (B), the Secretary shall phase in, over a 3-year period beginning in fiscal year 1998, the use of such a mechanism to determine the severe need of an eligible area compared to other eligible areas and to determine, in part, the amount of supplemental funds awarded to the eligible area under this part.”.

(3) DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Section 2603(a)(2) (42 U.S.C. 300ff-13(a)(2)) (as amended by paragraph (2)) is further amended—

(i) by inserting “, in accordance with paragraph (3)” before the period; and

(ii) by adding at the end thereof the following new sentences: “The Secretary shall reserve an additional percentage of the amount appropriated under section 2677 for a fiscal year for grants under part A to make grants to eligible areas under section 2601(a) in accordance with paragraph (4).”.

(B) INCREASE IN GRANT.—Section 2603(a) (42 U.S.C. 300ff-13(a)) is amended by adding at the end thereof the following new paragraph:

“(4) INCREASE IN GRANT.—With respect to an eligible area under section 2601(a), the Secretary shall increase the amount of a grant under paragraph (2) for a fiscal year to ensure that such eligible area receives not less than—

“(A) with respect to fiscal year 1996, 100 percent;

“(B) with respect to fiscal year 1997, 99 percent;
“(C) with respect to fiscal year 1998, 98 percent;
“(D) with respect to fiscal year 1999, 96.5 percent;

and

“(E) with respect to fiscal year 2000, 95 percent;
of the amount allocated for fiscal year 1995 to such entity
under this subsection.”.

(C) ADDITIONAL REQUIREMENTS FOR GRANTS.—Section
2603 (42 U.S.C. 300ff–13) is amended by adding at the
end thereof the following subsection:

“(c) COMPLIANCE WITH PRIORITIES OF HIV PLANNING COUN-
CIL.—Notwithstanding any other provision of this part, the Sec-
retary, in carrying out section 2601(a), may not make any grant
under subsection (a) or (b) to an eligible area unless the application
submitted by such area under section 2605 for the grant involved
demonstrates that the grants made under subsections (a) and (b)
to the area for the preceding fiscal year (if any) were expended
in accordance with the priorities applicable to such year that were
established, pursuant to section 2602(b)(3)(A), by the planning coun-
cil serving the area.”.

(4) USE OF AMOUNTS.—Section 2604 (42 U.S.C. 300ff–14)
is amended—

(A) in subsection (b)(1)(A)—

(i) by inserting “, substance abuse treatment and
mental health treatment,” after “case management”;
and

(ii) by inserting “which shall include treatment
education and prophylactic treatment for opportunistic
infections,” after “treatment services,”;

(B) in subsection (b)(2)(A)—

(i) by inserting “, or private for-profit entities if
such entities are the only available provider of quality
HIV care in the area,” after “nonprofit private enti-
ties,”; and

(ii) by striking “and homeless health centers” and
inserting “homeless health centers, substance abuse
treatment programs, and mental health programs”;

(C) by adding at the end of subsection (b), the following

new paragraph:

“(3) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For
the purpose of providing health and support services to infants,
children, and women with HIV disease, including treatment
measures to prevent the perinatal transmission of HIV, the
chief elected official of an eligible area, in accordance with
the established priorities of the planning council, shall use,
from the grants made for the area under section 2601(a) for
a fiscal year, not less than the percentage constituted by the
ratio of the population in such area of infants, children, and
women with acquired immune deficiency syndrome to the gen-
eral population in such area of individuals with such syn-
drome.”; and

(C) in subsection (e)—

(i) in the subsection heading, by striking “AND
PLANNING;

(ii) by striking “The chief” and inserting:

“(1) IN GENERAL.—The chief”;

(iii) by striking “accounting, reporting, and program oversight functions”;

(iv) by adding at the end thereof the following new sentence: “In the case of entities and subcontractors to which such officer allocates amounts received by the officer under the grant, the officer shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).”; and

(v) by adding at the end thereof the following new paragraphs:

“(2) ADMINISTRATIVE ACTIVITIES.—For the purposes of paragraph (1), amounts may be used for administrative activities that include—

“(A) routine grant administration and monitoring activities, including the development of applications for part A funds, the receipt and disbursement of program funds, the development and establishment of reimbursement and accounting systems, the preparation of routine programmatic and financial reports, and compliance with grant conditions and audit requirements; and

“(B) all activities associated with the grantee’s contract award procedures, including the development of requests for proposals, contract proposal review activities, negotiation and awarding of contracts, monitoring of contracts through telephone consultation, written documentation or onsite visits, reporting on contracts, and funding reallocation activities.

“(3) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this subsection, subcontractor administrative activities include—

“(A) usual and recognized overhead, including established indirect rates for agencies;

“(B) management oversight of specific programs funded under this title; and

“(C) other types of program support such as quality assurance, quality control, and related activities.”.

(5) APPLICATION.—Section 2605 (42 U.S.C. 300ff–15) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by inserting “, in accordance with subsection (c) regarding a single application and grant award,” after “application”;

(ii) in paragraph (1)(B), by striking “1-year period” and all that follows through “eligible area” and inserting “preceding fiscal year”;

(iii) in paragraph (4), by striking “and” at the end thereof;

(iv) in paragraph (5), by striking the period at the end thereof and inserting “; and”; and

(v) by adding at the end thereof the following new paragraph:

“(6) that the applicant has participated, or will agree to participate, in the statewide coordinated statement of need

process where it has been initiated by the State public health agency responsible for administering grants under part B, and ensure that the services provided under the comprehensive plan are consistent with the statewide coordinated statement of need.”;

(B) in subsection (b)—

(i) in the subsection heading, by striking “ADDITIONAL”; and

(ii) in the matter preceding paragraph (1), by striking “additional application” and inserting “application, in accordance with subsection (c) regarding a single application and grant award,”; and

(C) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(D) by inserting after subsection (b), the following new subsection:

“(c) SINGLE APPLICATION AND GRANT AWARD.—

“(1) APPLICATION.—The Secretary may phase in the use of a single application that meets the requirements of subsections (a) and (b) of section 2603 with respect to an eligible area that desires to receive grants under section 2603 for a fiscal year.

“(2) GRANT AWARD.—The Secretary may phase in the awarding of a single grant to an eligible area that submits an approved application under paragraph (1) for a fiscal year.”.

