

104<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 641

To reauthorize the Ryan White CARE Act of 1990, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MARCH 28 (legislative day, MARCH 27), 1995

Mrs. KASSEBAUM (for herself, Mr. KENNEDY, Mr. HATCH, Mr. JEFFORDS, Mr. FRIST, Mr. PELL, Mr. DODD, Mr. COATS, and Mr. SIMON) introduced the following bill; which was read twice and referred to the Committee on Labor and Human Resources

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## A BILL

To reauthorize the Ryan White CARE Act of 1990, and  
for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Ryan White CARE  
5       Reauthorization Act of 1995”.

6       **SEC. 2. REFERENCES.**

7       Whenever in this Act an amendment is expressed in  
8       terms of an amendment to a section or other provision,  
9       the reference shall be considered to be made to a section

1 or other provision of title XXVI of the Public Health Serv-  
2 ice Act (42 U.S.C. 300ff-11 et seq.).

3 **SEC. 3. GENERAL AMENDMENTS.**

4 (a) ESTABLISHMENT OF GRANT PROGRAM.—Section  
5 2601 (42 U.S.C. 300ff-11) is amended—

6 (1) in subsection (a)—

7 (A) by striking “March 31 of the most re-  
8 cent fiscal year” and inserting “March 31,  
9 1995, and December 31 of the most recent cal-  
10 endar year thereafter”; and

11 (B) by striking “fiscal year—” and all that  
12 follows through the period and inserting “fiscal  
13 year, there has been reported to and confirmed  
14 by, for the 5-year period prior to the fiscal year  
15 for which the grant is being made, the Director  
16 of the Centers for Disease Control and Preven-  
17 tion a cumulative total of more than 2,000  
18 cases of acquired immune deficiency syn-  
19 drome.”; and

20 (2) by adding at the end thereof the following  
21 new subsections:

22 “(c) POPULATION OF ELIGIBLE AREAS.—The Sec-  
23 retary may not make a grant to an eligible area under  
24 subsection (a) after the date of enactment of this sub-  
25 section unless the area has a population of at least

1 500,000 individuals, except that this subsection shall not  
2 apply to areas that are eligible as of March 31, 1994. For  
3 purposes of eligibility under this title, the boundaries of  
4 each metropolitan area shall be those in effect in fiscal  
5 year 1994.

6 “(d) CONTINUED FUNDING.—A metropolitan area  
7 that has received a grant under this section for the fiscal  
8 year in which this subsection is enacted, shall be eligible  
9 to receive such a grant in subsequent fiscal years.”.

10 (b) EMERGENCY RELIEF FOR AREAS WITH SUB-  
11 STANTIAL NEED FOR SERVICES.—

12 (1) HIV HEALTH SERVICES PLANNING COUN-  
13 CIL.—Subsection (b) of section 2602 (42 U.S.C.  
14 300ff-12(b)) is amended—

15 (A) in paragraph (1)—

16 (i) by striking “include” and all that  
17 follows through the end thereof, and in-  
18 serting “reflect in its composition the de-  
19 mographics of the epidemic in the eligible  
20 area involved, with particular consideration  
21 given to disproportionately affected and  
22 historically underserved groups and sub-  
23 populations.”; and

24 (ii) by adding at the end thereof the  
25 following new sentences: “Nominations for

1 membership on the council shall be identi-  
2 fied through an open process and can-  
3 didates shall be selected based on locally  
4 delineated and publicized criteria. Such cri-  
5 teria shall include a conflict-of-interest  
6 standard for each nominee.”;

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

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

12 (C) in paragraph (3)—

13 (i) in subparagraph (A), by striking  
14 “area;” and inserting “area based on  
15 the—

16 “(i) documented needs of the HIV-in-  
17 fected population;

18 “(ii) cost and outcome effectiveness of  
19 proposed strategies and interventions, to  
20 the extent that such data are reasonably  
21 available, (either demonstrated or prob-  
22 able);

23 “(iii) priorities of the HIV-infected  
24 communities for whom the services are in-  
25 tended; and

1           “(iv) availability of other govern-  
2           mental and nongovernmental resources;”;

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

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

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

14          “(D) participate in the development of the  
15          Statewide coordinated statement of need initi-  
16          ated by the State health department;

17          “(E) establish operating procedures which  
18          include specific policies for resolving disputes,  
19          responding to grievances, and minimizing and  
20          managing conflict-of-interests; and

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

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

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

5 “(2) REPRESENTATION.—The HIV health serv-  
6 ices planning council shall include representatives  
7 of—

8 “(A) health care providers, including feder-  
9 ally qualified health centers;

10 “(B) community-based organizations serv-  
11 ing affected populations and AIDS service orga-  
12 nizations;

13 “(C) social service providers;

14 “(D) mental health and substance abuse  
15 providers;

16 “(E) local public health agencies;

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

19 “(G) affected communities, including peo-  
20 ple with HIV disease or AIDS and historically  
21 underserved groups and subpopulations;

22 “(H) nonelected community leaders;

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

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

2           “(K) grantees under section 2671, or, if  
3 none are operating in the area, representatives  
4 of organizations with a history of serving chil-  
5 dren, youth, women, and families living with  
6 HIV and operating in the area; and

7           “(L) grantees under other Federal HIV  
8 programs.”.

9           (2) DISTRIBUTION OF GRANTS.—Section 2603  
10 (42 U.S.C. 300ff-13) is amended—

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

18           (B) in subsection (b)

19           (i) in paragraph (1)—

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

22           (II) by striking the period at the  
23 end of subparagraph (E) and insert-  
24 ing a semicolon; and

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

3 “(F) demonstrates the inclusiveness of the  
4 planning council membership, with particular  
5 emphasis on affected communities and individ-  
6 uals with HIV disease; and

7 “(G) demonstrates the manner in which  
8 the proposed services are consistent with the  
9 local needs assessment and the Statewide co-  
10 ordinated statement of need.”; and

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

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

16 “(2) PRIORITY.—

17 “(A) SEVERE NEED.—In determining se-  
18 vere need in accordance with paragraph (1)(B),  
19 the Secretary shall give priority consideration in  
20 awarding grants under this section to any quali-  
21 fied applicant that demonstrates an ability to  
22 spend funds efficiently and demonstrates a  
23 more severe need based on prevalence of—

24 “(i) sexually transmitted diseases,  
25 substance abuse, tuberculosis, severe men-



1 tal illness, or other diseases determined  
2 relevant by the Secretary, which signifi-  
3 cantly effect the impact of HIV disease in  
4 affected individuals and communities;

5 “(ii) AIDS in individuals, and sub-  
6 populations, previously unknown in the eli-  
7 gible metropolitan area; or

8 “(iii) homelessness.

