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H. R. 6143

IN THE SENATE OF THE UNITED STATES

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Read twice and referred to the Committee on Health, Education, Labor, and
Pensions

AN ACT

To amend title XXVI of the Public Health Service Act to
revise and extend the program for providing life-saving
care for those with HIV/AIDS.

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

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
 3 “Ryan White HIV/AIDS Treatment Modernization Act of
 4 2006”.

5 (b) **TABLE OF CONTENTS.**—The table of contents of
 6 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—EMERGENCY RELIEF FOR ELIGIBLE AREAS

- Sec. 101. Establishment of program; general eligibility for grants.
- Sec. 102. Type and distribution of grants; formula grants.
- Sec. 103. Type and distribution of grants; supplemental grants.
- Sec. 104. Timeframe for obligation and expenditure of grant funds.
- Sec. 105. Use of amounts.
- Sec. 106. Additional amendments to part A.
- Sec. 107. New program in part A; transitional grants for certain areas ineligible under section 2601.
- Sec. 108. Authorization of appropriations for part A.

TITLE II—CARE GRANTS

- Sec. 201. General use of grants.
- Sec. 202. AIDS Drug Assistance Program.
- Sec. 203. Distribution of funds.
- Sec. 204. Additional amendments to subpart I of part B.
- Sec. 205. Supplemental grants on basis of demonstrated need.
- Sec. 206. Emerging communities.
- Sec. 207. Timeframe for obligation and expenditure of grant funds.
- Sec. 208. Authorization of appropriations for subpart I of part B.
- Sec. 209. Early diagnosis grant program.
- Sec. 210. Certain partner notification programs; authorization of appropriations.

TITLE III—EARLY INTERVENTION SERVICES

- Sec. 301. Establishment of program; core medical services.
- Sec. 302. Eligible entities; preferences; planning and development grants.
- Sec. 303. Authorization of appropriations.
- Sec. 304. Confidentiality and informed consent.
- Sec. 305. Provision of certain counseling services.
- Sec. 306. General provisions.

TITLE IV—WOMEN, INFANTS, CHILDREN, AND YOUTH

- Sec. 401. Women, infants, children, and youth.
- Sec. 402. GAO Report.

TITLE V—GENERAL PROVISIONS

- Sec. 501. General provisions.

TITLE VI—DEMONSTRATION AND TRAINING

- Sec. 601. Demonstration and training.
 Sec. 602. AIDS education and training centers.
 Sec. 603. Codification of minority AIDS initiative.

TITLE VII—MISCELLANEOUS PROVISIONS

- Sec. 701. Hepatitis; use of funds.
 Sec. 702. Certain references.

1 **TITLE I—EMERGENCY RELIEF**
 2 **FOR ELIGIBLE AREAS**

3 **SEC. 101. ESTABLISHMENT OF PROGRAM; GENERAL ELIGI-**
 4 **BILITY FOR GRANTS.**

5 (a) IN GENERAL.—Section 2601 of the Public Health
 6 Service Act (42 U.S.C. 300ff-11) is amended by striking
 7 subsections (b) through (d) and inserting the following:

8 “(b) CONTINUED STATUS AS ELIGIBLE AREA.—Not-
 9 withstanding any other provision of this section, a metro-
 10 politan area that is an eligible area for a fiscal year con-
 11 tinues to be an eligible area until the metropolitan area
 12 fails, for three consecutive fiscal years—

13 “(1) to meet the requirements of subsection (a);
 14 and

15 “(2) to have a cumulative total of 3,000 or
 16 more living cases of AIDS (reported to and con-
 17 firmed by the Director of the Centers for Disease
 18 Control and Prevention) as of December 31 of the
 19 most recent calendar year for which such data is
 20 available.

1 “(c) BOUNDARIES.—For purposes of determining eli-
2 gibility under this part—

3 “(1) with respect to a metropolitan area that
4 received funding under this part in fiscal year 2006,
5 the boundaries of such metropolitan area shall be
6 the boundaries that were in effect for such area for
7 fiscal year 1994; or

8 “(2) with respect to a metropolitan area that
9 becomes eligible to receive funding under this part in
10 any fiscal year after fiscal year 2006, the boundaries
11 of such metropolitan area shall be the boundaries
12 that are in effect for such area when such area ini-
13 tially receives funding under this part.”.

14 (b) TECHNICAL AND CONFORMING AMENDMENTS.—
15 Section 2601(a) of the Public Health Service Act (42
16 U.S.C. 300ff-11(a)) is amended—

17 (1) by striking “through (d)” and inserting
18 “through (c)”; and

19 (2) by inserting “and confirmed by” after “re-
20 ported to”.

21 (c) DEFINITION OF METROPOLITAN AREA.—Section
22 2607(2) of the Public Health Service Act (42 U.S.C.
23 300ff-17(2)) is amended—

24 (1) by striking “area referred” and inserting
25 “area that is referred”; and

1 (2) by inserting before the period the following:
2 “, and that has a population of 50,000 or more indi-
3 viduals”.

4 **SEC. 102. TYPE AND DISTRIBUTION OF GRANTS; FORMULA**
5 **GRANTS.**

6 (a) DISTRIBUTION PERCENTAGES.—Section
7 2603(a)(2) of the Public Health Service Act (42 U.S.C.
8 300ff-13(a)(2)) is amended—

9 (1) in the first sentence—

10 (A) by striking “50 percent of the amount
11 appropriated under section 2677” and inserting
12 “66²/₃ percent of the amount made available
13 under section 2610(b) for carrying out this sub-
14 part”; and

15 (B) by striking “paragraph (3)” and in-
16 serting “paragraphs (3) and (4)”.

17 (2) by striking the last sentence.

18 (b) DISTRIBUTION BASED ON LIVING CASES OF HIV/
19 AIDS.—Section 2603(a)(3) of the Public Health Service
20 Act (42 U.S.C. 300ff-13(a)(3)) is amended—

21 (1) in subparagraph (B), by striking “estimated
22 living cases of acquired immune deficiency syn-
23 drome” and inserting “living cases of HIV/AIDS
24 (reported to and confirmed by the Director of the
25 Centers for Disease Control and Prevention)”; and

1 (2) by striking subparagraphs (C) through (E)
2 and inserting the following:

3 “(C) LIVING CASES OF HIV/AIDS.—

4 “(i) REQUIREMENT OF NAMES-BASED
5 REPORTING.—Except as provided in clause
6 (ii), the number determined under this
7 subparagraph for an eligible area for a fis-
8 cal year for purposes of subparagraph (B)
9 is the number of living names-based cases
10 of HIV/AIDS that, as of December 31 of
11 the most recent calendar year for which
12 such data is available, have been reported
13 to and confirmed by the Director of the
14 Centers for Disease Control and Preven-
15 tion.

16 “(ii) TRANSITION PERIOD; EXEMP-
17 TION REGARDING NON-AIDS CASES.—For
18 each of the fiscal years 2007 through
19 2010, an eligible area is, subject to clauses
20 (iii) through (v), exempt from the require-
21 ment under clause (i) that living names-
22 based non-AIDS cases of HIV be reported
23 unless—

24 “(I) a system was in operation as
25 of December 31, 2005, that provides

1 sufficiently accurate and reliable
2 names-based reporting of such cases
3 throughout the State in which the
4 area is located, subject to clause (viii);
5 or

6 “(II) no later than the beginning
7 of fiscal year 2008, 2009, or 2010,
8 the Secretary, in consultation with the
9 chief executive of the State in which
10 the area is located, determines that a
11 system has become operational in the
12 State that provides sufficiently accu-
13 rate and reliable names-based report-
14 ing of such cases throughout the
15 State.

16 “(iii) REQUIREMENTS FOR EXEMP-
17 TION FOR FISCAL YEAR 2007.—For fiscal
18 year 2007, an exemption under clause (ii)
19 for an eligible area applies only if, by Octo-
20 ber 1, 2006—

21 “(I)(aa) the State in which the
22 area is located had submitted to the
23 Secretary a plan for making the tran-
24 sition to sufficiently accurate and reli-

1 able names-based reporting of living
2 non-AIDS cases of HIV; or

3 “(bb) all statutory changes nec-
4 essary to provide for sufficiently accu-
5 rate and reliable reporting of such
6 cases had been made; and

7 “(II) the State had agreed that,
8 by April 1, 2008, the State will begin
9 accurate and reliable names-based re-
10 porting of such cases, except that
11 such agreement is not required to pro-
12 vide that, as of such date, the system
13 for such reporting be fully sufficient
14 with respect to accuracy and reli-
15 ability throughout the area.

16 “(iv) REQUIREMENT FOR EXEMPTION
17 AS OF FISCAL YEAR 2008.—For each of the
18 fiscal years 2008 through 2010, an exemp-
19 tion under clause (ii) for an eligible area
20 applies only if, as of April 1, 2008, the
21 State in which the area is located is sub-
22 stantially in compliance with the agree-
23 ment under clause (iii)(II).

24 “(v) PROGRESS TOWARD NAMES-
25 BASED REPORTING.—For fiscal year 2009

1 or 2010, the Secretary may terminate an
2 exemption under clause (ii) for an eligible
3 area if the State in which the area is lo-
4 cated submitted a plan under clause
5 (iii)(I)(aa) and the Secretary determines
6 that the State is not substantially following
7 the plan.

8 “(vi) COUNTING OF CASES IN AREAS
9 WITH EXEMPTIONS.—

10 “(I) IN GENERAL.—With respect
11 to an eligible area that is under a re-
12 porting system for living non-AIDS
13 cases of HIV that is not names-based
14 (referred to in this subparagraph as
15 ‘code-based reporting’), the Secretary
16 shall, for purposes of this subpara-
17 graph, modify the number of such
18 cases reported for the eligible area in
19 order to adjust for duplicative report-
20 ing in and among systems that use
21 code-based reporting.

22 “(II) ADJUSTMENT RATE.—The
23 adjustment rate under subclause (I)
24 for an eligible area shall be a reduc-
25 tion of 5 percent in the number of liv-

1 ing non-AIDS cases of HIV reported
2 for the area.