(6) TECHNICAL ASSISTANCE.—Section 2606 (42 U.S.C. 300ff–16) is amended—

(A) by striking “may” and inserting “shall”;

(B) by inserting after “technical assistance” the following: “, including assistance from other grantees, contractors or subcontractors under this title to assist newly eligible metropolitan areas in the establishment of HIV health services planning councils and,”; and

(C) by adding at the end thereof the following new sentences: “The Administrator may make planning grants available to metropolitan areas, in an amount not to exceed \$75,000 for any metropolitan area, projected to be eligible for funding under section 2601 in the following fiscal year. Such grant amounts shall be deducted from the first year formula award to eligible areas accepting such grants. Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2677 for grants under part A may be used to carry out this section.”.

(c) CARE GRANT PROGRAM.—

(1) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—Section 2611 (42 U.S.C. 300ff–21) is amended—

(A) by striking “The” and inserting “(a) IN GENERAL.—The”; and

(B) by adding at the end thereof the following new subsection:

“(b) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, including treatment measures to prevent the perinatal transmission of HIV, a State shall use, of the funds allocated under this part to the State for a fiscal year, not less than the percentage constituted by the ratio of the population in the State of infants, children, and women with

acquired immune deficiency syndrome to the general population in the State of individuals with such syndrome.”

(2) USE OF GRANTS.—Section 2612 (42 U.S.C. 300ff–22) is amended—

(A) in subsection (a)—

(i) by striking the subsection designation and heading;

(ii) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively;

(iii) by inserting the following new paragraph:

“(1) to provide the services described in section 2604(b)(1) for individuals with HIV disease;”;

(iv) in paragraph (5) (as so redesignated), by striking “treatments” and all that follows through “health,” and inserting “therapeutics to treat HIV disease”; and

(v) by adding at the end thereof the following flush sentences:

“Services described in paragraph (1) shall be delivered through consortia designed as described in paragraph (2), where such consortia exist, unless the State demonstrates to the Secretary that delivery of such services would be more effective when other delivery mechanisms are used. In making a determination regarding the delivery of services, the State shall consult with appropriate representatives of service providers and recipients of services who would be affected by such determination, and shall include in its demonstration to the Secretary the findings of the State regarding such consultation.”; and

(B) by striking subsection (b).

(2) HIV CARE CONSORTIA.—Section 2613 (42 U.S.C. 300ff–23) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting “(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)” after “nonprofit private,”; and

(ii) in paragraph (2)(A)—

(I) by inserting “substance abuse treatment, mental health treatment,” after “nursing,”; and

(II) by inserting “prophylactic treatment for opportunistic infections, treatment education to take place in the context of health care delivery,” after “monitoring,”; and

(B) in subsection (c)—

(i) in subparagraph (C) of paragraph (1), by inserting before “care” “and youth centered”; and

(ii) in paragraph (2)—

(I) in clause (ii) of subparagraph (A), by striking “served; and” and inserting “served,”;

(II) in subparagraph (B), by striking the period at the end and inserting “; and”; and

(III) by adding after subparagraph (B), the following new subparagraph:

“(C) grantees under section 2671, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV.”.

(3) PROVISION OF TREATMENTS.—Section 2616 (42 U.S.C. 300ff–26) is amended—

(A) in subsection (a)—

(i) by striking “may use amounts” and inserting “shall use a portion of the amounts”;

(ii) by striking “section 2612(a)(4)” and all that follows through “prolong life” and inserting “section 2612(a)(5) to provide therapeutics to treat HIV disease”; and

(iii) by inserting before the period the following: “, including measures for the prevention and treatment of opportunistic infections”;

(B) in subsection (c)—

(i) in paragraph (3), by striking “and” at the end thereof;

(ii) in paragraph (4), by striking the period and inserting “; and”; and

(iii) by adding at the end thereof the following new paragraph:

“(5) document the progress made in making therapeutics described in subsection (a) available to individuals eligible for assistance under this section.”; and

(C) by adding at the end thereof the following new subsection:

“(d) DUTIES OF THE SECRETARY.—In carrying out this section, the Secretary shall review the current status of State drug reimbursement programs established under section 2612(2) and assess barriers to the expanded availability of the treatments described in subsection (a). The Secretary shall also examine the extent to which States coordinate with other grantees under this title to reduce barriers to the expanded availability of the treatments described in subsection (a).”.

(4) STATE APPLICATION.—Section 2617(b) (42 U.S.C. 300ff–27(b)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking “and” at the end thereof; and

(ii) by adding at the end thereof the following new subparagraph:

“(C) a description of how the allocation and utilization of resources are consistent with the statewide coordinated statement of need (including traditionally underserved populations and subpopulations) developed in partnership with other grantees in the State that receive funding under this title; and”;

(B) by redesignating paragraph (3) as paragraph (4);

(C) by inserting after paragraph (2), the following new paragraph:

“(3) an assurance that the public health agency administering the grant for the State will periodically convene a meeting of individuals with HIV, representatives of grantees under each part under this title, providers, and public agency representatives for the purpose of developing a statewide coordinated statement of need; and”.

(5) PLANNING, EVALUATION AND ADMINISTRATION.—Section 2618(c) (42 U.S.C. 300ff–28(c)) is amended—

(A) by striking paragraph (1);

(B) in paragraphs (3) and (4), to read as follows:

“(3) PLANNING AND EVALUATIONS.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a grant awarded under this part for planning and evaluation activities.

“(4) ADMINISTRATION.—

“(A) IN GENERAL.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a grant awarded under this part for administration. In the case of entities and subcontractors to which the State allocates amounts received by the State under the grant (including consortia under section 2613), the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).

“(B) ADMINISTRATIVE ACTIVITIES.—For the purposes of subparagraph (A), amounts may be used for administrative activities that include routine grant administration and monitoring activities.

“(C) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this paragraph, subcontractor administrative activities include—

“(i) usual and recognized overhead, including established indirect rates for agencies;

“(ii) management oversight of specific programs funded under this title; and

“(iii) other types of program support such as quality assurance, quality control, and related activities.”;

(C) by redesignating paragraph (5) as paragraph (7); and

(D) by inserting after paragraph (4), the following new paragraphs:

“(5) LIMITATION ON USE OF FUNDS.—Except as provided in paragraph (6), a State may not use more than a total of 15 percent of amounts received under a grant awarded under this part for the purposes described in paragraphs (3) and (4).

“(6) EXCEPTION.—With respect to a State that receives the minimum allotment under subsection (a)(1) for a fiscal year, such State, from the amounts received under a grant awarded under this part for such fiscal year for the activities described in paragraphs (3) and (4), may, notwithstanding paragraphs (3), (4), and (5), use not more than that amount required to support one full-time-equivalent employee.”.