9 “(B) PREVALENCE.—In determining prev-  
10 alence of diseases under subparagraph (A), the  
11 Secretary shall use data on the prevalence of  
12 the illnesses described in such subparagraph in  
13 HIV-infected individuals unless such data is not  
14 available nationally. Where such data is not na-  
15 tionally available, the Secretary may use the  
16 prevalence (with respect to such illnesses) in the  
17 general population.”.

18 (3) DISTRIBUTION OF FUNDS.—

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

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

24 (ii) by adding at the end thereof the  
25 following new sentence: “The Secretary

1 shall reserve an additional percentage of  
2 the amount appropriated under section  
3 2677 for a fiscal year for grants under  
4 part A to make grants to eligible areas  
5 under section 2601(a) in accordance with  
6 paragraph (4).”.

7 (B) INCREASE IN GRANT.—Section  
8 2603(a) (42 U.S.C. 300ff-13(a)) is amended by  
9 adding at the end thereof the following new  
10 paragraph:

11 “(4) INCREASE IN GRANT.—With respect to an  
12 eligible area under section 2601(a), the Secretary  
13 shall increase the amount of a grant under para-  
14 graph (2) for a fiscal year to ensure that such eligi-  
15 ble area receives not less than—

16 “(A) with respect to fiscal year 1996, 98  
17 percent;

18 “(B) with respect to fiscal year 1997, 97  
19 percent;

20 “(C) with respect to fiscal year 1998, 95.5  
21 percent;

22 “(D) with respect to fiscal year 1999, 94  
23 percent; and

24 “(E) with respect to fiscal year 2000, 92.5  
25 percent;

1 of the amount allocated for fiscal year 1995 to such  
2 entity under this subsection.”.

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

5 (A) in subsection (b)(1)(A)—

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

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

13 (B) in subsection (b)(2)(A)—

14 (i) by inserting “, or private for-profit  
15 entities if such entities are the only avail-  
16 able provider of quality HIV care in the  
17 area,” after “nonprofit private entities,”;  
18 and

19 (ii) by striking “and homeless health  
20 centers” and inserting “homeless health  
21 centers, substance abuse treatment pro-  
22 grams, and mental health programs”;

23 (C) in subsection (e)—

24 (i) in the subsection heading, by strik-  
25 ing “AND PLANNING;

1 (ii) by striking “The chief” and in-  
2 serting:

3 “(1) IN GENERAL.—The chief”;

4 (iii) by striking “accounting, report-  
5 ing, and program oversight functions”;

6 (iv) by adding at the end thereof the  
7 following new sentence: “An entity (includ-  
8 ing subcontractors) receiving an allocation  
9 from the grant awarded to the chief execu-  
10 tive officer under this part shall not use in  
11 excess of 12.5 percent of amounts received  
12 under such allocation for administration.”;  
13 and

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

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

19 “(A) routine grant administration and  
20 monitoring activities, including the development  
21 of applications for part A funds, the receipt and  
22 disbursement of program funds, the development  
23 and establishment of reimbursement and ac-  
24 counting systems, the preparation of routine  
25 programmatic and financial reports, and com-

1 compliance with grant conditions and audit require-  
2 ments; and

3 “(B) all activities associated with the  
4 grantee’s contract award procedures, including  
5 the development of requests for proposals, con-  
6 tract proposal review activities, negotiation and  
7 awarding of contracts, monitoring of contracts  
8 through telephone consultation, written docu-  
9 mentation or onsite visits, reporting on con-  
10 tracts, and funding reallocation activities.”.

11 “(3) SUBCONTRACTOR ADMINISTRATIVE  
12 COSTS.—For the purposes of this subsection, sub-  
13 contractor administrative activities include—

14 “(A) usual and recognized overhead, in-  
15 cluding established indirect rates for agencies;

16 “(B) management oversight of specific pro-  
17 grams funded under this title; and

18 “(C) other types of program support such  
19 as quality assurance, quality control, and relat-  
20 ed activities.”.

21 (5) APPLICATION.—Section 2605 (42 U.S.C.  
22 300ff-15) is amended—

23 (A) in subsection (a)—

24 (i) in the matter preceding paragraph

25 (1), by inserting “, in accordance with sub-

1 section (c) regarding a single application  
2 and grant award,” after “application”;

3 (ii) in paragraph (1)(B), by striking  
4 “1-year period” and all that follows  
5 through “eligible area” and inserting “pre-  
6 ceding fiscal year”;

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

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

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

14 “(6) that the applicant has participated, or will  
15 agree to participate, in the Statewide coordinated  
16 statement of need process where it has been initiated  
17 by the State, and ensure that the services provided  
18 under the comprehensive plan are consistent with  
19 the Statewide coordinated statement of need.”;

20 (B) in subsection (b)—

21 (i) in the subsection heading, by strik-  
22 ing “ADDITIONAL”;

23 (ii) in the matter preceding paragraph  
24 (1), by striking “additional application”  
25 and inserting “application, in accordance

1 with subsection (c) regarding a single ap-  
2 plication and grant award,”;

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

5 (iv) in paragraph (4), by striking the  
6 period and inserting “; and”;

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

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

11 “(c) SINGLE APPLICATION AND GRANT AWARD.—

12 “(1) APPLICATION.—The Secretary may phase  
13 in the use of a single application that meets the re-  
14 quirements of subsections (a) and (b) of section  
15 2603 with respect to an eligible area that desires to  
16 receive grants under section 2603 for a fiscal year.