3 “(vii) MULTIPLE POLITICAL JURISDIC-
4 TIONS.—With respect to living non-AIDS
5 cases of HIV, if an eligible area is not en-
6 tirely within one political jurisdiction and
7 as a result is subject to more than one re-
8 porting system for purposes of this sub-
9 paragraph:

10 “(I) Names-based reporting
11 under clause (i) applies in a jurisdic-
12 tional portion of the area, or an ex-
13 emption under clause (ii) applies in
14 such portion (subject to applicable
15 provisions of this subparagraph), ac-
16 cording to whether names-based re-
17 porting or code-based reporting is
18 used in such portion.

19 “(II) If under subclause (I) both
20 names-based reporting and code-based
21 reporting apply in the area, the num-
22 ber of code-based cases shall be re-
23 duced under clause (vi).

1 “(viii) LIST OF ELIGIBLE AREAS
2 MEETING STANDARD REGARDING DECEM-
3 BER 31, 2005.—

4 “(I) IN GENERAL.—If an eligible
5 area or portion thereof is in a State
6 specified in subclause (II), the eligible
7 area or portion shall be considered to
8 meet the standard described in clause
9 (ii)(I). No other eligible area or por-
10 tion thereof may be considered to
11 meet such standard.

12 “(II) RELEVANT STATES.—For
13 purposes of subclause (I), the States
14 specified in this subclause are the fol-
15 lowing: Alaska, Alabama, Arkansas,
16 Arizona, Colorado, Florida, Indiana,
17 Iowa, Idaho, Kansas, Louisiana,
18 Michigan, Minnesota, Missouri, Mis-
19 sissippi, North Carolina, North Da-
20 kota, Nebraska, New Jersey, New
21 Mexico, New York, Nevada, Ohio,
22 Oklahoma, South Carolina, South Da-
23 kota, Tennessee, Texas, Utah, Vir-
24 ginia, Wisconsin, West Virginia, Wyo-
25 ming, Guam, and the Virgin Islands.

1 “(ix) RULES OF CONSTRUCTION RE-
2 GARDING ACCEPTANCE OF REPORTS.—

3 “(I) CASES OF AIDS.—With re-
4 spect to an eligible area that is sub-
5 ject to the requirement under clause
6 (i) and is not in compliance with the
7 requirement for names-based report-
8 ing of living non-AIDS cases of HIV,
9 the Secretary shall, notwithstanding
10 such noncompliance, accept reports of
11 living cases of AIDS that are in ac-
12 cordance with such clause.

13 “(II) APPLICABILITY OF EXEMP-
14 TION REQUIREMENTS.—The provi-
15 sions of clauses (ii) through (viii) may
16 not be construed as having any legal
17 effect for fiscal year 2011 or any sub-
18 sequent fiscal year, and accordingly,
19 the status of a State for purposes of
20 such clauses may not be considered
21 after fiscal year 2010.

22 “(x) PROGRAM FOR DETECTING INAC-
23 CURATE OR FRAUDULENT COUNTING.—
24 The Secretary shall carry out a program to
25 monitor the reporting of names-based

1 cases for purposes of this subparagraph
2 and to detect instances of inaccurate re-
3 porting, including fraudulent reporting.”.

4 (c) CODE-BASED AREAS; LIMITATION ON INCREASE
5 IN GRANT.—Section 2603(a)(3) of the Public Health
6 Service Act (42 U.S.C. 300ff-13(a)), as amended by sub-
7 section (b)(2) of this section, is amended by adding at the
8 end the following subparagraph:

9 “(D) CODE-BASED AREAS; LIMITATION ON
10 INCREASE IN GRANT .—

11 “(i) IN GENERAL.—For each of the
12 fiscal years 2007 through 2010, if code-
13 based reporting (within the meaning of
14 subparagraph (C)(vi)) applies in an eligible
15 area or any portion thereof as of the begin-
16 ning of the fiscal year involved, then not-
17 withstanding any other provision of this
18 paragraph, the amount of the grant pursu-
19 ant to this paragraph for such area for
20 such fiscal year may not—

21 “(I) for fiscal year 2007, exceed
22 by more than 5 percent the amount of
23 the grant for the area that would have
24 been made pursuant to this paragraph
25 and paragraph (4) for fiscal year

1 2006 (as such paragraphs were in ef-
2 fect for such fiscal year) if paragraph
3 (2) (as so in effect) had been applied
4 by substituting ‘66 $\frac{2}{3}$ percent’ for ‘50
5 percent’; and

6 “(II) for each of the fiscal years
7 2008 and 2009, exceed by more than
8 5 percent the amount of the grant
9 pursuant to this paragraph and para-
10 graph (4) for the area for the pre-
11 ceding fiscal year.

12 “(ii) USE OF AMOUNTS INVOLVED.—
13 For each of the fiscal years 2007 through
14 2010, amounts available as a result of the
15 limitation under clause (i) shall be made
16 available by the Secretary as additional
17 amounts for grants pursuant to subsection
18 (b) for the fiscal year involved, subject to
19 paragraph (4) and section 2610(d)(2).”.

20 (d) HOLD HARMLESS.—Section 2603(a) of the Pub-
21 lic Health Service Act (42 U.S.C. 300ff-13(a)) is amend-
22 ed—

23 (1) in paragraph (3)(A)—

24 (A) in clause (ii), by striking the period at
25 the end and inserting a semicolon; and

1 (B) by inserting after and below clause (ii)
2 the following:

3 “which product shall then, as applicable, be in-
4 creased under paragraph (4).”.

5 (2) by amending paragraph (4) to read as fol-
6 lows:

7 “(4) INCREASES IN GRANT.—

8 “(A) IN GENERAL.—For each eligible area
9 that received a grant pursuant to this sub-
10 section for fiscal year 2006, the Secretary shall,
11 for each of the fiscal years 2007 through 2009,
12 increase the amount of the grant made pursu-
13 ant to paragraph (3) for the area to ensure that
14 the amount of the grant for the fiscal year in-
15 volved is not less than the following amount, as
16 applicable to such fiscal year:

17 “(i) For fiscal year 2007, an amount
18 equal to 95 percent of the amount of the
19 grant that would have been made pursuant
20 to paragraph (3) and this paragraph for
21 fiscal year 2006 (as such paragraphs were
22 in effect for such fiscal year) if paragraph
23 (2) (as so in effect) had been applied by
24 substituting ‘66²/₃ percent’ for ‘50 per-
25 cent’.

1 “(ii) For each of the fiscal years 2008
2 and 2009, an amount equal to 95 percent
3 of the amount of the grant made pursuant
4 to paragraph (3) and this paragraph for
5 the preceding fiscal year.

6 “(B) SOURCE OF FUNDS FOR INCREASE.—

7 “(i) IN GENERAL.—From the
8 amounts available for carrying out the sin-
9 gle program referred to in section
10 2609(d)(2)(C) for a fiscal year (relating to
11 supplemental grants), the Secretary shall
12 make available such amounts as may be
13 necessary to comply with subparagraph
14 (A), subject to section 2610(d)(2).

15 “(ii) PRO RATA REDUCTION.—If the
16 amounts referred to in clause (i) for a fis-
17 cal year are insufficient to fully comply
18 with subparagraph (A) for the year, the
19 Secretary, in order to provide the addi-
20 tional funds necessary for such compliance,
21 shall reduce on a pro rata basis the
22 amount of each grant pursuant to this sub-
23 section for the fiscal year, other than
24 grants for eligible areas for which in-
25 creases under subparagraph (A) apply. A

1 reduction under the preceding sentence
2 may not be made in an amount that would
3 result in the eligible area involved becom-
4 ing eligible for such an increase.

5 “(C) LIMITATION.—This paragraph may
6 not be construed as having any applicability
7 after fiscal year 2009.”.

8 **SEC. 103. TYPE AND DISTRIBUTION OF GRANTS; SUPPLE-**
9 **MENTAL GRANTS.**

10 Section 2603(b) of the Public Health Service Act (42
11 U.S.C. 300ff-13(b)) is amended—

12 (1) in paragraph (1)—

13 (A) in the matter preceding subparagraph
14 (A), by striking “Not later than” and all that
15 follows through “the Secretary shall” and in-
16 serting the following: “Subject to subsection
17 (a)(4)(B)(i) and section 2610(d), the Secretary
18 shall”;

19 (B) in subparagraph (B), by striking
20 “demonstrates the severe need in such area”
21 and inserting “demonstrates the need in such
22 area, on an objective and quantified basis,”;

23 (C) by striking subparagraph (F) and in-
24 serting the following:

1 “(F) demonstrates the inclusiveness of af-
2 fected communities and individuals with HIV/
3 AIDS;”;

4 (D) in subparagraph (G), by striking the
5 period and inserting “; and”; and

6 (E) by adding at the end the following:

7 “(H) demonstrates the ability of the appli-
8 cant to expend funds efficiently by not having
9 had, for the most recent grant year under sub-
10 section (a) for which data is available, more
11 than 2 percent of grant funds under such sub-
12 section canceled or covered by any waivers
13 under subsection (c)(3).”; and

14 (2) in paragraph (2)—

15 (A) in subparagraph (A), by striking “se-
16 vere need” and inserting “demonstrated need”;

17 (B) by striking subparagraph (B) and in-
18 serting the following:

19 “(B) DEMONSTRATED NEED.—The factors
20 considered by the Secretary in determining
21 whether an eligible area has a demonstrated
22 need for purposes of paragraph (1)(B) may in-
23 clude any or all of the following:

24 “(i) The unmet need for such services,
25 as determined under section 2602(b)(4) or

1 other community input process as defined
2 under section 2609(d)(1)(A).

3 “(ii) An increasing need for HIV/
4 AIDS-related services, including relative
5 rates of increase in the number of cases of
6 HIV/AIDS.

7 “(iii) The relative rates of increase in
8 the number of cases of HIV/AIDS within
9 new or emerging subpopulations.