(6) TECHNICAL ASSISTANCE.—Section 2619 (42 U.S.C. 300ff-29) is amended—

(A) by striking “may” and inserting “shall”; and

(B) by inserting before the period the following: “, including technical assistance for the development and implementation of statewide coordinated statements of need”.

(7) COORDINATION.—Part B of title XXVI (42 U.S.C. 300ff-21 et seq.) is amended by adding at the end thereof the following new section:

“SEC. 2621. COORDINATION.

“The Secretary shall ensure that the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration coordinate the planning and implementation of Federal HIV programs in order to facilitate the local development of a complete continuum of HIV-related services for individuals with HIV disease and those at risk of such disease. Not later than October 1, 1996, and biennially thereafter, the Secretary shall submit to the appropriate committees of the Congress a report concerning coordination efforts under this title at the Federal, State, and local levels, including a statement of whether and to what extent there exist Federal barriers to integrating HIV-related programs.”

(d) EARLY INTERVENTION SERVICES.—

(1) ESTABLISHMENT OF PROGRAM.—Section 2651(b) (42 U.S.C. 300ff–51(b)) is amended—

(A) in paragraph (1), by inserting before the period the following: “, and unless the applicant agrees to expend not less than 50 percent of the grant for such services that are specified in subparagraphs (B) through (E) of such paragraph for individuals with HIV disease”; and

(B) in paragraph (4)—

(i) by striking “The Secretary” and inserting “(A) IN GENERAL.—The Secretary”;

(ii) by inserting “, or private for-profit entities if such entities are the only available provider of quality HIV care in the area,” after “nonprofit private entities”;

(iii) by realigning the margin of subparagraph (A) so as to align with the margin of paragraph (3)(A); and

(iv) by adding at the end thereof the following new subparagraph:

“(B) OTHER REQUIREMENTS.—Grantees described in—

“(i) paragraphs (1), (2), (5), and (6) of section 2652(a) shall use not less than 50 percent of the amount of such a grant to provide the services described in subparagraphs (A), (B), (D), and (E) of section 2651(b)(2) directly and on-site or at sites where other primary care services are rendered; and

“(ii) paragraphs (3) and (4) of section 2652(a) shall ensure the availability of early intervention services through a system of linkages to community-based primary care providers, and to establish mechanisms for the referrals described in section 2651(b)(2)(C), and for follow-up concerning such referrals.”

(2) MINIMUM QUALIFICATIONS.—Section 2652(b)(1)(B) (42 U.S.C. 300ff–52(b)(1)(B)) is amended by inserting “, or a private for-profit entity if such entity is the only available provider of quality HIV care in the area,” after “nonprofit private entity”.

(3) MISCELLANEOUS PROVISIONS.—Section 2654 (42 U.S.C. 300ff–54) is amended by adding at the end thereof the following new subsection:

“(c) PLANNING AND DEVELOPMENT GRANTS.—

“(1) IN GENERAL.—The Secretary may provide planning grants, in an amount not to exceed \$50,000 for each such grant, to public and nonprofit private entities for the purpose

of enabling such entities to provide HIV early intervention services.

“(2) REQUIREMENT.—The Secretary may only award a grant to an entity under paragraph (1) if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

“(3) PREFERENCE.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide primary care services in rural or underserved communities.

“(4) LIMITATION.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.”.

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 2655 (42 U.S.C. 300ff–55) is amended by striking “\$75,000,000” and all that follows through the end of the section, and inserting “such sums as may be necessary in each of the fiscal years 1996, 1997, 1998, 1999, and 2000.”.

(5) REQUIRED AGREEMENTS.—Section 2664(g) (42 U.S.C. 300ff–64(g)) is amended—

(A) in paragraph (2), by striking “and” at the end thereof;

(B) in paragraph (3)—

(i) by striking “5 percent” and inserting “7.5 percent including planning and evaluation”; and

(ii) by striking the period and inserting “; and”;

and

(C) by adding at the end thereof the following new paragraph:

“(4) the applicant will submit evidence that the proposed program is consistent with the statewide coordinated statement of need and agree to participate in the ongoing revision of such statement of need.”.

(e) DEMONSTRATION GRANTS FOR RESEARCH AND SERVICES FOR PEDIATRIC PATIENTS.—Section 2671 (42 U.S.C. 300f–71) is amended to read as follows:

“SEC. 2671. GRANTS FOR COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH.

“(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the National Institutes of Health, shall make grants to public and nonprofit private entities that provide primary care (directly or through contracts) for the following purposes:

“(1) Providing through such entities, in accordance with this section, opportunities for women, infants, children, and youth to be voluntary participants in research of potential clinical benefit to individuals with HIV disease.

“(2) In the case of women, infants, children, and youth with HIV disease, and the families of such individuals, providing to such individuals—

“(A) health care on an outpatient basis; and

“(B) additional services in accordance with subsection

(d).

“(b) PROVISIONS REGARDING PARTICIPATION IN RESEARCH.—

“(1) IN GENERAL.—With respect to the projects of research with which an applicant under subsection (a) is concerned, the Secretary may make a grant under such subsection to the applicant only if the following conditions are met:

“(A) The applicant agrees to make reasonable efforts—

“(i) to identify which of the patients of the applicant are women, infants, children, and youth who would be appropriate participants in the projects;

“(ii) to carry out clause (i) through the use of criteria provided for such purpose by the entities that will be conducting the projects of research; and

“(iii) to offer women, infants, children, and youth the opportunity to participate in the projects (as appropriate), including the provision of services under subsection (d)(3).

“(B) The applicant agrees that, in the case of the research-related functions to be carried out by the applicant pursuant to subsection (a)(1), the applicant will comply with accepted standards that are applicable to such functions (including accepted standards regarding informed consent and other protections for human subjects).

“(C) For the first and second fiscal years for which grants under subsection (a) are to be made to the applicant, the applicant agrees that, not later than the end of the second fiscal year of receiving such a grant, a significant number of women, infants, children, and youth who are patients of the applicant will be participating in the projects of research.

“(D) Except as provided in paragraph (3) (and paragraph (4), as applicable), for the third and subsequent fiscal years for which such grants are to be made to the applicant, the Secretary has determined that a significant number of such individuals are participating in the projects.