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

21 (6) TECHNICAL ASSISTANCE.—Section 2606  
22 (42 U.S.C. 300ff-16) is amended—

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

1 (B) by inserting after “technical assist-  
2 ance” the following: “, including peer based as-  
3 sistance to assist newly eligible metropolitan  
4 areas in the establishment of HIV health serv-  
5 ices planning councils and,”; and

6 (C) by adding at the end thereof the fol-  
7 lowing new sentences: “The Administrator may  
8 make planning grants available to metropolitan  
9 areas, in an amount not to exceed \$75,000 for  
10 any metropolitan area, projected to be eligible  
11 for funding under section 2601 in the following  
12 fiscal year. Such grant amounts shall be de-  
13 ducted from the first year formula award to eli-  
14 gible areas accepting such grants. Not to exceed  
15 1 percent of the amount appropriated for a fis-  
16 cal year under section 2677 for grants under  
17 part A may be used to carry out this section.”.

18 (b) CARE GRANT PROGRAM.—

19 (1) HIV CARE CONSORTIA.—Section 2613 (42  
20 U.S.C. 300ff-23) is amended—

21 (A) in subsection (a)—

22 (i) in paragraph (1), by inserting “(or  
23 private for-profit providers or organiza-  
24 tions if such entities are the only available



1 providers of quality HIV care in the area)”  
2 after “nonprofit private,”; and

3 (ii) in paragraph (2)(A)—

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

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

12 (B) in subsection (c)—

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

16 (ii) in paragraph (2)—

17 (I) in clause (ii) of subparagraph  
18 (A), by striking “served; and” and in-  
19 serting “served,”;

20 (II) in subparagraph (B), by  
21 striking the period at the end; and

22 (III) by adding after subpara-  
23 graph (B), the following new subpara-  
24 graphs:

1           “(C) grantees under section 2671 and rep-  
2           representatives of organizations with a history of  
3           serving children, youth, women, and families  
4           with HIV and operating in the community to be  
5           served; and

6           “(D) representatives of community-based  
7           providers that are necessary to provide the full  
8           continuum of HIV-related health care services,  
9           which are available within the geographic area  
10          to be served.”; and

11           (C) in subsection (d), to read as follows:

12          “(d) DEFINITION.—As used in this part, the terms  
13          ‘family centered care’ and ‘youth centered care’ mean the  
14          system of services described in this section that is targeted  
15          specifically to the special needs of infants, children (in-  
16          cluding those orphaned by the AIDS epidemic), youth,  
17          women, and families. Family centered and youth centered  
18          care shall be based on a partnership among parents, ex-  
19          tended family members, children and youth, professionals,  
20          and the community designed to ensure an integrated, co-  
21          ordinated, culturally sensitive, and community-based con-  
22          tinuum of care.”.

23           (2) PROVISION OF TREATMENTS.—Section 2616  
24          (42 U.S.C. 300ff-26) is amended by striking sub-

1 section (c) and inserting the following new sub-  
2 sections:

3 “(c) STANDARDS FOR TREATMENT PROGRAMS.—In  
4 carrying out this section, the Secretary shall—

5 “(1) review the current status of State drug re-  
6 imbursement programs and assess barriers to the  
7 expended availability of prophylactic treatments for  
8 opportunistic infections (including active tuber-  
9 culosis); and

10 “(2) establish, in consultation with States, pro-  
11 viders, and affected communities, a recommended  
12 minimum formulary of pharmaceutical drug thera-  
13 pies approved by the Food and Drug Administra-  
14 tion.

15 In carrying out paragraph (2), the Secretary shall identify  
16 those treatments in the recommended minimum formulary  
17 that are for the prevention of opportunistic infections (in-  
18 cluding the prevention of active tuberculosis).

19 “(d) STATE DUTIES.—

20 “(1) IN GENERAL.—In implementing subsection  
21 (a), States shall document the progress made in  
22 making treatments described in subsection (c)(2)  
23 available to individuals eligible for assistance under  
24 this section, and to develop plans to implement fully  
25 the recommended minimum formulary of pharma-

1        ceutical drug therapies approved by the Food and  
2        Drug Administration.

3            “(2) OTHER MECHANISMS FOR PROVIDING  
4        TREATMENTS.—In meeting the standards of the rec-  
5        ommended minimum formulary developed under sub-  
6        section (c), a State may identify other mechanisms  
7        such as consortia and public programs for providing  
8        such treatments to individuals with HIV.”.

9            (3) STATE APPLICATION.—Section 2617(b) (42  
10        U.S.C. 300ff-27(b)) is amended—

11            (A) in paragraph (2)—

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

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

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

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

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

3 “(3) the public health agency administering the  
4 grant for the State shall convene a meeting at least  
5 annually of individuals with HIV who utilize services  
6 under this part (including those individuals from  
7 traditionally underserved populations and subpopula-  
8 tions) and representatives of grantees funded under  
9 this title (including HIV health services planning  
10 councils, early intervention programs, children,  
11 youth and family service projects, special projects of  
12 national significance, and HIV care consortia) and  
13 other providers (including federally qualified health  
14 centers) and public agency representatives within the  
15 State currently delivering HIV services to affected  
16 communities for the purpose of developing a State-  
17 wide coordinated statement of need; and”;

18 (D) by adding at the end thereof the fol-  
19 lowing flush sentence:

20 “The State shall not be required to finance attendance at  
21 the meetings described in paragraph (3). A State may pay  
22 the travel-related expenses of individuals attending such  
23 meetings where appropriate and necessary to ensure ade-  
24 quate participation.”.

1           (4) PLANNING, EVALUATION AND ADMINISTRA-  
2           TION.—Section 2618(c) (42 U.S.C. 300ff-28(c)) is  
3           amended—

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

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

11          “(4) ADMINISTRATION.—

12                   (A) IN GENERAL.—Subject to paragraph  
13           (5) and except as provided in paragraph (6), a  
14           State may not use more than 10 percent of  
15           amounts received under a grant awarded under  
16           this part for administration. An entity (includ-  
17           ing subcontractors) receiving an allocation from  
18           the grant awarded to the State under this part  
19           shall not use in excess of 12.5 percent of  
20           amounts received under such allocation for ad-  
21           ministration.