10 “(iv) The current prevalence of HIV/
11 AIDS.

12 “(v) Relevant factors related to the
13 cost and complexity of delivering health
14 care to individuals with HIV/AIDS in the
15 eligible area.

16 “(vi) The impact of co-morbid factors,
17 including co-occurring conditions, deter-
18 mined relevant by the Secretary.

19 “(vii) The prevalence of homelessness.

20 “(viii) The prevalence of individuals
21 described under section 2602(b)(2)(M).

22 “(ix) The relevant factors that limit
23 access to health care, including geographic
24 variation, adequacy of health insurance
25 coverage, and language barriers.

1 “(x) The impact of a decline in the
2 amount received pursuant to subsection (a)
3 on services available to all individuals with
4 HIV/AIDS identified and eligible under
5 this title.”; and

6 (C) by striking subparagraphs (C) and (D)
7 and inserting the following:

8 “(C) PRIORITY IN MAKING GRANTS.—The
9 Secretary shall provide funds under this sub-
10 section to an eligible area to address the decline
11 in services related to the decline in the amounts
12 received pursuant to subsection (a) consistent
13 with the grant award for the eligible area for
14 fiscal year 2006, to the extent that the factor
15 under subparagraph (B)(x) (relating to a de-
16 cline in funding) applies to the eligible area.”.

17 **SEC. 104. TIMEFRAME FOR OBLIGATION AND EXPENDI-**
18 **TURE OF GRANT FUNDS.**

19 Section 2603 of the Public Health Service Act (42
20 U.S.C. 300ff–13) is amended—

21 (1) by redesignating subsection (c) as sub-
22 section (d); and

23 (2) by inserting after subsection (b) the fol-
24 lowing:

1 “(c) TIMEFRAME FOR OBLIGATION AND EXPENDI-
2 TURE OF GRANT FUNDS.—

3 “(1) OBLIGATION BY END OF GRANT YEAR.—

4 Effective for fiscal year 2007 and subsequent fiscal
5 years, funds from a grant award made pursuant to
6 subsection (a) or (b) for a fiscal year are available
7 for obligation by the eligible area involved through
8 the end of the one-year period beginning on the date
9 in such fiscal year on which funds from the award
10 first become available to the area (referred to in this
11 subsection as the ‘grant year for the award’), except
12 as provided in paragraph (3)(A).

13 “(2) SUPPLEMENTAL GRANTS; CANCELLATION

14 OF UNOBLIGATED BALANCE OF GRANT AWARD.—Ef-

15 fective for fiscal year 2007 and subsequent fiscal

16 years, if a grant award made pursuant to subsection

17 (b) for an eligible area for a fiscal year has an unob-

18 ligated balance as of the end of the grant year for

19 the award—

20 “(A) the Secretary shall cancel that unobli-

21 gated balance of the award, and shall require

22 the eligible area to return any amounts from

23 such balance that have been disbursed to the

24 area; and

1 “(B) the funds involved shall be made
2 available by the Secretary as additional
3 amounts for grants pursuant to subsection (b)
4 for the first fiscal year beginning after the fis-
5 cal year in which the Secretary obtains the in-
6 formation necessary for determining that the
7 balance is required under subparagraph (A) to
8 be canceled, except that the availability of the
9 funds for such grants is subject to subsection
10 (a)(4) and section 2610(d)(2) as applied for
11 such year.

12 “(3) FORMULA GRANTS; CANCELLATION OF UN-
13 OBLIGATED BALANCE OF GRANT AWARD; WAIVER
14 PERMITTING CARRYOVER.—

15 “(A) IN GENERAL.—Effective for fiscal
16 year 2007 and subsequent fiscal years, if a
17 grant award made pursuant to subsection (a)
18 for an eligible area for a fiscal year has an un-
19 obligated balance as of the end of the grant
20 year for the award, the Secretary shall cancel
21 that unobligated balance of the award, and
22 shall require the eligible area to return any
23 amounts from such balance that have been dis-
24 bursed to the area, unless—

1 “(i) before the end of the grant year,
2 the chief elected official of the area sub-
3 mits to the Secretary a written application
4 for a waiver of the cancellation, which ap-
5 plication includes a description of the pur-
6 poses for which the area intends to expend
7 the funds involved; and

8 “(ii) the Secretary approves the waiv-
9 er.

10 “(B) EXPENDITURE BY END OF CARRY-
11 OVER YEAR.—With respect to a waiver under
12 subparagraph (A) that is approved for a bal-
13 ance that is unobligated as of the end of a
14 grant year for an award:

15 “(i) The unobligated funds are avail-
16 able for expenditure by the eligible area in-
17 volved for the one-year period beginning
18 upon the expiration of the grant year (re-
19 ferred to in this subsection as the ‘carry-
20 over year’).

21 “(ii) If the funds are not expended by
22 the end of the carryover year, the Sec-
23 retary shall cancel that unexpended bal-
24 ance of the award, and shall require the el-
25 igible area to return any amounts from

1 such balance that have been disbursed to
2 the area.

3 “(C) USE OF CANCELLED BALANCES.—In
4 the case of any balance of a grant award that
5 is cancelled under subparagraph (A) or (B)(ii),
6 the grant funds involved shall be made available
7 by the Secretary as additional amounts for
8 grants pursuant to subsection (b) for the first
9 fiscal year beginning after the fiscal year in
10 which the Secretary obtains the information
11 necessary for determining that the balance is
12 required under such subparagraph to be can-
13 celed, except that the availability of the funds
14 for such grants is subject to subsection (a)(4)
15 and section 2610(d)(2) as applied for such
16 year.

17 “(D) CORRESPONDING REDUCTION IN FU-
18 TURE GRANT.—

19 “(i) IN GENERAL.—In the case of an
20 eligible area for which a balance from a
21 grant award under subsection (a) is unobli-
22 gated as of the end of the grant year for
23 the award—

24 “(I) the Secretary shall reduce,
25 by the same amount as such unobli-

1 gated balance, the amount of the
2 grant under such subsection for the
3 first fiscal year beginning after the
4 fiscal year in which the Secretary ob-
5 tains the information necessary for
6 determining that such balance was
7 unobligated as of the end of the grant
8 year (which requirement for a reduc-
9 tion applies without regard to whether
10 a waiver under subparagraph (A) has
11 been approved with respect to such
12 balance); and

13 “(II) the grant funds involved in
14 such reduction shall be made available
15 by the Secretary as additional funds
16 for grants pursuant to subsection (b)
17 for such first fiscal year, subject to
18 subsection (a)(4) and section
19 2610(d)(2);

20 except that this clause does not apply to
21 the eligible area if the amount of the unob-
22 ligated balance was 2 percent or less.

23 “(ii) RELATION TO INCREASES IN
24 GRANT.—A reduction under clause (i) for
25 an eligible area for a fiscal year may not

1 be taken into account in applying sub-
2 section (a)(4) with respect to the area for
3 the subsequent fiscal year.”.

4 **SEC. 105. USE OF AMOUNTS.**

5 Section 2604 of the Public Health Service Act (42
6 U.S.C. 300ff–14) is amended to read as follows:

7 **“SEC. 2604. USE OF AMOUNTS.**

8 “(a) **REQUIREMENTS.**—The Secretary may not make
9 a grant under section 2601(a) to the chief elected official
10 of an eligible area unless such political subdivision agrees
11 that—

12 “(1) subject to paragraph (2), the allocation of
13 funds and services within the eligible area will be
14 made in accordance with the priorities established,
15 pursuant to section 2602(b)(4)(C), by the HIV
16 health services planning council that serves such eli-
17 gible area;

18 “(2) funds provided under section 2601 will be
19 expended only for—

20 “(A) core medical services described in
21 subsection (c);

22 “(B) support services described in sub-
23 section (d); and

24 “(C) administrative expenses described in
25 subsection (h); and

1 “(3) the use of such funds will comply with the
2 requirements of this section.

3 “(b) DIRECT FINANCIAL ASSISTANCE TO APPRO-
4 PRIATE ENTITIES.—

5 “(1) IN GENERAL.—The chief elected official of
6 an eligible area shall use amounts from a grant
7 under section 2601 to provide direct financial assist-
8 ance to entities described in paragraph (2) for the
9 purpose of providing core medical services and sup-
10 port services.

11 “(2) APPROPRIATE ENTITIES.—Direct financial
12 assistance may be provided under paragraph (1) to
13 public or nonprofit private entities, or private for-
14 profit entities if such entities are the only available
15 provider of quality HIV care in the area.

16 “(c) REQUIRED FUNDING FOR CORE MEDICAL SERV-
17 ICES.—

18 “(1) IN GENERAL.—With respect to a grant
19 under section 2601 for an eligible area for a grant
20 year, the chief elected official of the area shall, of
21 the portion of the grant remaining after reserving
22 amounts for purposes of paragraphs (1) and
23 (5)(B)(i) of subsection (h), use not less than 75 per-
24 cent to provide core medical services that are needed
25 in the eligible area for individuals with HIV/AIDS

1 who are identified and eligible under this title (in-
2 cluding services regarding the co-occurring condi-
3 tions of the individuals).

4 “(2) WAIVER.—

5 “(A) IN GENERAL.—The Secretary shall
6 waive the application of paragraph (1) with re-
7 spect to a chief elected official for a grant year
8 if the Secretary determines that, within the eli-
9 gible area involved—

10 “(i) there are no waiting lists for
11 AIDS Drug Assistance Program services
12 under section 2616; and

13 “(ii) core medical services are avail-
14 able to all individuals with HIV/AIDS
15 identified and eligible under this title.

16 “(B) NOTIFICATION OF WAIVER STATUS.—

17 When informing the chief elected official of an
18 eligible area that a grant under section 2601 is
19 being made for the area for a grant year, the
20 Secretary shall inform the official whether a
21 waiver under subparagraph (A) is in effect for
22 such year.