“(2) PROHIBITION.—Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

“(3) SIGNIFICANT PARTICIPATION; CONSIDERATION BY SECRETARY OF CERTAIN CIRCUMSTANCES.—In administering the requirement of paragraph (1)(D), the Secretary shall take into account circumstances in which a grantee under subsection (a) is temporarily unable to comply with the requirement for reasons beyond the control of the grantee, and shall in such circumstances provide to the grantee a reasonable period of opportunity in which to reestablish compliance with the requirement.

“(4) SIGNIFICANT PARTICIPATION; TEMPORARY WAIVER FOR ORIGINAL GRANTEEES.—

“(A) IN GENERAL.—In the case of an applicant under subsection (a) who received a grant under such subsection for fiscal year 1995, the Secretary may, subject to subparagraph (B), provide to the applicant a waiver of the requirement of paragraph (1)(D) if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement.

“(B) TERMINATION OF AUTHORITY FOR WAIVERS.—The Secretary may not provide any waiver under subparagraph (A) on or after October 1, 1998. Any such waiver provided

prior to such date terminates on such date, or on such earlier date as the Secretary may specify.

“(c) PROVISIONS REGARDING CONDUCT OF RESEARCH.—

“(1) IN GENERAL.—With respect to eligibility for a grant under subsection (a):

“(A) A project of research for which subjects are sought pursuant to such subsection may be conducted by the applicant for the grant, or by an entity with which the applicant has made arrangements for purposes of the grant. The grant may not be expended for the conduct of any project of research, except for such research-related functions as are appropriate for providing opportunities under subsection (a)(1) (including the functions specified in subsection (b)(1)).

“(B) The grant may be made only if the Secretary makes the following determinations:

“(i) The applicant or other entity (as the case may be under subparagraph (A)) is appropriately qualified to conduct the project of research. An entity shall be considered to be so qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health.

“(ii) The project of research is being conducted in accordance with a research protocol to which the Secretary gives priority regarding the prevention or treatment of HIV disease in women, infants, children, or youth, subject to paragraph (2).

“(2) LIST OF RESEARCH PROTOCOLS.—

“(A) IN GENERAL.—From among the research protocols described in paragraph (1)(B)(ii), the Secretary shall establish a list of research protocols that are appropriate for purposes of subsection (a)(1). Such list shall be established only after consultation with public and private entities that conduct such research, and with providers of services under subsection (a) and recipients of such services.

“(B) DISCRETION OF SECRETARY.—The Secretary may authorize the use, for purposes of subsection (a)(1), of a research protocol that is not included on the list under subparagraph (A). The Secretary may waive the requirement specified in paragraph (1)(B)(ii) in such circumstances as the Secretary determines to be appropriate.

“(d) ADDITIONAL SERVICES FOR PATIENTS AND FAMILIES.—A grant under subsection (a) may be made only if the applicant for the grant agrees as follows:

“(1) The applicant will provide for the case management of the patient involved and the family of the patient.

“(2) The applicant will provide for the patient and the family of the patient—

“(A) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and

“(B) referrals for other social and support services, as appropriate.

“(3) The applicant will provide the patient and the family of the patient with such transportation, child care, and other incidental services as may be necessary to enable the patient

and the family to participate in the program established by the applicant pursuant to such subsection.

“(e) COORDINATION WITH OTHER ENTITIES.—A grant under subsection (a) may be made only if the applicant for the grant agrees as follows:

“(1) The applicant will coordinate activities under the grant with other providers of health care services under this Act, and under title V of the Social Security Act.

“(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the public health agency responsible for administering grants under part B) and in revisions of such statement.

“(f) APPLICATION.—A grant under subsection (a) may be made only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

“(g) COORDINATION WITH NATIONAL INSTITUTES OF HEALTH.—The Secretary shall develop and implement a plan that provides for the coordination of the activities of the National Institutes of Health with the activities carried out under this section. In carrying out the preceding sentence, the Secretary shall ensure that projects of research conducted or supported by such Institutes are made aware of applicants and grantees under subsection (a), shall require that the projects, as appropriate, enter into arrangements for purposes of such subsection, and shall require that each project entering into such an arrangement inform the applicant or grantee under such subsection of the needs of the project for the participation of women, infants, children, and youth.

“(h) ANNUAL REVIEW OF PROGRAMS; EVALUATIONS.—

“(1) REVIEW REGARDING ACCESS TO AND PARTICIPATION IN PROGRAMS.—With respect to a grant under subsection (a) for an entity for a fiscal year, the Secretary shall, not later than 180 days after the end of the fiscal year, provide for the conduct and completion of a review of the operation during the year of the program carried out under such subsection by the entity. The purpose of such review shall be the development of recommendations, as appropriate, for improvements in the following:

“(A) Procedures used by the entity to allocate opportunities and services under subsection (a) among patients of the entity who are women, infants, children, or youth.

“(B) Other procedures or policies of the entity regarding the participation of such individuals in such program.

“(2) EVALUATIONS.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

“(i) TRAINING AND TECHNICAL ASSISTANCE.—Of the amounts appropriated under subsection (j) for a fiscal year, the Secretary may use not more than five percent to provide, directly or through contracts with public and private entities (which may include grantees under subsection (a)), training and technical assistance to assist applicants and grantees under subsection (a) in complying with the requirements of this section.

“(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated

such sums as may be necessary for each of the fiscal years 1996 through 2000.”.

(f) EVALUATIONS AND REPORTS.—Section 2674 (42 U.S.C. 300ff-74) is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “not later than 1 year” and all that follows through “title,” and inserting the following: “not later than October 1, 1996,”;

(B) by striking paragraphs (1) through (3) and inserting the following paragraph:

“(1) evaluating the programs carried out under this title; and”; and

(C) by redesignating paragraph (4) as paragraph (2); and

(2) by adding at the end the following subsection:

“(d) ALLOCATION OF FUNDS.—The Secretary shall carry out this section with amounts available under section 241. Such amounts are in addition to any other amounts that are available to the Secretary for such purpose.”.

(g) DEMONSTRATION AND TRAINING.—

(1) IN GENERAL.—Title XXVI is amended by adding at the end, the following new part:

“PART F—DEMONSTRATION AND TRAINING

“Subpart I—Special Projects of National Significance

“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE.

“(a) IN GENERAL.—Of the amount appropriated under each of parts A, B, C, and D of this title for each fiscal year, the Secretary shall use the greater of \$20,000,000 or 3 percent of such amount appropriated under each such part, but not to exceed \$25,000,000, to administer a special projects of national significance program to award direct grants to public and nonprofit private entities including community-based organizations to fund special programs for the care and treatment of individuals with HIV disease.