22                   (B) ADMINISTRATIVE ACTIVITIES.—For  
23           the purposes of subparagraph (A), amounts  
24           may be used for administrative activities that

1 include routine grant administration and mon-  
2 itoring activities.

3 “(C) SUBCONTRACTOR ADMINISTRATIVE  
4 COSTS.—For the purposes of this paragraph,  
5 subcontractor administrative activities in-  
6 clude—

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

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

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

15 (B) by redesignating paragraph (5) as  
16 paragraph (7); and

17 (C) by inserting after paragraph (4), the  
18 following new paragraphs:

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

24 “(6) EXCEPTION.—With respect to a State that  
25 receives the minimum allotment under subsection

1 (a)(1) for a fiscal year, such State, from the  
2 amounts received under a grant awarded under this  
3 part for such fiscal year for the activities described  
4 in paragraph (3) and (4), may, notwithstanding  
5 paragraphs (3), (4), and (5), use not more than that  
6 amount required to support one full-time-equivalent  
7 employee.”.

8 (5) TECHNICAL ASSISTANCE.—Section 2619  
9 (42 U.S.C. 300ff-29) is amended—

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

12 (B) by inserting before the period the fol-  
13 lowing: “, including technical assistance for the  
14 development and implementation of Statewide  
15 coordinated statements of need”.

16 (6) GRIEVANCE PROCEDURES AND COORDINA-  
17 TION.—Part B of title XXVI (42 U.S.C. 300ff-21)  
18 is amended by adding at the end thereof the follow-  
19 ing new sections:

20 **“SEC. 2621. GRIEVANCE PROCEDURES.**

21 “Not later than 90 days after the date of enactment  
22 of this section, the Administration, in consultation with  
23 affected parties, shall establish grievance procedures, spe-  
24 cific to each part of this title, to address allegations of



1 egregious violations of each such part. Such procedures  
2 shall include an appropriate enforcement mechanism.

3 **“SEC. 2622. COORDINATION.**

4       “The Secretary shall ensure that the Health Re-  
5 sources and Services Administration, the Centers for Dis-  
6 ease Control and Prevention, and the Substance Abuse  
7 and Mental Health Services Administration coordinate the  
8 planning and implementation of Federal HIV programs  
9 in order to facilitate the local development of a complete  
10 continuum of HIV-related services for individuals with  
11 HIV disease and those at risk of such disease. The Sec-  
12 retary shall periodically prepare and submit to the relevant  
13 committees of Congress a report concerning such coordi-  
14 nation efforts at the Federal, State, and local levels as  
15 well as the existence of Federal barriers to HIV program  
16 integration.”.

17       (c) EARLY INTERVENTION SERVICES.—

18             (1) ESTABLISHMENT OF PROGRAM.—Section  
19       2651(b) (42 U.S.C. 300ff-51(b)) is amended—

20             (A) in paragraph (1), by striking “grant  
21       agrees to” and all that follows through the pe-  
22       riod and inserting: “grant agrees to—

23             “(A) expend the grant for the purposes of  
24       providing, on an out-patient basis, each of the

1 early intervention services specified in para-  
2 graph (2) with respect to HIV disease; and

3 “(B) expend not less than 50 percent of  
4 the amount received under the grant to provide  
5 a continuum of primary care services, including,  
6 as appropriate, dental care services, to individ-  
7 uals confirmed to be living with HIV.”; and

8 (B) in paragraph (4)—

9 (i) by striking “The Secretary” and  
10 inserting “(A) IN GENERAL.—The Sec-  
11 retary”;

12 (ii) by inserting “, or private for-prof-  
13 it entities if such entities are the only  
14 available provider of quality HIV care in  
15 the area,” after “nonprofit private enti-  
16 ties”;

17 (iii) by realigning the margin of sub-  
18 paragraph (A) so as to align with the mar-  
19 gin of paragraph (3)(A); and

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

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

24 “(i) paragraphs (1), (2), (5), and (6)  
25 of section 2652(a) shall use not less than

1           50 percent of the amount of such a grant  
2           to provide the services described in sub-  
3           paragraphs (A), (B), (D), and (E) of sec-  
4           tion 2651(b)(2) directly and on-site or at  
5           sites where other primary care services are  
6           rendered; and

7           “(ii) paragraphs (3) and (4) of section  
8           2652(a) shall ensure the availability of  
9           early intervention services through a sys-  
10          tem of linkages to community-based pri-  
11          mary care providers, and to establish  
12          mechanisms for the referrals described in  
13          section 2651(b)(2)(C), and for follow-up  
14          concerning such referrals.”.

15          (2)   MINIMUM    QUALIFICATIONS.—Section  
16          2652(b)(1)(B) (42 U.S.C. 300ff-52(b)(1)(B) is  
17          amended by inserting “, or a private for-profit entity  
18          if such entity is the only available provider of quality  
19          HIV care in the area,” after “nonprofit private en-  
20          tity”;

21          (3)   MISCELLANEOUS    PROVISIONS.—Section  
22          2654 (42 U.S.C. 300ff-54) is amended by adding at  
23          the end thereof the following new subsection:

24          “(c) PLANNING AND DEVELOPMENT GRANTS.—

1           “(1) IN GENERAL.—The Secretary may provide  
2           planning grants, in an amount not to exceed  
3           \$50,000 for each such grant, to public and nonprofit  
4           private entities that are not direct providers of pri-  
5           mary care services for the purpose of enabling such  
6           providers to provide HIV primary care services.

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

12          “(3) PREFERENCE.—In awarding grants under  
13          paragraph (1), the Secretary shall give preference to  
14          entities that would provide HIV primary care serv-  
15          ices in rural or underserved communities.

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

19          (4) AUTHORIZATION OF APPROPRIATIONS.—  
20          Section 2655 (42 U.S.C. 300ff–55) is amended by  
21          striking “\$75,000,000” and all that follows through  
22          the end of the section, and inserting “such sums as  
23          may be necessary in each of the fiscal years 1996,  
24          1997, 1998, 1999, and 2000.”.