23 “(3) CORE MEDICAL SERVICES.—For purposes
24 of this subsection, the term ‘core medical services’,
25 with respect to an individual with HIV/AIDS (in-

1 including the co-occurring conditions of the indi-
2 vidual), means the following services:

3 “(A) Outpatient and ambulatory health
4 services.

5 “(B) AIDS Drug Assistance Program
6 treatments in accordance with section 2616.

7 “(C) AIDS pharmaceutical assistance.

8 “(D) Oral health care.

9 “(E) Early intervention services described
10 in subsection (e).

11 “(F) Health insurance premium and cost
12 sharing assistance for low-income individuals in
13 accordance with section 2615.

14 “(G) Home health care.

15 “(H) Medical nutrition therapy.

16 “(I) Hospice services.

17 “(J) Home and community-based health
18 services as defined under section 2614(c).

19 “(K) Mental health services.

20 “(L) Substance abuse outpatient care.

21 “(M) Medical case management, including
22 treatment adherence services.

23 “(d) SUPPORT SERVICES.—

24 “(1) IN GENERAL.—For purposes of this sec-
25 tion, the term ‘support services’ means services, sub-

1 ject to the approval of the Secretary, that are need-
2 ed for individuals with HIV/AIDS to achieve their
3 medical outcomes (such as respite care for persons
4 caring for individuals with HIV/AIDS, outreach
5 services, medical transportation, linguistic services,
6 and referrals for health care and support services).

7 “(2) MEDICAL OUTCOMES.—In this subsection,
8 the term ‘medical outcomes’ means those outcomes
9 affecting the HIV-related clinical status of an indi-
10 vidual with HIV/AIDS.

11 “(e) EARLY INTERVENTION SERVICES.—

12 “(1) IN GENERAL.—For purposes of this sec-
13 tion, the term ‘early intervention services’ means
14 HIV/AIDS early intervention services described in
15 section 2651(e), with follow-up referral provided for
16 the purpose of facilitating the access of individuals
17 receiving the services to HIV-related health services.
18 The entities through which such services may be
19 provided under the grant include public health de-
20 partments, emergency rooms, substance abuse and
21 mental health treatment programs, detoxification
22 centers, detention facilities, clinics regarding sexu-
23 ally transmitted diseases, homeless shelters, HIV/
24 AIDS counseling and testing sites, health care
25 points of entry specified by eligible areas, federally

1 qualified health centers, and entities described in
2 section 2652(a) that constitute a point of access to
3 services by maintaining referral relationships.

4 “(2) CONDITIONS.—With respect to an entity
5 that proposes to provide early intervention services
6 under paragraph (1), such paragraph shall apply
7 only if the entity demonstrates to the satisfaction of
8 the chief elected official for the eligible area involved
9 that—

10 “(A) Federal, State, or local funds are oth-
11 erwise inadequate for the early intervention
12 services the entity proposes to provide; and

13 “(B) the entity will expend funds pursuant
14 to such paragraph to supplement and not sup-
15 plant other funds available to the entity for the
16 provision of early intervention services for the
17 fiscal year involved.

18 “(f) PRIORITY FOR WOMEN, INFANTS, CHILDREN,
19 AND YOUTH.—

20 “(1) IN GENERAL.—For the purpose of pro-
21 viding health and support services to infants, chil-
22 dren, youth, and women with HIV/AIDS, including
23 treatment measures to prevent the perinatal trans-
24 mission of HIV, the chief elected official of an eligi-
25 ble area, in accordance with the established priorities

1 of the planning council, shall for each of such popu-
2 lations in the eligible area use, from the grants made
3 for the area under section 2601(a) for a fiscal year,
4 not less than the percentage constituted by the ratio
5 of the population involved (infants, children, youth,
6 or women in such area) with HIV/AIDS to the gen-
7 eral population in such area of individuals with HIV/
8 AIDS.

9 “(2) WAIVER.—With respect to the population
10 involved, the Secretary may provide to the chief
11 elected official of an eligible area a waiver of the re-
12 quirement of paragraph (1) if such official dem-
13 onstrates to the satisfaction of the Secretary that
14 the population is receiving HIV-related health serv-
15 ices through the State medicaid program under title
16 XIX of the Social Security Act, the State children’s
17 health insurance program under title XXI of such
18 Act, or other Federal or State programs.

19 “(g) REQUIREMENT OF STATUS AS MEDICAID PRO-
20 VIDER.—

21 “(1) PROVISION OF SERVICE.—Subject to para-
22 graph (2), the Secretary may not make a grant
23 under section 2601(a) for the provision of services
24 under this section in a State unless, in the case of
25 any such service that is available pursuant to the

1 State plan approved under title XIX of the Social
2 Security Act for the State—

3 “(A) the political subdivision involved will
4 provide the service directly, and the political
5 subdivision has entered into a participation
6 agreement under the State plan and is qualified
7 to receive payments under such plan; or

8 “(B) the political subdivision will enter
9 into an agreement with a public or nonprofit
10 private entity under which the entity will pro-
11 vide the service, and the entity has entered into
12 such a participation agreement and is qualified
13 to receive such payments.

14 “(2) WAIVER.—

15 “(A) IN GENERAL.—In the case of an enti-
16 ty making an agreement pursuant to paragraph
17 (1)(B) regarding the provision of services, the
18 requirement established in such paragraph shall
19 be waived by the HIV health services planning
20 council for the eligible area if the entity does
21 not, in providing health care services, impose a
22 charge or accept reimbursement available from
23 any third-party payor, including reimbursement
24 under any insurance policy or under any Fed-
25 eral or State health benefits program.

1 “(B) DETERMINATION.—A determination
2 by the HIV health services planning council of
3 whether an entity referred to in subparagraph
4 (A) meets the criteria for a waiver under such
5 subparagraph shall be made without regard to
6 whether the entity accepts voluntary donations
7 for the purpose of providing services to the pub-
8 lic.

9 “(h) ADMINISTRATION.—

10 “(1) LIMITATION.—The chief elected official of
11 an eligible area shall not use in excess of 10 percent
12 of amounts received under a grant under this part
13 for administrative expenses.

14 “(2) ALLOCATIONS BY CHIEF ELECTED OFFI-
15 CIAL.—In the case of entities and subcontractors to
16 which the chief elected official of an eligible area al-
17 locates amounts received by the official under a
18 grant under this part, the official shall ensure that,
19 of the aggregate amount so allocated, the total of
20 the expenditures by such entities for administrative
21 expenses does not exceed 10 percent (without regard
22 to whether particular entities expend more than 10
23 percent for such expenses).

1 “(3) ADMINISTRATIVE ACTIVITIES.—For pur-
2 poses of paragraph (1), amounts may be used for
3 administrative activities that include—

4 “(A) routine grant administration and
5 monitoring activities, including the development
6 of applications for part A funds, the receipt and
7 disbursal of program funds, the development
8 and establishment of reimbursement and ac-
9 counting systems, the development of a clinical
10 quality management program as described in
11 paragraph (5), the preparation of routine pro-
12 grammatic and financial reports, and compli-
13 ance with grant conditions and audit require-
14 ments; and

15 “(B) all activities associated with the
16 grantee’s contract award procedures, including
17 the activities carried out by the HIV health
18 services planning council as established under
19 section 2602(b), the development of requests
20 for proposals, contract proposal review activi-
21 ties, negotiation and awarding of contracts,
22 monitoring of contracts through telephone con-
23 sultation, written documentation or onsite vis-
24 its, reporting on contracts, and funding re-
25 allocation activities.

1 “(4) SUBCONTRACTOR ADMINISTRATIVE ACTIVITIES.—For the purposes of this subsection, subcontractor administrative activities include—

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

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

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

5 “(5) CLINICAL QUALITY MANAGEMENT.—

6 “(A) REQUIREMENT.—The chief elected official of an eligible area that receives a grant under this part shall provide for the establishment of a clinical quality management program to assess the extent to which HIV health services provided to patients under the grant are consistent with the most recent Public Health Service guidelines for the treatment of HIV/AIDS and related opportunistic infection, and as applicable, to develop strategies for ensuring that such services are consistent with the guidelines for improvement in the access to and quality of HIV health services.

1 “(B) USE OF FUNDS.—

2 “(i) IN GENERAL.—From amounts re-
3 ceived under a grant awarded under this
4 subpart for a fiscal year, the chief elected
5 official of an eligible area may use for ac-
6 tivities associated with the clinical quality
7 management program required in subpara-
8 graph (A) not to exceed the lesser of—

9 “(I) 5 percent of amounts re-
10 ceived under the grant; or

11 “(II) \$3,000,000.

12 “(ii) RELATION TO LIMITATION ON
13 ADMINISTRATIVE EXPENSES.—The costs of
14 a clinical quality management program
15 under subparagraph (A) may not be con-
16 sidered administrative expenses for pur-
17 poses of the limitation established in para-
18 graph (1).

19 “(i) CONSTRUCTION.—A chief elected official may
20 not use amounts received under a grant awarded under
21 this part to purchase or improve land, or to purchase, con-
22 struct, or permanently improve (other than minor remod-
23 eling) any building or other facility, or to make cash pay-
24 ments to intended recipients of services.”.

1 **SEC. 106. ADDITIONAL AMENDMENTS TO PART A.**

2 (a) REPORTING OF CASES.—Section 2601(a) of the
3 Public Health Service Act (42 U.S.C. 300ff-11(a)) is
4 amended by striking “for the most recent period” and in-
5 serting “during the most recent period”.

6 (b) PLANNING COUNCIL REPRESENTATION.—Section
7 2602(b)(2)(G) of the Public Health Service Act (42
8 U.S.C. 300ff-12(b)(2)(G)) is amended by inserting “,
9 members of a Federally recognized Indian tribe as rep-
10 resented in the population, individuals co-infected with
11 hepatitis B or C” after “disease”.

12 (c) APPLICATION FOR GRANT.—

13 (1) PAYER OF LAST RESORT.—Section
14 2605(a)(6)(A) of the Public Health Service Act (42
15 U.S.C. 300ff-15(a)(6)(A)) is amended by inserting
16 “(except for a program administered by or providing
17 the services of the Indian Health Service)” before
18 the semicolon.