“(b) GRANTS.—The Secretary shall award grants under subsection (a) based on—

“(1) the need to assess the effectiveness of a particular model for the care and treatment of individuals with HIV disease;

“(2) the innovative nature of the proposed activity; and

“(3) the potential replicability of the proposed activity in other similar localities or nationally.

“(c) SPECIAL PROJECTS.—Special projects of national significance shall include the development and assessment of innovative service delivery models that are designed to—

“(1) address the needs of special populations;

“(2) assist in the development of essential community-based service delivery infrastructure; and

“(3) ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

“(d) SPECIAL POPULATIONS.—Special projects of national significance may include the delivery of HIV health care and support services to traditionally underserved populations including—

- “(1) individuals and families with HIV disease living in rural communities;
- “(2) adolescents with HIV disease;
- “(3) Indian individuals and families with HIV disease;
- “(4) homeless individuals and families with HIV disease;
- “(5) hemophiliacs with HIV disease; and
- “(6) incarcerated individuals with HIV disease.

“(e) SERVICE DEVELOPMENT GRANTS.—Special projects of national significance may include the development of model approaches to delivering HIV care and support services including—

- “(1) programs that support family-based care networks and programs that build organizational capacity critical to the delivery of care in minority communities;
- “(2) programs designed to prepare AIDS service organizations and grantees under this title for operation within the changing health care environment; and
- “(3) programs designed to integrate the delivery of mental health and substance abuse treatment with HIV services.

“(f) COORDINATION.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the statewide coordinated statement of need, and the applicant agrees to participate in the ongoing revision process of such statement of need.

“(g) REPLICATION.—The Secretary shall make information concerning successful models developed under this part available to grantees under this title for the purpose of coordination, replication, and integration. To facilitate efforts under this subsection, the Secretary may provide for peer-based technical assistance from grantees funded under this part.”.

(2) REPEAL.—Subsection (a) of section 2618 (42 U.S.C. 300ff-28(a)) is repealed.

(h) HIV/AIDS COMMUNITIES, SCHOOLS, CENTERS.—

(1) NEW PART.—Part F of title XXVI (as added by subsection (e)) is further amended by adding at the end, the following new subpart:

“Subpart II—AIDS Education and Training Centers

“SEC. 2692. HIV/AIDS COMMUNITIES, SCHOOLS, AND CENTERS.”.

(2) AMENDMENTS.—Section 776 (42 U.S.C. 294n) is amended—

- (A) by striking the section heading; and
- (B) in subsection (a)(1)—
 - (i) by striking subparagraphs (B) and (C);
 - (ii) by redesignating subparagraphs (A) and (D) as subparagraphs (B) and (C), respectively;
 - (iii) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

“(A) training health personnel, including practitioners in title XXVI programs and other community providers, in the diagnosis, treatment, and prevention of HIV infection and disease, including the prevention of the perinatal trans-

mission of the disease and including measures for the prevention and treatment of opportunistic infections;” and (iv) in subparagraph (B) (as so redesignated) by adding “and” after the semicolon.

(3) TRANSFER.—Section 776 (42 U.S.C. 294n) (as amended by paragraph (2)) is amended by transferring such section to section 2692 (as added by paragraph (1)).

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 2692 (as added by paragraph (1)) is amended by adding at the end thereof the following new subsection:

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1996 through 2000.”.

SEC. 4. AMOUNT OF EMERGENCY RELIEF GRANTS.

Paragraph (3) of section 2603(a) (42 U.S.C. 300ff–13(a)(3)) is amended to read as follows:

“(3) AMOUNT OF GRANT.—

“(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

“(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

“(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

“(B) DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii), the term ‘distribution factor’ means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C).

“(C) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

“(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

“(ii) with respect to—

“(I) the first year during such period, .06;

“(II) the second year during such period, .06;

“(III) the third year during such period, .08;

“(IV) the fourth year during such period, .10;

“(V) the fifth year during such period, .16;

“(VI) the sixth year during such period, .16;

“(VII) the seventh year during such period, .24;

“(VIII) the eighth year during such period, .40;

“(IX) the ninth year during such period, .57;
and

“(X) the tenth year during such period, .88.
The yearly percentage described in subparagraph (ii) shall be updated biennially by the Secretary, after consultation with the Centers for Disease Control and Prevention. The first such update shall occur prior to the determination of grant awards under this part for fiscal year 1998.

“(D) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.”.

SEC. 5. AMOUNT OF CARE GRANTS.

Paragraphs (1) and (2) of section 2618(b) (42 U.S.C. 300ff-28(b) (1) and (2)) are amended to read as follows:

“(1) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available under section 2677, the amount of a grant to be made under this part for—

“(A) each of the several States and the District of Columbia for a fiscal year shall be the greater of—

“(i)(I) with respect to a State or District that has less than 90 living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), \$100,000; or

“(II) with respect to a State or District that has 90 or more living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), \$250,000;

“(ii) an amount determined under paragraph (2);

and

“(B) each territory of the United States, as defined in paragraph (3), shall be an amount determined under paragraph (2).

“(2) DETERMINATION.—

“(A) FORMULA.—The amount referred to in paragraph (1)(A)(ii) for a State and paragraph (1)(B) for a territory of the United States shall be the product of—

“(i) an amount equal to the amount appropriated under section 2677 for the fiscal year involved for grants under part B, subject to subparagraph (H); and

“(ii) the percentage constituted by the sum of—

“(I) the product of .80 and the ratio of the State distribution factor for the State or territory (as determined under subsection (B)) to the sum of the respective State distribution factors for all States or territories; and

“(II) the product of .20 and the ratio of the non-EMA distribution factor for the State or territory (as determined under subparagraph (C)) to the sum of the respective distribution factors for all States or territories.

“(B) STATE DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(I), the term ‘State distribution factor’ means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (D).

“(C) NON-EMA DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(II), the term ‘non-ema distribution factor’ means an amount equal to the sum of—

“(i) the estimated number of living cases of acquired immune deficiency syndrome in the State or territory involved, as determined under subparagraph (D); less

“(ii) the estimated number of living cases of acquired immune deficiency syndrome in such State or territory that are within an eligible area (as determined under part A).

“(D) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

“(i) the number of cases of acquired immune deficiency syndrome in the State or territory during each year in the most recent 120-month period for which data are available with respect to all States and territories, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

“(ii) with respect to each of the first through the tenth year during such period, the amount referred to in section 2603(a)(3)(C)(ii).

“(E) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for Puerto Rico, the Virgin Islands, and Guam shall be 1.0.