1           (5) REQUIRED AGREEMENTS.—Section 2664(g)  
2 (42 U.S.C. 300ff-64(g)) is amended—

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

5           (B) in paragraph (3)—

6           (i) by striking “5 percent” and insert-  
7 ing “10 percent including planning, evalua-  
8 tion and technical assistance”; and

9           (ii) by striking the period and insert-  
10 ing “; and”; and

11           (C) by adding at the end thereof the fol-  
12 lowing new paragraph:

13           “(4) the applicant will submit evidence that the  
14 proposed program is consistent with the Statewide  
15 coordinated statement of need and agree to partici-  
16 pate in the ongoing revision of such statement of  
17 need.”.

18           (d) GRANTS.—

19           (1) IN GENERAL.—Section section 2671 (42  
20 U.S.C. 300ff-71) is amended to read as follows:

21 **“SEC. 2671. GRANTS FOR COORDINATED SERVICES AND AC-**  
22 **CESS TO RESEARCH FOR CHILDREN, YOUTH,**  
23 **AND FAMILIES.**

24           “(a) IN GENERAL.—The Secretary, acting through  
25 the Administrator of the Health Resources and Services

1 Administration, and in consultation with the Director of  
2 the National Institutes of Health, shall award grants to  
3 appropriate public or nonprofit private entities that, di-  
4 rectly or through contractual arrangements, provide pri-  
5 mary care to the public for the purpose of—

6           “(1) providing out-patient health care and sup-  
7 port services (which may include family-centered and  
8 youth-centered care, as defined in this title, family  
9 and youth support services, and services for or-  
10 phans) to children, youth, women with HIV disease,  
11 and the families of such individuals, and supporting  
12 the provision of such care with programs of HIV  
13 prevention and HIV research; and

14           “(2) facilitating the voluntary participation of  
15 children, youth, and women with HIV disease in  
16 qualified research protocols at the facilities of such  
17 entities or by direct referral.

18           “(b) ELIGIBLE ENTITIES.—The Secretary may not  
19 make a grant to an entity under subsection (a) unless the  
20 entity involved provides assurances that—

21           “(1) the grant will be used primarily to serve  
22 children, youth, and women with HIV disease;

23           “(2) the entity will enter into arrangements  
24 with one or more qualified research entities to col-

1 laborate in the conduct or facilitation of voluntary  
2 patient participation in qualified research protocols;

3 “(3) the entity will coordinate activities under  
4 the grant with other providers of health care services  
5 under this title, and under title V of the Social Secu-  
6 rity Act;

7 “(4) the entity will participate in the Statewide  
8 coordinated statement of need under section 2619  
9 and in the revision of such statement; and

10 “(5) the entity will offer appropriate research  
11 opportunities to each patient, with informed consent.

12 “(c) APPLICATION.—The Secretary may not make a  
13 grant under subsection (a) unless an application for the  
14 grant is submitted to the Secretary and the application  
15 is in such form, is made in such manner, and contains  
16 such agreements, assurances, and information as the Sec-  
17 retary determines to be necessary to carry out this section.

18 “(d) PATIENT PARTICIPATION IN RESEARCH PROTO-  
19 COLS.—

20 “(1) IN GENERAL.—The Secretary, acting  
21 through the Administrator of the Health Resources  
22 and Services Administration and the Director of the  
23 Office of AIDS Research, shall establish procedures  
24 to ensure that accepted standards of protection of  
25 human subjects (including the provision of written

1 informed consent) are implemented in projects sup-  
2 ported under this section. Receipt of services by a  
3 patient shall not be conditioned upon the consent of  
4 the patient to participate in research.

5 “(2) RESEARCH PROTOCOLS.—

6 “(A) IN GENERAL.—The Secretary shall  
7 establish mechanisms to ensure that research  
8 protocols proposed to be carried out to meet the  
9 requirements of this section, are of potential  
10 clinical benefit to the study participants, and  
11 meet accepted standards of research design.

12 “(B) REVIEW PANEL.—Mechanisms estab-  
13 lished under subparagraph (A) shall include an  
14 independent research review panel that shall re-  
15 view all protocols proposed to be carried out to  
16 meet the requirements of this section to ensure  
17 that such protocols meet the requirements of  
18 this section. Such panel shall make rec-  
19 ommendations to the Secretary as to the proto-  
20 cols that should be approved. The panel shall  
21 include representatives of public and private re-  
22 searchers, providers of services, and recipients  
23 of services.

24 “(e) TRAINING AND TECHNICAL ASSISTANCE.—The  
25 Secretary, acting through the Administrator of the Health



1 Resources and Services Administration, may use not to  
2 exceed five percent of the amounts appropriated under  
3 subsection (h) in each fiscal year to conduct training and  
4 technical assistance (including peer-based models of tech-  
5 nical assistance) to assist applicants and grantees under  
6 this section in complying with the requirements of this sec-  
7 tion.

8 “(f) EVALUATIONS AND DATA COLLECTION.—

9 “(1) EVALUATIONS.—The Secretary shall pro-  
10 vide for the review of programs carried out under  
11 this section at the end of each grant year. Such eval-  
12 uations may include recommendations as to the im-  
13 provement of access to and participation in services  
14 and access to and participation in qualified research  
15 protocols supported under this section.

16 “(2) REPORTING REQUIREMENTS.—The Sec-  
17 retary may establish data reporting requirements  
18 and schedules as necessary to administer the pro-  
19 gram established under this section and conduct  
20 evaluations, measure outcomes, and document the  
21 clients served, services provided, and participation in  
22 qualified research protocols.