19 (2) AUDITS.—Section 2605(a) of the Public
20 Health Service Act (42 U.S.C. 300ff-15(a)) is
21 amended—

22 (A) in paragraph (8), by striking “and” at
23 the end;

24 (B) in paragraph (9), by striking the pe-
25 riod and inserting “; and”; and

26 (C) by adding at the end the following:

1 “(10) that the chief elected official will submit
2 to the lead State agency under section 2617(b)(4),
3 audits, consistent with Office of Management and
4 Budget circular A133, regarding funds expended in
5 accordance with this part every 2 years and shall in-
6 clude necessary client-based data to compile unmet
7 need calculations and Statewide coordinated state-
8 ments of need process.”.

9 (3) COORDINATION.—Section 2605(b) of the
10 Public Health Service Act (42 U.S.C. 300ff-15(b)) is
11 amended—

12 (A) in paragraph (3), by striking “and” at
13 the end;

14 (B) in paragraph (4), by striking the pe-
15 riod and inserting a semicolon; and

16 (C) by adding at the end the following:

17 “(5) the manner in which the expected expendi-
18 tures are related to the planning process for States
19 that receive funding under part B (including the
20 planning process described in section 2617(b)); and

21 “(6) the expected expenditures and how those
22 expenditures will improve overall client outcomes, as
23 described under the State plan under section
24 2617(b), and through additional outcomes measures

1 as identified by the HIV health services planning
2 council under section 2602(b).”.

3 **SEC. 107. NEW PROGRAM IN PART A; TRANSITIONAL**
4 **GRANTS FOR CERTAIN AREAS INELIGIBLE**
5 **UNDER SECTION 2601.**

6 (a) IN GENERAL.—Part A of title XXVI of the Public
7 Health Service Act (42 U.S.C. 300ff-11) is amended—

8 (1) by inserting after the part heading the fol-
9 lowing:

10 **“Subpart I—General Grant Provisions”; and**

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

12 **“Subpart II—Transitional Grants**

13 **“SEC. 2609. ESTABLISHMENT OF PROGRAM.**

14 “(a) IN GENERAL.—The Secretary, acting through
15 the Administrator of the Health Resources and Services
16 Administration, shall make grants for the purpose of pro-
17 viding services described in section 2604 in transitional
18 areas, subject to the same provisions regarding the alloca-
19 tion of grant funds as apply under subsection (c) of such
20 section.

21 “(b) TRANSITIONAL AREAS.—For purposes of this
22 section, the term ‘transitional area’ means, subject to sub-
23 section (c), a metropolitan area for which there has been
24 reported to and confirmed by the Director of the Centers
25 for Disease Control and Prevention a cumulative total of

1 at least 1,000, but fewer than 2,000, cases of AIDS dur-
2 ing the most recent period of 5 calendar years for which
3 such data are available.

4 “(c) CERTAIN ELIGIBILITY RULES.—

5 “(1) FISCAL YEAR 2007.—With respect to
6 grants under subsection (a) for fiscal year 2007, a
7 metropolitan area that received funding under sub-
8 part I for fiscal year 2006 but does not for fiscal
9 year 2007 qualify under such subpart as an eligible
10 area and does not qualify under subsection (b) as a
11 transitional area shall, notwithstanding subsection
12 (b), be considered a transitional area.

13 “(2) CONTINUED STATUS AS TRANSITIONAL
14 AREA.—

15 “(A) IN GENERAL.—Notwithstanding sub-
16 section (b), a metropolitan area that is a transi-
17 tional area for a fiscal year continues, except as
18 provided in subparagraph (B), to be a transi-
19 tional area until the metropolitan area fails, for
20 three consecutive fiscal years—

21 “(i) to qualify under such subsection
22 as a transitional area; and

23 “(ii) to have a cumulative total of
24 1,500 or more living cases of AIDS (re-
25 ported to and confirmed by the Director of

1 the Centers for Disease Control and Pre-
2 vention) as of December 31 of the most re-
3 cent calendar year for which such data is
4 available.

5 “(B) EXCEPTION REGARDING STATUS AS
6 ELIGIBLE AREA.—Subparagraph (A) does not
7 apply for a fiscal year if the metropolitan area
8 involved qualifies under subpart I as an eligible
9 area.

10 “(d) APPLICATION OF CERTAIN PROVISIONS OF SUB-
11 PART I.—

12 “(1) ADMINISTRATION; PLANNING COUNCIL.—

13 “(A) IN GENERAL.—The provisions of sec-
14 tion 2602 apply with respect to a grant under
15 subsection (a) for a transitional area to the
16 same extent and in the same manner as such
17 provisions apply with respect to a grant under
18 subpart I for an eligible area, except that, sub-
19 ject to subparagraph (B), the chief elected offi-
20 cial of the transitional area may elect not to
21 comply with the provisions of section 2602(b) if
22 the official provides documentation to the Sec-
23 retary that details the process used to obtain
24 community input (particularly from those with
25 HIV) in the transitional area for formulating

1 the overall plan for priority setting and allo-
2 cating funds from the grant under subsection
3 (a).

4 “(B) EXCEPTION.—For each of the fiscal
5 years 2007 through 2009, the exception de-
6 scribed in subparagraph (A) does not apply if
7 the transitional area involved received funding
8 under subpart I for fiscal year 2006.

9 “(2) TYPE AND DISTRIBUTION OF GRANTS;
10 TIMEFRAME FOR OBLIGATION AND EXPENDITURE OF
11 GRANT FUNDS.—

12 “(A) FORMULA GRANTS; SUPPLEMENTAL
13 GRANTS.—The provisions of section 2603 apply
14 with respect to grants under subsection (a) to
15 the same extent and in the same manner as
16 such provisions apply with respect to grants
17 under subpart I, subject to subparagraphs (B)
18 and (C).

19 “(B) FORMULA GRANTS; INCREASE IN
20 GRANT.—For purposes of subparagraph (A),
21 section 2603(a)(4) does not apply.

22 “(C) SUPPLEMENTAL GRANTS; SINGLE
23 PROGRAM WITH SUBPART I PROGRAM.—With
24 respect to section 2603(b) as applied for pur-
25 poses of subparagraph (A):

1 “(i) The Secretary shall combine
2 amounts available pursuant to such sub-
3 paragraph with amounts available for car-
4 rying out section 2603(b) and shall admin-
5 ister the two programs as a single pro-
6 gram.

7 “(ii) In the single program, the Sec-
8 retary has discretion in allocating amounts
9 between eligible areas under subpart I and
10 transitional areas under this section, sub-
11 ject to the eligibility criteria that apply
12 under such section, and subject to section
13 2603(b)(2)(C) (relating to priority in mak-
14 ing grants).

15 “(iii) Pursuant to section 2603(b)(1),
16 amounts for the single program are subject
17 to use under sections 2603(a)(4) and
18 2610(d)(1).

19 “(3) APPLICATION; TECHNICAL ASSISTANCE;
20 DEFINITIONS.—The provisions of sections 2605,
21 2606, and 2607 apply with respect to grants under
22 subsection (a) to the same extent and in the same
23 manner as such provisions apply with respect to
24 grants under subpart I.”.

1 (b) CONFORMING AMENDMENTS.—Subpart I of part
2 A of title XXVI of the Public Health Service Act, as des-
3 ignated by subsection (a)(1) of this section, is amended
4 by striking “this part” each place such term appears and
5 inserting “this subpart”.

6 **SEC. 108. AUTHORIZATION OF APPROPRIATIONS FOR PART**

7 **A.**

8 Part A of title XXVI of the Public Health Service
9 Act, as amended by section 106(a), is amended by adding
10 at the end the following:

11 **“Subpart III—General Provisions**

12 **“SEC. 2610. AUTHORIZATION OF APPROPRIATIONS.**

13 “(a) IN GENERAL.—For the purpose of carrying out
14 this part, there are authorized to be appropriated
15 \$604,000,000 for fiscal year 2007, \$626,300,000 for fis-
16 cal year 2008, \$649,500,000 for fiscal year 2009,
17 \$673,600,000 for fiscal year 2010, and \$698,500,000 for
18 fiscal year 2011. Amounts appropriated under the pre-
19 ceding sentence for a fiscal year are available for obliga-
20 tion by the Secretary until the end of the second suc-
21 ceeding fiscal year.

22 “(b) RESERVATION OF AMOUNTS.—

23 “(1) FISCAL YEAR 2007.—Of the amount appro-
24 priated under subsection (a) for fiscal year 2007,
25 the Secretary shall reserve—

1 “(A) \$458,310,000 for grants under sub-
2 part I; and

3 “(B) \$145,690,000 for grants under sec-
4 tion 2609.

5 “(2) SUBSEQUENT FISCAL YEARS.—Of the
6 amount appropriated under subsection (a) for fiscal
7 year 2008 and each subsequent fiscal year—

8 “(A) the Secretary shall reserve an amount
9 for grants under subpart I; and

10 “(B) the Secretary shall reserve an amount
11 for grants under section 2609.