“(F) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this subsection, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

“(G) LIMITATION.—

“(i) IN GENERAL.—The Secretary shall ensure that the amount of a grant awarded to a State or territory for a fiscal year under this part is equal to not less than—

“(I) with respect to fiscal year 1996, 100 percent;

“(II) with respect to fiscal year 1997, 99 percent;

“(III) with respect to fiscal year 1998, 98 percent;

“(IV) with respect to fiscal year 1999, 96.5 percent; and

“(V) with respect to fiscal year 2000, 95 percent;

of the amount such State or territory received for fiscal year 1995 under this part. In administering this subparagraph, the Secretary shall, with respect to States that will receive grants in amounts that exceed the amounts that such States received under this part in fiscal year 1995, proportionally reduce such amounts to ensure compliance with this subparagraph. In making such reductions, the Secretary shall ensure that no such State receives less than that State received for fiscal year 1995.

“(ii) **RATABLE REDUCTION.**—If the amount appropriated under section 2677 and available for allocation under this part is less than the amount appropriated and available under this part for fiscal year 1995, the limitation contained in clause (i) shall be reduced by a percentage equal to the percentage of the reduction in such amounts appropriated and available.

“(H) **APPROPRIATIONS FOR TREATMENT DRUG PROGRAM.**—With respect to the fiscal year involved, if under section 2677 an appropriations Act provides an amount exclusively for carrying out section 2616, the portion of such amount allocated to a State shall be the product of—

“(i) 100 percent of such amount; and

“(ii) the percentage constituted by the ratio of the State distribution factor for the State (as determined under subparagraph (B)) to the sum of the State distribution factors for all States.”.

SEC. 6. CONSOLIDATION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) **IN GENERAL.**—Part D of title XXVI (42 U.S.C. 300ff–71) is amended by adding at the end thereof the following new section:

“SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

“(a) **IN GENERAL.**—Subject to subsection (b), there are authorized to be appropriated to make grants under parts A and B, such sums as may be necessary for each of the fiscal years 1996 through 2000.

“(b) **DEVELOPMENT OF METHODOLOGY.**—

“(1) **IN GENERAL.**—With respect to each of the fiscal years 1997 through 2000, the Secretary shall develop and implement a methodology for adjusting the percentages allocated to part A and part B to account for grants to new eligible areas under part A and other relevant factors. Not later than July 1, 1996, the Secretary shall prepare and submit to the appropriate committees of Congress a report regarding the findings with respect to the methodology developed under this paragraph.

“(2) **FAILURE TO IMPLEMENT.**—If the Secretary determines that such a methodology under paragraph (1) cannot be developed, there are authorized to be appropriated—

“(A) such sums as may be necessary to carry out part A for each of the fiscal years 1997 through 2000; and

“(B) such sums as may be necessary to carry out part B for each of the fiscal years 1997 through 2000.”.

(b) **REPEALS.**—Sections 2608 and 2620 (42 U.S.C. 300ff–18 and 300ff–30) are repealed.

(c) **CONFORMING AMENDMENTS.**—Title XXVI is amended—

(1) in section 2603 (42 U.S.C. 300ff–13)—

(A) in subsection (a)(2), by striking “2608” and inserting “2677”; and

(B) in subsection (b)(1), by striking “2608” and inserting “2677”;

(2) in section 2605(c)(1) (42 U.S.C. 300ff–15(c)(1)) is amended by striking “2608” and inserting “2677”; and

(3) in section 2618 (42 U.S.C. 300ff–28)—

(A) in subsection (a)(1), is amended by striking “2620” and inserting “2677”; and

(B) in subsection (b)(1), is amended by striking “2620” and inserting “2677”.

SEC. 7. PERINATAL TRANSMISSION OF HIV DISEASE.

(a) FINDINGS.—The Congress finds as follows:

(1) Research studies and statewide clinical experiences have demonstrated that administration of anti-retroviral medication during pregnancy can significantly reduce the transmission of the human immunodeficiency virus (commonly known as HIV) from an infected mother to her baby.

(2) The Centers for Disease Control and Prevention have recommended that all pregnant women receive HIV counseling; voluntary, confidential HIV testing; and appropriate medical treatment (including anti-retroviral therapy) and support services.

(3) The provision of such testing without access to such counseling, treatment, and services will not improve the health of the woman or the child.

(4) The provision of such counseling, testing, treatment, and services can reduce the number of pediatric cases of acquired immune deficiency syndrome, can improve access to and provision of medical care for the woman, and can provide opportunities for counseling to reduce transmission among adults, and from mother to child.

(5) The provision of such counseling, testing, treatment, and services can reduce the overall cost of pediatric cases of acquired immune deficiency syndrome.

(6) The cancellation or limitation of health insurance or other health coverage on the basis of HIV status should be impermissible under applicable law. Such cancellation or limitation could result in disincentives for appropriate counseling, testing, treatment, and services.

(7) For the reasons specified in paragraphs (1) through (6)—

(A) routine HIV counseling and voluntary testing of pregnant women should become the standard of care; and

(B) the relevant medical organizations as well as public health officials should issue guidelines making such counseling and testing the standard of care.

(b) ADDITIONAL REQUIREMENTS FOR GRANTS.—Part B of title XXVI (42 U.S.C. 300ff–21 et seq.) is amended—

(1) by inserting after the part heading the following:

“Subpart I—General Grant Provisions”;

(2) in section 2611(a), by adding at the end the following sentence: “The authority of the Secretary to provide grants under part B is subject to section 2626(e)(2) (relating to the decrease in perinatal transmission of HIV disease).”; and

(3) by adding at the end thereof the following new subpart:

**“Subpart II—Provisions Concerning Pregnancy
and Perinatal Transmission of HIV**

“SEC. 2625. CDC GUIDELINES FOR PREGNANT WOMEN.

“(a) REQUIREMENT.—Notwithstanding any other provision of law, a State shall, not later than 120 days after the date of enactment of this subpart, certify to the Secretary that such State has in effect regulations or measures to adopt the guidelines issued by the Centers for Disease Control and Prevention concerning recommendations for human immunodeficiency virus counseling and voluntary testing for pregnant women.

“(b) NONCOMPLIANCE.—If a State does not provide the certification required under subsection (a) within the 120-day period described in such subsection, such State shall not be eligible to receive assistance for HIV counseling and testing under this section until such certification is provided.