23 “(3) WAIVERS.—Notwithstanding the require-  
24 ments of subsection (b), the Secretary may award  
25 new grants under this section to an entity if the en-

1       tity provide assurances, satisfactory to the Sec-  
2       retary, that the entity will implement the assurances  
3       required under paragraph (2), (3), (4), or (5) of  
4       subsection (b) by the end of the second grant year.  
5       If the Secretary determines through the evaluation  
6       process that a recipient of funds under this section  
7       is in material noncompliance with the assurances  
8       provided under paragraph (2), (3), (4), or (5) of  
9       subsection (b), the Secretary may provide for contin-  
10      ued funding of up to one year if the recipient pro-  
11      vides assurances, satisfactory to the Secretary, that  
12      such noncompliance will be remedied within such pe-  
13      riod.

14      “(g) DEFINITIONS.—For purposes of this section:

15           “(1) QUALIFIED RESEARCH ENTITY.—The term  
16           ‘qualified research entity’ means a public or private  
17           entity with expertise in the conduct of research that  
18           has demonstrated clinical benefit to patients.

19           “(2) QUALIFIED RESEARCH PROTOCOL.—The  
20           term ‘qualified research protocol’ means a research  
21           study design of a public or private clinical program  
22           that meets the requirements of subsection (d).

23      “(h) AUTHORIZATION OF APPROPRIATIONS.—There  
24      are authorized to be appropriated to carry out this section,

1 such sums as may be necessary for each of the fiscal years  
2 1996 through 2000.”.

3 (2) CONFORMING AMENDMENT.—The heading  
4 for part D of title XXVI of the Public Health Serv-  
5 ice Act is amended to read as follows:

6 **“Part D—Grants for Coordinated Services and Access**  
7 **to Research for Children, Youth, and Families”.**

8 (e) DEMONSTRATION AND TRAINING.—

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

11 **“PART F—DEMONSTRATION AND TRAINING**  
12 **“Subpart I—Special Projects of National Significance**  
13 **“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFI-**  
14 **CANCE.**

15 “(a) IN GENERAL.—Of the amount appropriated  
16 under each of parts A, B, C, and D of this title for each  
17 fiscal year, the Secretary shall use the greater of  
18 \$20,000,000 or 3 percent of such amount appropriated  
19 under each such part, but not to exceed \$25,000,000, to  
20 administer a special projects of national significance pro-  
21 gram to award direct grants to public and nonprofit pri-  
22 vate entities including community-based organizations to  
23 fund special programs for the care and treatment of indi-  
24 viduals with HIV disease.

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

3           “(1) the need to assess the effectiveness of a  
4 particular model for the care and treatment of indi-  
5 viduals with HIV disease;

6           “(2) the innovative nature of the proposed ac-  
7 tivity; and

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

10       “(c) SPECIAL PROJECTS.—Special projects of na-  
11 tional significance shall include the development and as-  
12 sessment of innovative service delivery models that are de-  
13 signed to—

14           “(1) address the needs of special populations;

15           “(2) assist in the development of essential com-  
16 munity-based service delivery infrastructure; and

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

21       “(d) SPECIAL POPULATIONS.—Special projects of na-  
22 tional significance may include the delivery of HIV health  
23 care and support services to traditionally underserved pop-  
24 ulations including—

1           “(1) individuals and families with HIV disease  
2 living in rural communities;

3           “(2) adolescents with HIV disease;

4           “(3) Indian individuals and families with HIV  
5 disease;

6           “(4) homeless individuals and families with  
7 HIV disease;

8           “(5) hemophiliacs with HIV disease; and

9           “(6) incarcerated individuals with HIV disease.

10          “(e) SERVICE DEVELOPMENT GRANTS.—Special  
11 projects of national significance may include the develop-  
12 ment of model approaches to delivering HIV care and sup-  
13 port services including—

14           “(1) programs that support family-based care  
15 networks critical to the delivery of care in minority  
16 communities;

17           “(2) programs that build organizational capac-  
18 ity in disenfranchised communities;

19           “(3) programs designed to prepare AIDS serv-  
20 ice organizations and grantees under this title for  
21 operation within the changing health care environ-  
22 ment; and

23           “(4) programs designed to integrate the deliv-  
24 ery of mental health and substance abuse treatment  
25 with HIV services.

1       “(f) COORDINATION.—The Secretary may not make  
 2 a grant under this section unless the applicant submits  
 3 evidence that the proposed program is consistent with the  
 4 Statewide coordinated statement of need, and the appli-  
 5 cant agrees to participate in the ongoing revision process  
 6 of such statement of need.

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

14           (2) REPEAL.—Subsection (a) of section 2618  
 15 (42 U.S.C. 300ff–28(a)) is repealed.

16       (f) HIV/AIDS COMMUNITIES, SCHOOLS, CEN-  
 17 TERS.—

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

21       **“Subpart II—AIDS Education and Training Centers**  
 22 **“SEC. 2692. HIV/AIDS COMMUNITIES, SCHOOLS, AND CEN-**  
 23 **TERS.”.**

24           (2) AMENDMENTS.—Section 776(a)(1) (42  
 25 U.S.C. 294n(a)) is amended—

1 (A) by striking subparagraphs (B) and  
2 (C);

3 (B) by redesignating subparagraphs (A)  
4 and (D) as subparagraph (B) and (C), respec-  
5 tively;

6 (C) by inserting before subparagraph (B)  
7 (as so redesignated), the following new subpara-  
8 graph:

9 “(A) training health personnel, including  
10 practitioners in title XXVI programs and other  
11 community providers, in the diagnosis, treat-  
12 ment, and prevention of HIV infection and dis-  
13 ease;”; and

14 (D) in subparagraph (B) (as so redesign-  
15 ated), by adding “and” after the semicolon.

16 (3) TRANSFER.—Subsection (a) of section 776  
17 (42 U.S.C. 294n(a)) (as amended by paragraph (2)),  
18 is amended by transferring such subsection to sec-  
19 tion 2692 (as added by paragraph (1)).

20 (4) AUTHORIZATION OF APPROPRIATIONS.—  
21 Section 2692 (as added by paragraph (1)) is amend-  
22 ed by adding at the end thereof the following new  
23 subsection:

24 “(b) AUTHORIZATION OF APPROPRIATIONS.—There  
25 are authorized to be appropriated to carry out this section,

1 such sums as may be necessary for each of the fiscal years  
2 1996 through 2000.”.