12 “(c) TRANSFER OF CERTAIN AMOUNTS; CHANGE IN
13 STATUS AS ELIGIBLE AREA OR TRANSITIONAL AREA.—
14 Notwithstanding subsection (b):

15 “(1) If a metropolitan area is an eligible area
16 under subpart I for a fiscal year, but for a subse-
17 quent fiscal year ceases to be an eligible area by rea-
18 son of section 2601(b)—

19 “(A)(i) the amount reserved under para-
20 graph (1)(A) or (2)(A) of subsection (b) of this
21 section for the first such subsequent year of not
22 being an eligible area is deemed to be reduced
23 by an amount equal to the amount of the grant
24 made pursuant to section 2603(a) for the met-
25 ropolitan area for the preceding fiscal year; and

1 “(ii)(I) if the metropolitan area qualifies
2 for such first subsequent fiscal year as a transi-
3 tional area under 2609, the amount reserved
4 under paragraph (1)(B) or (2)(B) of subsection
5 (b) for such fiscal year is deemed to be in-
6 creased by an amount equal to the amount of
7 the reduction under subparagraph (A) for such
8 year; or

9 “(II) if the metropolitan area does not
10 qualify for such first subsequent fiscal year as
11 a transitional area under 2609, an amount
12 equal to the amount of such reduction is, not-
13 withstanding subsection (a), transferred and
14 made available for grants pursuant to section
15 2618(a)(1), in addition to amounts available for
16 such grants under section 2623; and

17 “(B) if a transfer under subparagraph
18 (A)(ii)(II) is made with respect to the metro-
19 politan area for such first subsequent fiscal
20 year, then—

21 “(i) the amount reserved under para-
22 graph (1)(A) or (2)(A) of subsection (b) of
23 this section for such year is deemed to be
24 reduced by an additional \$500,000; and

1 “(ii) an amount equal to the amount
2 of such additional reduction is, notwith-
3 standing subsection (a), transferred and
4 made available for grants pursuant to sec-
5 tion 2618(a)(1), in addition to amounts
6 available for such grants under section
7 2623.

8 “(2) If a metropolitan area is a transitional
9 area under section 2609 for a fiscal year, but for a
10 subsequent fiscal year ceases to be a transitional
11 area by reason of section 2609(c)(2) (and does not
12 qualify for such subsequent fiscal year as an eligible
13 area under subpart I)—

14 “(A) the amount reserved under subsection
15 (b)(2)(B) of this section for the first such sub-
16 sequent fiscal year of not being a transitional
17 area is deemed to be reduced by an amount
18 equal to the total of—

19 “(i) the amount of the grant that,
20 pursuant to section 2603(a), was made
21 under section 2609(d)(2)(A) for the metro-
22 politan area for the preceding fiscal year;
23 and

24 “(ii) \$500,000; and

1 “(B) an amount equal to the amount of
2 the reduction under subparagraph (A) for such
3 year is, notwithstanding subsection (a), trans-
4 ferred and made available for grants pursuant
5 to section 2618(a)(1), in addition to amounts
6 available for such grants under section 2623.

7 “(3) If a metropolitan area is a transitional
8 area under section 2609 for a fiscal year, but for a
9 subsequent fiscal year qualifies as an eligible area
10 under subpart I—

11 “(A) the amount reserved under subsection
12 (b)(2)(B) of this section for the first such sub-
13 sequent fiscal year of becoming an eligible area
14 is deemed to be reduced by an amount equal to
15 the amount of the grant that, pursuant to sec-
16 tion 2603(a), was made under section
17 2609(d)(2)(A) for the metropolitan area for the
18 preceding fiscal year; and

19 “(B) the amount reserved under subsection
20 (b)(2)(A) for such fiscal year is deemed to be
21 increased by an amount equal to the amount of
22 the reduction under subparagraph (A) for such
23 year.

24 “(d) CERTAIN TRANSFERS; ALLOCATIONS BETWEEN
25 PROGRAMS UNDER SUBPART I.—With respect to para-

1 graphs (1)(B)(i) and (2)(A)(ii) of subsection (c), the Sec-
2 retary shall administer any reductions under such para-
3 graphs for a fiscal year in accordance with the following:

4 “(1) The reductions shall be made from
5 amounts available for the single program referred to
6 in section 2609(d)(2)(C) (relating to supplemental
7 grants).

8 “(2) The reductions shall be made before the
9 amounts referred to in paragraph (1) are used for
10 purposes of section 2603(a)(4).

11 “(3) If the amounts referred to in paragraph
12 (1) are not sufficient for making all the reductions,
13 the reductions shall be reduced until the total
14 amount of the reductions equals the total of the
15 amounts referred to in such paragraph.

16 “(e) RULES OF CONSTRUCTION REGARDING FIRST
17 SUBSEQUENT FISCAL YEAR.—Paragraphs (1) and (2) of
18 subsection (c) apply with respect to each series of fiscal
19 years during which a metropolitan area is an eligible area
20 under subpart I or a transitional area under section 2609
21 for a fiscal year and then for a subsequent fiscal year
22 ceases to be such an area by reason of section 2601(b)
23 or 2609(c)(2), respectively, rather than applying to a sin-
24 gle such series. Paragraph (3) of subsection (c) applies
25 with respect to each series of fiscal years during which

1 a metropolitan area is a transitional area under section
2 2609 for a fiscal year and then for a subsequent fiscal
3 year becomes an eligible area under subpart I, rather than
4 applying to a single such series.”.

5 **TITLE II—CARE GRANTS**

6 **SEC. 201. GENERAL USE OF GRANTS.**

7 (a) IN GENERAL.—Section 2612 of the Public Health
8 Service Act (42 U.S.C. 300ff–22) is amended to read as
9 follows:

10 **“SEC. 2612. GENERAL USE OF GRANTS.**

11 “(a) IN GENERAL.—A State may use amounts pro-
12 vided under grants made under section 2611 for—

13 “(1) core medical services described in sub-
14 section (b);

15 “(2) support services described in subsection
16 (c); and

17 “(3) administrative expenses described in sec-
18 tion 2618(b)(3).

19 “(b) **REQUIRED FUNDING FOR CORE MEDICAL**
20 **SERVICES.—**

21 “(1) IN GENERAL.—With respect to a grant
22 under section 2611 for a State for a grant year, the
23 State shall, of the portion of the grant remaining
24 after reserving amounts for purposes of subpara-
25 graphs (A) and (E)(ii)(I) of section 2618(b)(3), use

1 not less than 75 percent to provide core medical
2 services that are needed in the State for individuals
3 with HIV/AIDS who are identified and eligible
4 under this title (including services regarding the co-
5 occurring conditions of the individuals).

6 “(2) WAIVER.—

7 “(A) IN GENERAL.—The Secretary shall
8 waive the application of paragraph (1) with re-
9 spect to a State for a grant year if the Sec-
10 retary determines that, within the State—

11 “(i) there are no waiting lists for
12 AIDS Drug Assistance Program services
13 under section 2616; and

14 “(ii) core medical services are avail-
15 able to all individuals with HIV/AIDS
16 identified and eligible under this title.

17 “(B) NOTIFICATION OF WAIVER STATUS.—

18 When informing a State that a grant under sec-
19 tion 2611 is being made to the State for a fis-
20 cal year, the Secretary shall inform the State
21 whether a waiver under subparagraph (A) is in
22 effect for the fiscal year.

23 “(3) CORE MEDICAL SERVICES.—For purposes
24 of this subsection, the term ‘core medical services’,
25 with respect to an individual infected with HIV/

1 AIDS (including the co-occurring conditions of the
2 individual) means the following services:

3 “(A) Outpatient and ambulatory health
4 services.

5 “(B) AIDS Drug Assistance Program
6 treatments in accordance with section 2616.

7 “(C) AIDS pharmaceutical assistance.

8 “(D) Oral health care.

9 “(E) Early intervention services described
10 in subsection (d).

11 “(F) Health insurance premium and cost
12 sharing assistance for low-income individuals in
13 accordance with section 2615.

14 “(G) Home health care.

15 “(H) Medical nutrition therapy.

16 “(I) Hospice services.

17 “(J) Home and community-based health
18 services as defined under section 2614(c).

19 “(K) Mental health services.

20 “(L) Substance abuse outpatient care.

21 “(M) Medical case management, including
22 treatment adherence services.

23 “(c) SUPPORT SERVICES.—

24 “(1) IN GENERAL.—For purposes of this sub-
25 section, the term ‘support services’ means services,

1 subject to the approval of the Secretary, that are
2 needed for individuals with HIV/AIDS to achieve
3 their medical outcomes (such as respite care for per-
4 sons caring for individuals with HIV/AIDS, outreach
5 services, medical transportation, linguistic services,
6 and referrals for health care and support services).

7 “(2) DEFINITION OF MEDICAL OUTCOMES.—In
8 this subsection, the term ‘medical outcomes’ means
9 those outcomes affecting the HIV-related clinical
10 status of an individual with HIV/AIDS.

11 “(d) EARLY INTERVENTION SERVICES.—

12 “(1) IN GENERAL.—For purposes of this sec-
13 tion, the term ‘early intervention services’ means
14 HIV/AIDS early intervention services described in
15 section 2651(e), with follow-up referral provided for
16 the purpose of facilitating the access of individuals
17 receiving the services to HIV-related health services.
18 The entities through which such services may be
19 provided under the grant include public health de-
20 partments, emergency rooms, substance abuse and
21 mental health treatment programs, detoxification
22 centers, detention facilities, clinics regarding sexu-
23 ally transmitted diseases, homeless shelters, HIV/
24 AIDS counseling and testing sites, health care
25 points of entry specified by States, federally quali-

1 fied health centers, and entities described in section
2 2652(a) that constitute a point of access to services
3 by maintaining referral relationships.

4 “(2) CONDITIONS.—With respect to an entity
5 that proposes to provide early intervention services
6 under paragraph (1), such paragraph shall apply
7 only if the entity demonstrates to the satisfaction of
8 the chief elected official for the State involved that—

9 “(A) Federal, State, or local funds are oth-
10 erwise inadequate for the early intervention
11 services the entity proposes to provide; and

12 “(B) the entity will expend funds pursuant
13 to such subparagraph to supplement and not
14 supplant other funds available to the entity for
15 the provision of early intervention services for
16 the fiscal year involved.

17 “(e) PRIORITY FOR WOMEN, INFANTS, CHILDREN,
18 AND YOUTH.—

19 “(1) IN GENERAL.—For the purpose of pro-
20 viding health and support services to infants, chil-
21 dren, youth, and women with HIV/AIDS, including
22 treatment measures to prevent the perinatal trans-
23 mission of HIV, a State shall for each of such popu-
24 lations in the eligible area use, from the grants made
25 for the area under section 2601(a) for a fiscal year,

1 not less than the percentage constituted by the ratio
2 of the population involved (infants, children, youth,
3 or women in such area) with HIV/AIDS to the gen-
4 eral population in such area of individuals with HIV/
5 AIDS.