“(c) ADDITIONAL FUNDS REGARDING WOMEN AND INFANTS.—

“(1) IN GENERAL.—If a State provides the certification required in subsection (a) and is receiving funds under part B for a fiscal year, the Secretary may (from the amounts available pursuant to paragraph (2)) make a grant to the State for the fiscal year for the following purposes:

“(A) Making available to pregnant women appropriate counseling on HIV disease.

“(B) Making available outreach efforts to pregnant women at high risk of HIV who are not currently receiving prenatal care.

“(C) Making available to such women voluntary HIV testing for such disease.

“(D) Offsetting other State costs associated with the implementation of this section and subsections (a) and (b) of section 2626.

“(E) Offsetting State costs associated with the implementation of mandatory newborn testing in accordance with this title or at an earlier date than is required by this title.

“(2) FUNDING.—For purposes of carrying out this subsection, there are authorized to be appropriated \$10,000,000 for each of the fiscal years 1996 through 2000. Amounts made available under section 2677 for carrying out this part are not available for carrying out this section unless otherwise authorized.

“(3) PRIORITY.—In awarding grants under this subsection the Secretary shall give priority to States that have the greatest proportion of HIV seroprevalance among child bearing women using the most recent data available as determined by the Centers for Disease Control and Prevention.

**“SEC. 2626. PERINATAL TRANSMISSION OF HIV DISEASE; CONTINGENT
REQUIREMENT REGARDING STATE GRANTS UNDER THIS
PART.**

“(a) ANNUAL DETERMINATION OF REPORTED CASES.—A State shall annually determine the rate of reported cases of AIDS as a result of perinatal transmission among residents of the State.

“(b) CAUSES OF PERINATAL TRANSMISSION.—In determining the rate under subsection (a), a State shall also determine the possible causes of perinatal transmission. Such causes may include—

“(1) the inadequate provision within the State of prenatal counseling and testing in accordance with the guidelines issued by the Centers for Disease Control and Prevention;

“(2) the inadequate provision or utilization within the State of appropriate therapy or failure of such therapy to reduce perinatal transmission of HIV, including—

“(A) that therapy is not available, accessible or offered to mothers; or

“(B) that available therapy is offered but not accepted by mothers; or

“(3) other factors (which may include the lack of prenatal care) determined relevant by the State.

“(c) CDC REPORTING SYSTEM.—Not later than 4 months after the date of enactment of this subpart, the Director of the Centers for Disease Control and Prevention shall develop and implement a system to be used by States to comply with the requirements of subsections (a) and (b). The Director shall issue guidelines to ensure that the data collected is statistically valid.

“(d) DETERMINATION BY SECRETARY.—Not later than 180 days after the expiration of the 18-month period beginning on the date on which the system is implemented under subsection (c), the Secretary shall publish in the Federal Register a determination of whether it has become a routine practice in the provision of health care in the United States to carry out each of the activities described in paragraphs (1) through (5) of section 2627. In making the determination, the Secretary shall consult with the States and with other public or private entities that have knowledge or expertise relevant to the determination.

“(e) CONTINGENT APPLICABILITY.—

“(1) IN GENERAL.—If the determination published in the Federal Register under subsection (d) is that (for purposes of such subsection) the activities involved have become routine practices, paragraph (2) shall apply on and after the expiration of the 18-month period beginning on the date on which the determination is so published.

“(2) REQUIREMENT.—Subject to subsection (f), the Secretary shall not make a grant under part B to a State unless the State meets not less than one of the following requirements:

“(A) A 50 percent reduction (or a comparable measure for States with less than 10 cases) in the rate of new cases of AIDS (recognizing that AIDS is a suboptimal proxy for tracking HIV in infants and was selected because such data is universally available) as a result of perinatal transmission as compared to the rate of such cases reported in 1993 (a State may use HIV data if such data is available).

“(B) At least 95 percent of women in the State who have received at least two prenatal visits (consultations) prior to 34 weeks gestation with a health care provider or provider group have been tested for the human immunodeficiency virus.

“(C) The State has in effect, in statute or through regulations, the requirements specified in paragraphs (1) through (5) of section 2627.

“(f) **LIMITATION REGARDING AVAILABILITY OF FUNDS.**—With respect to an activity described in any of paragraphs (1) through (5) of section 2627, the requirements established by a State under this section apply for purposes of this section only to the extent that the following sources of funds are available for carrying out the activity:

“(1) Federal funds provided to the State in grants under part B or under section 2625, or through other Federal sources under which payments for routine HIV testing, counseling or treatment are an eligible use.

“(2) Funds that the State or private entities have elected to provide, including through entering into contracts under which health benefits are provided. This section does not require any entity to expend non-Federal funds.

“SEC. 2627. TESTING OF PREGNANT WOMEN AND NEWBORN INFANTS.

“An activity or requirement described in this section is any of the following:

“(1) In the case of newborn infants who are born in the State and whose biological mothers have not undergone prenatal testing for HIV disease, that each such infant undergo testing for such disease.

“(2) That the results of such testing of a newborn infant be promptly disclosed in accordance with the following, as applicable to the infant involved:

“(A) To the biological mother of the infant (without regard to whether she is the legal guardian of the infant).

“(B) If the State is the legal guardian of the infant:

“(i) To the appropriate official of the State agency with responsibility for the care of the infant.

“(ii) To the appropriate official of each authorized agency providing assistance in the placement of the infant.

“(iii) If the authorized agency is giving significant consideration to approving an individual as a foster parent of the infant, to the prospective foster parent.

“(iv) If the authorized agency is giving significant consideration to approving an individual as an adoptive parent of the infant, to the prospective adoptive parent.

“(C) If neither the biological mother nor the State is the legal guardian of the infant, to another legal guardian of the infant.

“(D) To the child’s health care provider.

“(3) That, in the case of prenatal testing for HIV disease that is conducted in the State, the results of such testing be promptly disclosed to the pregnant woman involved.

“(4) That, in disclosing the test results to an individual under paragraph (2) or (3), appropriate counseling on the human immunodeficiency virus be made available to the individual (except in the case of a disclosure to an official of a State or an authorized agency).

“(5) With respect to State insurance laws, that such laws require—

“(A) that, if health insurance is in effect for an individual, the insurer involved may not (without the consent of the individual) discontinue the insurance, or alter the terms of the insurance (except as provided in subparagraph

(C)), solely on the basis that the individual is infected with HIV disease or solely on the basis that the individual has been tested for the disease or its manifestation;

“(B) that subparagraph (A) does not apply to an individual who, in applying for the health insurance involved, knowingly misrepresented the HIV status of the individual; and

“(C) that subparagraph (A) does not apply to any reasonable alteration in the terms of health insurance for an individual with HIV disease that would have been made if the individual had a serious disease other than HIV disease.