3 **SEC. 4. AMOUNT OF EMERGENCY RELIEF GRANTS.**

4 Paragraph (3) of section 2603(a) (42 U.S.C. 300ff-  
5 13(a)(3)) is amended to read as follows:

6 “(3) AMOUNT OF GRANT.—

7 “(A) IN GENERAL.—Subject to the extent  
8 of amounts made available in appropriations  
9 Acts, a grant made for purposes of this para-  
10 graph to an eligible area shall be made in an  
11 amount equal to the product of—

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

15 “(ii) the percentage constituted by the  
16 ratio of the distribution factor for the eligi-  
17 ble area to the sum of the respective dis-  
18 tribution factors for all eligible areas.

19 “(B) DISTRIBUTION FACTOR.—For pur-  
20 poses of subparagraph (A)(ii), the term ‘dis-  
21 tribution factor’ means the product of—

22 “(i) an amount equal to the estimated  
23 number of living cases of acquired immune  
24 deficiency syndrome in the eligible area in-



1           involved, as determined under subparagraph  
2           (C); and

3           “(ii) the cost index for the eligible  
4           area involved, as determined under sub-  
5           paragraph (D).

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

9           “(i) the number of cases of acquired  
10          immune deficiency syndrome in the eligible  
11          area during each year in the most recent  
12          120-month period for which data are avail-  
13          able with respect to all eligible areas, as in-  
14          dicated by the number of such cases re-  
15          ported to and confirmed by the Director of  
16          the Centers for Disease Control and Pre-  
17          vention for each year during such period;  
18          and

19          “(ii) with respect to—

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

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

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

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

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

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

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

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

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

13           “(X) the tenth year during such  
14 period, .88.

15           “(D) COST INDEX.—The amount deter-  
16 mined in this subparagraph is an amount equal  
17 to the sum of—

18           “(i) the product of—

19           “(I) the average hospital wage  
20 index reported by hospitals in the eli-  
21 gible area involved under section  
22 1886(d)(3)(E) of the Social Security  
23 Act for the 3-year period immediately  
24 preceding the year for with the grant  
25 is being awarded; and

1 “(II) .70; and

2 “(ii) .30.

3 “(E) UNEXPENDED FUNDS.—The Sec-  
4 retary may, in determining the amount of a  
5 grant for a fiscal year under this paragraph,  
6 adjust the grant amount to reflect the amount  
7 of unexpended and uncanceled grant funds re-  
8 maining at the end of the fiscal year preceding  
9 the year for which the grant determination is to  
10 be made. The amount of any such unexpended  
11 funds shall be determined using the financial  
12 status report of the grantee.

13 “(F) PUERTO RICO, VIRGIN ISLANDS,  
14 GUAM.—For purposes of subparagraph (D), the  
15 cost index for an eligible area within Puerto  
16 Rico, the Virgin Islands, or Guam shall be  
17 1.0.”.

18 **SEC. 5. AMOUNT OF CARE GRANTS.**

19 Paragraphs (1) and (2) of section 2618(b) (42 U.S.C.  
20 300ff-28(b)(1) and (2)) are amended to read as follows:

21 “(1) MINIMUM ALLOTMENT.—Subject to the ex-  
22 tent of amounts made available under section 2677,  
23 the amount of a grant to be made under this part  
24 for—

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

4           “(i)(I) with respect to a State or Dis-  
5 trict that has less than 90 living cases of  
6 acquired immune deficiency syndrome, as  
7 determined under paragraph (2)(D),  
8 \$100,000; or

9           “(i)(I) with respect to a State or Dis-  
10 trict that has 90 or more living cases of  
11 acquired immune deficiency syndrome, as  
12 determined under paragraph (2)(D),  
13 \$250,000;

14           “(ii) an amount determined under  
15 paragraph (2); and

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

19           “(2) DETERMINATION.—

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

24           “(i) an amount equal to the amount  
25 appropriated under section 2677 for the

1 fiscal year involved for grants under part  
2 B; and

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

5 “(I) the product of .50 and the  
6 ratio of the State distribution factor  
7 for the State or territory (as deter-  
8 mined under subsection (B)) to the  
9 sum of the respective State distribu-  
10 tion factors for all States or terri-  
11 tories; and

12 “(II) the product of .50 and the  
13 ratio of the non-EMA distribution fac-  
14 tor for the State or territory (as de-  
15 termined under subparagraph (C)) to  
16 the sum of the respective distribution  
17 factors for all States or territories.

18 “(B) STATE DISTRIBUTION FACTOR.—For  
19 purposes of subparagraph (A)(ii)(I), the term  
20 ‘State distribution factor’ means the product  
21 of—

22 “(i) an amount equal to the estimated  
23 number of living cases of acquired immune  
24 deficiency syndrome in the State or terri-

1           tory involved, as determined under sub-  
2           paragraph (D); and

3           “(ii) the cost index for the State or  
4           territory involved, as determined under  
5           subparagraph (E).

6           “(C) NON-EMA DISTRIBUTION FACTOR.—  
7           For purposes of subparagraph (A)(ii)(II), the  
8           term ‘non-ema distribution factor’ means the  
9           product of—

10           “(i) an amount equal to the sum of—

11           “(I) the estimated number of liv-  
12           ing cases of acquired immune defi-  
13           ciency syndrome in the State or terri-  
14           tory involved, as determined under  
15           subparagraph (D); less

16           “(II) the estimated number of  
17           living cases of acquired immune defi-  
18           ciency syndrome in such State or ter-  
19           ritory that are within an eligible area  
20           (as determined under part A); and

21           “(ii) the cost index for the State or  
22           territory involved, as determined under  
23           subparagraph (E).

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

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

14           “(ii) with respect to each of the first  
15 through the tenth year during such period,  
16 the amount referred to in  
17 2603(a)(3)(C)(ii).

18           “(E) COST INDEX.—

19           “(i) The amount determined in this  
20 subparagraph is an amount equal to the  
21 sum of—

22           “(I) the amount determined  
23 under clause (ii) for a fiscal year;

24           “(II) the product of—

1           “(aa) the average hospital  
2 wage index reported by hospitals  
3 in the State or territory involved  
4 under section 1886(d)(3)(E) of  
5 the Social Security Act for the 3-  
6 year period immediately preced-  
7 ing the year for with the grant is  
8 being awarded; and

9           “(bb) .70; and

10          “(III) .30.