6 “(2) WAIVER.—With respect to the population
7 involved, the Secretary may provide to a State a
8 waiver of the requirement of paragraph (1) if such
9 State demonstrates to the satisfaction of the Sec-
10 retary that the population is receiving HIV-related
11 health services through the State medicaid program
12 under title XIX of the Social Security Act, the State
13 children’s health insurance program under title XXI
14 of such Act, or other Federal or State programs.

15 “(f) CONSTRUCTION.—A State may not use amounts
16 received under a grant awarded under section 2611 to
17 purchase or improve land, or to purchase, construct, or
18 permanently improve (other than minor remodeling) any
19 building or other facility, or to make cash payments to
20 intended recipients of services.”.

21 (b) HIV CARE CONSORTIA.—Section 2613 of the
22 Public Health Service Act (42 U.S.C. 300ff-23) is amend-
23 ed—

24 (1) in subsection (a), in the matter preceding
25 paragraph (1)—

1 (A) by striking “may use” and inserting
2 “may, subject to subsection (f), use”; and

3 (B) by striking “section 2612(a)(1)” and
4 inserting “section 2612(a)”; and

5 (2) by adding at the end the following sub-
6 section:

7 “(f) ALLOCATION OF FUNDS; TREATMENT AS SUP-
8 PORT SERVICES.—For purposes of the requirement of sec-
9 tion 2612(b)(1), expenditures of grants under section
10 2611 for or through consortia under this section are
11 deemed to be support services, not core medical services.
12 The preceding sentence may not be construed as having
13 any legal effect on the provisions of subsection (a) that
14 relate to authorized expenditures of the grant.”.

15 (c) TECHNICAL AMENDMENTS.—Part B of title
16 XXVI of the Public Health Service Act (42 U.S.C. 300ff-
17 21 et seq.) is amended—

18 (1) in section 2611—

19 (A) in subsection (a), by striking the sub-
20 section designation and heading; and

21 (B) by striking subsection (b);

22 (2) in section 2614—

23 (A) in subsection (a), in the matter pre-
24 ceding paragraph (1), by striking “section

1 2612(a)(2)” and inserting “section
2 2612(b)(3)(J)”;

3 (B) in subsection (c)(2)(B), by striking
4 “homemaker or”;

5 (3) in section 2615(a) by striking “section
6 2612(a)(3)” and inserting “section 2612(b)(3)(F)”;
7 and

8 (4) in section 2616(a) by striking “section
9 2612(a)(5)” and inserting “section 2612(b)(3)(B)”.

10 **SEC. 202. AIDS DRUG ASSISTANCE PROGRAM.**

11 (a) REQUIREMENT OF MINIMUM DRUG LIST.—Sec-
12 tion 2616 of the Public Health Service Act (42 U.S.C.
13 300ff-26) is amended—

14 (1) in subsection (c), by striking paragraph (1)
15 and inserting the following:

16 “(1) ensure that the therapeutics included on
17 the list of classes of core antiretroviral therapeutics
18 established by the Secretary under subsection (e)
19 are, at a minimum, the treatments provided by the
20 State pursuant to this section;”;

21 (2) by redesignating subsection (e) as sub-
22 section (f); and

23 (3) by inserting after subsection (d) the fol-
24 lowing:

1 “(e) LIST OF CLASSES OF CORE ANTIRETROVIRAL
2 THERAPEUTICS.—For purposes of subsection (c)(1), the
3 Secretary shall develop and maintain a list of classes of
4 core antiretroviral therapeutics, which list shall be based
5 on the therapeutics included in the guidelines of the Sec-
6 retary known as the Clinical Practice Guidelines for Use
7 of HIV/AIDS Drugs, relating to drugs needed to manage
8 symptoms associated with HIV. The preceding sentence
9 does not affect the authority of the Secretary to modify
10 such Guidelines.”.

11 (b) DRUG REBATE PROGRAM.—Section 2616 of the
12 Public Health Service Act, as amended by subsection
13 (a)(2) of this section, is amended by adding at the end
14 the following:

15 “(g) DRUG REBATE PROGRAM.—A State shall ensure
16 that any drug rebates received on drugs purchased from
17 funds provided pursuant to this section are applied to ac-
18 tivities supported under this subpart, with priority given
19 to activities described under this section.”.

20 **SEC. 203. DISTRIBUTION OF FUNDS.**

21 (a) DISTRIBUTION BASED ON LIVING CASES OF HIV/
22 AIDS.—

23 (1) STATE DISTRIBUTION FACTOR.—Section
24 2618(a)(2) of the Public Health Service Act (42
25 U.S.C. 300ff–28(a)(2)) is amended—

1 (A) in subparagraph (B), by striking “esti-
2 mated number of living cases of acquired im-
3 mune deficiency syndrome in the eligible area
4 involved” and inserting “number of living cases
5 of HIV/AIDS in the State involved”; and

6 (B) by amending subparagraph (D) to
7 read as follows:

8 “(D) LIVING CASES OF HIV/AIDS.—

9 “(i) REQUIREMENT OF NAMES-BASED
10 REPORTING.—Except as provided in clause
11 (ii), the number determined under this
12 subparagraph for a State for a fiscal year
13 for purposes of subparagraph (B) is the
14 number of living names-based cases of
15 HIV/AIDS in the State that, as of Decem-
16 ber 31 of the most recent calendar year for
17 which such data is available, have been re-
18 ported to and confirmed by the Director of
19 the Centers for Disease Control and Pre-
20 vention.

21 “(ii) TRANSITION PERIOD; EXEMP-
22 TION REGARDING NON-AIDS CASES.—For
23 each of the fiscal years 2007 through
24 2010, a State is, subject to clauses (iii)
25 through (v), exempt from the requirement

1 under clause (i) that living non-AIDS
2 names-based cases of HIV be reported un-
3 less—

4 “(I) a system was in operation as
5 of December 31, 2005, that provides
6 sufficiently accurate and reliable
7 names-based reporting of such cases
8 throughout the State, subject to
9 clause (vii); or

10 “(II) no later than the beginning
11 of fiscal year 2008, 2009, or 2010,
12 the Secretary, after consultation with
13 the chief executive of the State, deter-
14 mines that a system has become oper-
15 ational in the State that provides suf-
16 ficiently accurate and reliable names-
17 based reporting of such cases
18 throughout the State.

19 “(iii) REQUIREMENTS FOR EXEMP-
20 TION FOR FISCAL YEAR 2007.—For fiscal
21 year 2007, an exemption under clause (ii)
22 for a State applies only if, by October 1,
23 2006—

24 “(I)(aa) the State had submitted
25 to the Secretary a plan for making

1 the transition to sufficiently accurate
2 and reliable names-based reporting of
3 living non-AIDS cases of HIV; or

4 “(bb) all statutory changes nec-
5 essary to provide for sufficiently accu-
6 rate and reliable reporting of such
7 cases had been made; and

8 “(II) the State had agreed that,
9 by April 1, 2008, the State will begin
10 accurate and reliable names-based re-
11 porting of such cases, except that
12 such agreement is not required to pro-
13 vide that, as of such date, the system
14 for such reporting be fully sufficient
15 with respect to accuracy and reli-
16 ability throughout the area.

17 “(iv) REQUIREMENT FOR EXEMPTION
18 AS OF FISCAL YEAR 2008.—For each of the
19 fiscal years 2008 through 2010, an exemp-
20 tion under clause (ii) for a State applies
21 only if, as of April 1, 2008, the State is
22 substantially in compliance with the agree-
23 ment under clause (iii)(II).

24 “(v) PROGRESS TOWARD NAMES-
25 BASED REPORTING.—For fiscal year 2009

1 or 2010, the Secretary may terminate an
2 exemption under clause (ii) for a State if
3 the State submitted a plan under clause
4 (iii)(I)(aa) and the Secretary determines
5 that the State is not substantially following
6 the plan.

7 “(vi) COUNTING OF CASES IN AREAS
8 WITH EXEMPTIONS.—

9 “(I) IN GENERAL.—With respect
10 to a State that is under a reporting
11 system for living non-AIDS cases of
12 HIV that is not names-based (referred
13 to in this subparagraph as ‘code-based
14 reporting’), the Secretary shall, for
15 purposes of this subparagraph, modify
16 the number of such cases reported for
17 the State in order to adjust for dupli-
18 cative reporting in and among systems
19 that use code-based reporting.

20 “(II) ADJUSTMENT RATE.—The
21 adjustment rate under subclause (I)
22 for a State shall be a reduction of 5
23 percent in the number of living non-
24 AIDS cases of HIV reported for the
25 State.

1 “(vii) LIST OF STATES MEETING
2 STANDARD REGARDING DECEMBER 31,
3 2005.—

4 “(I) IN GENERAL.—If a State is
5 specified in subclause (II), the State
6 shall be considered to meet the stand-
7 ard described in clause (ii)(I). No
8 other State may be considered to meet
9 such standard.

10 “(II) RELEVANT STATES.—For
11 purposes of subclause (I), the States
12 specified in this subclause are the fol-
13 lowing: Alaska, Alabama, Arkansas,
14 Arizona, Colorado, Florida, Indiana,
15 Iowa, Idaho, Kansas, Louisiana,
16 Michigan, Minnesota, Missouri, Mis-
17 sissippi, North Carolina, North Da-
18 kota, Nebraska, New Jersey, New
19 Mexico, New York, Nevada, Ohio,
20 Oklahoma, South Carolina, South Da-
21 kota, Tennessee, Texas, Utah, Vir-
22 ginia, Wisconsin, West Virginia, Wyo-
23 ming, Guam, and the Virgin Islands.