For purposes of this subparagraph, a statute or regulation shall be deemed to regulate insurance for purposes of this paragraph only to the extent that such statute or regulation is treated as regulating insurance for purposes of section 514(b)(2) of the Employee Retirement Income Security Act of 1974.

“SEC. 2628. REPORT BY THE INSTITUTE OF MEDICINE.

“(a) IN GENERAL.—The Secretary shall request that the Institute of Medicine of the National Academy of Sciences conduct an evaluation of the extent to which State efforts have been effective in reducing the perinatal transmission of the human immunodeficiency virus, and an analysis of the existing barriers to the further reduction in such transmission.

“(b) REPORT TO CONGRESS.—The Secretary shall ensure that, not later than 2 years after the date of enactment of this section, the evaluation and analysis described in subsection (a) is completed and a report summarizing the results of such evaluation and analysis is prepared by the Institute of Medicine and submitted to the appropriate committees of Congress together with the recommendations of the Institute.

“SEC. 2629. STATE HIV TESTING PROGRAMS ESTABLISHED PRIOR TO OR AFTER ENACTMENT.

“Nothing in this subpart shall be construed to disqualify a State from receiving grants under this title if such State has established at any time prior to or after the date of enactment of this subpart a program of mandatory HIV testing.”.

SEC. 8. SPOUSAL NOTIFICATION.

(a) IN GENERAL.—The Secretary of Health and Human Services shall not make a grant under part B of title XXVI of the Public Health Service Act (42 U.S.C. 300ff–21 et seq.) to any State unless such State takes administrative or legislative action to require that a good faith effort be made to notify a spouse of a known HIV-infected patient that such spouse may have been exposed to the human immunodeficiency virus and should seek testing.

(b) DEFINITIONS.—For purposes of this section:

(1) SPOUSE.—The term “spouse” means any individual who is the marriage partner of an HIV-infected patient, or who has been the marriage partner of that patient at any time within the 10-year period prior to the diagnosis of HIV infection.

(2) HIV-INFECTED PATIENT.—The term “HIV-infected patient” means any individual who has been diagnosed to be infected with the human immunodeficiency virus.

(3) STATE.—The term “State” means any of the 50 States, the District of Columbia, or any territory of the United States.

SEC. 9. OPTIONAL PARTICIPATION OF FEDERAL EMPLOYEES IN AIDS TRAINING PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, a Federal employee may not be required to attend or participate in an AIDS or HIV training program if such employee refuses to consent to such attendance or participation, except for training necessary to protect the health and safety of the Federal employee and the individuals served by such employees. An employer may not retaliate in any manner against such an employee because of the refusal of such employee to consent to such attendance or participation.

(b) DEFINITION.—As used in subsection (a), the term “Federal employee” has the same meaning given the term “employee” in section 2105 of title 5, United States Code, and such term shall include members of the armed forces.

SEC. 10. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

Part D of title XXVI of the Public Health Service Act (42 U.S.C. 300ff–71) as amended by section 6, is further amended by adding at the end thereof the following new section:

“SEC. 2678. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

“None of the funds authorized under this title shall be used to fund AIDS programs, or to develop materials, designed to promote or encourage, directly, intravenous drug use or sexual activity, whether homosexual or heterosexual. Funds authorized under this title may be used to provide medical treatment and support services for individuals with HIV.”.

SEC. 11. LIMITATION ON APPROPRIATIONS.

Notwithstanding any other provision of law, the total amounts of Federal funds expended in any fiscal year for AIDS and HIV activities may not exceed the total amounts expended in such fiscal year for activities related to cancer.

SEC. 12. ADDITIONAL PROVISIONS.

(a) DEFINITIONS.—Section 2676(4) (42 U.S.C. 300ff–76(4)) is amended by inserting “funeral-service practitioners,” after “emergency medical technicians,”.

(b) MISCELLANEOUS AMENDMENT.—Section 1201(a) (42 U.S.C. 300d(a)) is amended in the matter preceding paragraph (1) by striking “The Secretary,” and all that follows through “shall,” and inserting “The Secretary shall,”.

(c) TECHNICAL CORRECTIONS.—Title XXVI (42 U.S.C. 300ff–11 et seq.) is amended—

- (1) in section 2601(a), by inserting “section” before “2604”;
- (2) in section 2603(b)(4)(B), by striking “an expedited grants” and inserting “an expedited grant”;
- (3) in section 2617(b)(3)(B)(iv), by inserting “section” before “2615”;
- (4) in section 2647—
 - (A) in subsection (a)(1), by inserting “to” before “HIV”;
 - (B) in subsection (c), by striking “section 2601” and inserting “section 2641”; and
 - (C) in subsection (d)—

- (i) in the matter preceding paragraph (1), by striking “section 2601” and inserting “section 2641”; and
- (ii) in paragraph (1), by striking “has in place” and inserting “will have in place”;
- (5) in section 2648—
 - (A) by converting the heading for the section to boldface type; and
 - (B) by redesignating the second subsection (g) as subsection (h);
- (6) in section 2649—
 - (A) in subsection (b)(1), by striking “subsection (a) of”; and
 - (B) in subsection (c)(1), by striking “this subsection” and inserting “subsection”;
- (7) in section 2651—
 - (A) in subsection (b)(3)(B), by striking “facility” and inserting “facilities”; and
 - (B) in subsection (c), by striking “exist” and inserting “exists”;
- (8) in section 2676—
 - (A) in paragraph (2), by striking “section” and all that follows through “by the” and inserting “section 2686 by the”; and
 - (B) in paragraph (10), by striking “673(a)” and inserting “673(2)”;
- (9) in part E, by converting the headings for subparts I and II to Roman typeface; and
- (10) in section 2684(b), in the matter preceding paragraph (1), by striking “section 2682(d)(2)” and inserting “section 2683(d)(2)”.

SEC. 13. EFFECTIVE DATE.

(a) **IN GENERAL.**—Except as provided in subsection (b), this Act, and the amendments made by this Act, shall become effective on October 1, 1996.

(b) **EXCEPTION.**—The amendments made by sections 3(a), 5, 6, and 7 of this Act to sections 2601(c), 2601(d), 2603(a), 2618(b), 2626, 2677, and 2691 of the Public Health Service Act, shall become effective on the date of enactment of this Act.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*