11          “(ii) The amount determined in this  
12 clause for a fiscal year is an amount equal  
13 to the percentage constituted by the ratio  
14 of—

15          “(I) the total amount—

16           “(aa) of salaries reported by  
17 each hospital within the State or  
18 territory under the medicare pro-  
19 spective payment system under  
20 title XVIII of the Social Security  
21 Act for the fiscal year involved;  
22 divided by

23           “(bb) the total number of  
24 hours worked by those included  
25 in the reported salaries under



1 subclause (II) for the fiscal year  
2 involved, as determined under  
3 regulations promulgated by the  
4 Secretary; and

5 “(II) the sum of the amount de-  
6 termined under subclause (I) with re-  
7 spect to all States and territories.

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

12 “(G) UNEXPENDED FUNDS.—The Sec-  
13 retary may, in determining the amount of a  
14 grant for a fiscal year under this subsection,  
15 adjust the grant amount to reflect the amount  
16 of unexpended and uncanceled grant funds re-  
17 maining at the end of the fiscal year preceding  
18 the year for which the grant determination is to  
19 be made. The amount of any such unexpended  
20 funds shall be determined using the financial  
21 status report of the grantee.

22 “(H) LIMITATION.—

23 “(i) IN GENERAL.—The Secretary  
24 shall ensure that the amount of a grant  
25 awarded to a State or territory for a fiscal

1 year under this part is equal to not less  
2 than—

3 “(I) with respect to fiscal year  
4 1996, 98 percent;

5 “(II) with respect to fiscal year  
6 1997, 97 percent;

7 “(III) with respect to fiscal year  
8 1998, 95.5 percent;

9 “(IV) with respect to fiscal year  
10 1999, 94 percent; and

11 “(V) with respect to fiscal year  
12 2000, 92.5 percent;

13 of the amount such State or territory re-  
14 ceived for fiscal year 1995 under this part.  
15 In administering this subparagraph, the  
16 Secretary shall, with respect to States that  
17 will receive grants in amounts that exceed  
18 the amounts that such States received  
19 under this part in fiscal year 1995, propor-  
20 tionally reduce such amounts to ensure  
21 compliance with this subparagraph. In  
22 making such reductions, the Secretary  
23 shall ensure that no such State receives  
24 less than that State received for fiscal year  
25 1995.

1           “(ii) RATABLE REDUCTION.—If the  
2           amount appropriated under section 2677  
3           and available for allocation under this part  
4           is less than the amount appropriated and  
5           available under this part for fiscal year  
6           1995, the limitation contained in clause (i)  
7           shall be reduced by a percentage equal to  
8           the percentage of the reduction in such  
9           amounts appropriated and available.”.

10 **SEC. 6. CONSOLIDATION OF AUTHORIZATIONS OF APPRO-**  
11 **PRIATIONS.**

12           (a) IN GENERAL.—Part D of title XXVI (42 U.S.C.  
13 300ff–71) is amended by adding at the end thereof the  
14 following new section:

15 **“SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.**

16           “(a) IN GENERAL.—Subject to subsection (b), there  
17 are authorized to be appropriated to make grants under  
18 parts A and B, such sums as may be necessary for each  
19 of the fiscal years 1996 through 2000. Of the amount ap-  
20 propriated under this section for fiscal year 1996, the Sec-  
21 retary shall make available 64 percent of such amount to  
22 carry out part A and 36 percent of such amount to carry  
23 out part B.

24           “(b) DEVELOPMENT OF METHODOLOGY.—

1           “(1) IN GENERAL.—With respect to each of the  
2 fiscal years 1997 through 2000, the Secretary shall  
3 develop and implement a methodology for adjusting  
4 the percentages referred to in subsection (a) to ac-  
5 count for grants to new eligible areas under part A  
6 and other relevant factors. Not later than 1 year  
7 after the date of enactment of this section, the Sec-  
8 retary shall prepare and submit to the appropriate  
9 committees of Congress a report regarding the find-  
10 ings with respect to the methodology developed  
11 under this paragraph.

12           “(2) FAILURE TO IMPLEMENT.—If the Sec-  
13 retary fails to implement a methodology under para-  
14 graph (1) by October 1, 1996, there are authorized  
15 to be appropriated—

16                   “(A) such sums as may be necessary to  
17 carry out part A for each of the fiscal years  
18 1997 through 2000; and

19                   “(B) such sums as may be necessary to  
20 carry out part B for each of the fiscal years  
21 1997 through 2000.”.

22           (b) REPEALS.—Sections 2608 and 2620 (42 U.S.C.  
23 300ff-18 and 300ff-30) are repealed.

24           (c) CONFORMING AMENDMENTS.—Title XXVI is  
25 amended—

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

2 (A) in subsection (a)(2), by striking  
3 “2608” and inserting “2677”; and

4 (B) in subsection (b)(1), by striking  
5 “2608” and inserting “2677”;

6 (2) in section 2605(c)(1) (42 U.S.C. 300ff-  
7 15(c)(1)) is amended by striking “2608” and insert-  
8 ing “2677”; and

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

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

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

14 **SEC. 7. EFFECTIVE DATE.**

15 (a) IN GENERAL.—Except as provided in subsection  
16 (b), this Act, and the amendments made by this Act, shall  
17 become effective on October 1, 1995.

18 (b) ELIGIBLE AREAS.—

19 (1) IN GENERAL.—The amendments made by  
20 subsections (a)(1)(A), (a)(2), and (b)(4)(A) of sec-  
21 tion 3 shall become effective on the date of enact-  
22 ment of this Act.

1           (2) REPORTED CASES.—The amendment made  
2           by subsection (a)(1)(B) of section 3 shall become ef-  
3           fective on October 1, 1997.

○

S 641 IS—2

S 641 IS—3

S 641 IS—4

S 641 IS—5