24 “(viii) RULES OF CONSTRUCTION RE-
25 GARDING ACCEPTANCE OF REPORTS.—

1 “(I) CASES OF AIDS.—With re-
2 spect to a State that is subject to the
3 requirement under clause (i) and is
4 not in compliance with the require-
5 ment for names-based reporting of liv-
6 ing non-AIDS cases of HIV, the Sec-
7 retary shall, notwithstanding such
8 noncompliance, accept reports of liv-
9 ing cases of AIDS that are in accord-
10 ance with such clause.

11 “(II) APPLICABILITY OF EXEMP-
12 TION REQUIREMENTS.—The provi-
13 sions of clauses (ii) through (vii) may
14 not be construed as having any legal
15 effect for fiscal year 2011 or any sub-
16 sequent fiscal year, and accordingly,
17 the status of a State for purposes of
18 such clauses may not be considered
19 after fiscal year 2010.

20 “(ix) PROGRAM FOR DETECTING INAC-
21 CULATE OR FRAUDULENT COUNTING.—
22 The Secretary shall carry out a program to
23 monitor the reporting of names-based
24 cases for purposes of this subparagraph

1 and to detect instances of inaccurate re-
2 porting, including fraudulent reporting.”.

3 (2) NON-EMA DISTRIBUTION FACTOR.—Section
4 2618(a)(2)(C) of the Public Health Service Act (42
5 U.S.C. 300ff–28(a)(2)(C)) is amended—

6 (A) in clause (i), by striking “estimated
7 number of living cases of acquired immune defi-
8 ciency syndrome” each place such term appears
9 and inserting “number of living cases of HIV/
10 AIDS”; and

11 (B) in clause (ii), by amending such clause
12 to read as follows:

13 “(ii) a number equal to the sum of—

14 “(I) the total number of living
15 cases of HIV/AIDS that are within
16 areas in such State that are eligible
17 areas under subpart I of part A for
18 the fiscal year involved, which indi-
19 vidual number for an area is the num-
20 ber that applies under section 2601
21 for the area for such fiscal year; and

22 “(II) the total number of such
23 cases that are within areas in such
24 State that are transitional areas
25 under section 2609 for such fiscal

1 year, which individual number for an
2 area is the number that applies under
3 such section for the fiscal year.”.

4 (b) FORMULA AMENDMENTS GENERALLY.—Section
5 2618(a)(2) of the Public Health Service Act (42 U.S.C.
6 300ff-28(a)(2)) is amended—

7 (1) in subparagraph (A)—

8 (A) by striking “The amount referred to”
9 in the matter preceding clause (i) and all that
10 follows through the end of clause (i) and insert-
11 ing the following: “For purposes of paragraph
12 (1), the amount referred to in this paragraph
13 for a State (including a territory) for a fiscal
14 year is, subject to subparagraphs (E) and
15 (F)—

16 “(i) an amount equal to the amount
17 made available under section 2623 for the
18 fiscal year involved for grants pursuant to
19 paragraph (1), subject to subparagraph
20 (G); and”;

21 (B) in clause (ii)—

22 (i) in subclause (I)—

23 (I) by striking “.80” and insert-
24 ing “0.75”; and

25 (II) by striking “and” at the end;

1 (ii) in subclause (II)—

2 (I) by inserting “non-EMA” after
3 “respective”; and

4 (II) by striking the period and
5 inserting “; and”; and

6 (iii) by adding at the end the fol-
7 lowing:

8 “(III) if the State does not for
9 such fiscal year contain any area that
10 is an eligible area under subpart I of
11 part A or any area that is a transi-
12 tional area under section 2609 (re-
13 ferred to in this subclause as a ‘no-
14 EMA State’), the product of 0.05 and
15 the ratio of the number of cases that
16 applies for the State under subpara-
17 graph (D) to the sum of the respective
18 numbers of cases that so apply for all
19 no-EMA States.”;

20 (2) by striking subparagraphs (E) through (H);

21 (3) by inserting after subparagraph (D) the fol-
22 lowing subparagraphs:

23 “(E) CODE-BASED STATES; LIMITATION ON
24 INCREASE IN GRANT.—

1 “(i) IN GENERAL.—For each of the
2 fiscal years 2007 through 2010, if code-
3 based reporting (within the meaning of
4 subparagraph (D)(vi)) applies in a State as
5 of the beginning of the fiscal year involved,
6 then notwithstanding any other provision
7 of this paragraph, the amount of the grant
8 pursuant to paragraph (1) for the State
9 may not for the fiscal year involved exceed
10 by more than 5 percent the amount of the
11 grant pursuant to this paragraph for the
12 State for the preceding fiscal year, except
13 that the limitation under this clause may
14 not result in a grant pursuant to para-
15 graph (1) for a fiscal year that is less than
16 the minimum amount that applies to the
17 State under such paragraph for such fiscal
18 year.

19 “(ii) USE OF AMOUNTS INVOLVED.—
20 For each of the fiscal years 2007 through
21 2010, amounts available as a result of the
22 limitation under clause (i) shall be made
23 available by the Secretary as additional
24 amounts for grants pursuant to section
25 2620, subject to subparagraph (H).

1 “(F) SEVERITY OF NEED.—

2 “(i) FISCAL YEARS BEGINNING WITH
3 2011.—If, by January 1, 2010, the Sec-
4 retary notifies the appropriate committees
5 of Congress that the Secretary has devel-
6 oped a severity of need index in accordance
7 with clause (v), the provisions of subpara-
8 graphs (A) through (E) shall not apply for
9 fiscal year 2011 or any fiscal year there-
10 after, and the Secretary shall use the se-
11 verity of need index (as defined in clause
12 (iv)) for the determination of the formula
13 allocations, subject to the Congressional
14 Review Act.

15 “(ii) SUBSEQUENT FISCAL YEARS.—
16 If, on or before any January 1 that is sub-
17 sequent to the date referred to in clause
18 (i), the Secretary notifies the appropriate
19 committees of Congress that the Secretary
20 has developed a severity of need index, in
21 accordance with clause (v), for each suc-
22 ceeding fiscal year, the provisions of sub-
23 paragraphs (A) through (D) shall not
24 apply for the subsequent fiscal year or any
25 fiscal year thereafter, and the Secretary

1 shall use the severity of need index (as de-
2 fined in clause (iv)) for the determination
3 of the formula allocations, subject to the
4 Congressional Review Act.

5 “(iii) FISCAL YEAR 2013.—The Sec-
6 retary shall notify the appropriate commit-
7 tees of Congress that the Secretary has de-
8 veloped a severity of need index by Janu-
9 ary 1, 2012, in accordance with clause (v),
10 and the provisions of subparagraphs (A)
11 through (D) shall not apply for fiscal year
12 2013 or any fiscal year thereafter, and the
13 Secretary shall use the severity of need
14 index (as defined in clause (iv)) for the de-
15 termination of the formula allocations, sub-
16 ject to the Congressional Review Act.

17 “(iv) DEFINITION OF SEVERITY OF
18 NEED INDEX.—In this subparagraph, the
19 term ‘severity of need index’ means the
20 index of the relative needs of individuals
21 within the State, as identified by a variety
22 of different factors, and is a factor that is
23 multiplied by the number of living HIV/
24 AIDS cases in the State, providing dif-

1 ferent weights to those cases based on
2 their needs.

3 “(v) REQUIREMENTS FOR SECRE-
4 TARIAL NOTIFICATION.—When the Sec-
5 retary notifies the appropriate committees
6 of Congress that the Secretary has devel-
7 oped a severity of need index, the Sec-
8 retary shall provide the following:

9 “(I) Methodology for and ration-
10 ale behind developing the severity of
11 need index, including information re-
12 lated to the field testing of the sever-
13 ity of need index.

14 “(II) An independent contractor
15 analysis of activities carried out under
16 subclause (I).

17 “(III) Expected changes in fund-
18 ing allocations, given the application
19 of the severity of need index and the
20 elimination of the provisions of sub-
21 paragraphs (A) through (D).

22 “(IV) Information regarding the
23 process by which the Secretary re-
24 ceived community input regarding the

1 application and development of the se-
2 verity of need index.

3 “(V) Timeline and process for
4 the implementation of the severity of
5 need index to ensure that it is applied
6 in the following fiscal year.

7 “(vi) ANNUAL REPORTS.—Not later
8 than 1 year after the date of enactment of
9 the Ryan White HIV/AIDS Treatment
10 Modernization Act of 2006, and annually
11 thereafter until the Secretary notifies Con-
12 gress that the Secretary has developed a
13 severity of need index in accordance with
14 this subparagraph, the Secretary shall pre-
15 pare and submit to the appropriate com-
16 mittees of Congress a report—

17 “(I) that updates progress to-
18 ward having client level data;

19 “(II) that updates the progress
20 toward having a severity of need
21 index, including information related to
22 the methodology and process for ob-
23 taining community input; and

24 “(III) that, as applicable, states
25 whether the Secretary could develop a

1 severity of need index before fiscal
2 year 2010.”; and

3 (4) by redesignating subparagraph (I) as sub-
4 paragraph (G).

5 (c) SEPARATE ADAP GRANTS.—Section
6 2618(a)(2)(G) of the Public Health Service Act (42
7 U.S.C. 300ff-28(a)(2)(G)), as redesignated by subsection
8 (b)(4) of this section, is amended—

9 (1) in clause (i)—

10 (A) in the matter preceding subclause (I),
11 by striking “section 2677” and inserting “sec-
12 tion 2623”;

13 (B) in subclause (II), by striking the pe-
14 riod at the end and inserting a semicolon; and

15 (C) by adding after and below subclause
16 (II) the following:

17 “which product shall then, as applicable,
18 be increased under subparagraph (H).”;

19 (2) in clause (ii)—

20 (A) by striking subclauses (I) through (III)
21 and inserting the following:

22 “(I) IN GENERAL.—From
23 amounts made available under sub-
24 clause (V), the Secretary shall award
25 supplemental grants to States de-

1 scribed in subclause (II) to enable
2 such States to purchase and distribute
3 to eligible individuals under section
4 2616(b) pharmaceutical therapeutics
5 described under subsections (c)(2) and
6 (e) of such section.

7 “(II) ELIGIBLE STATES.—For
8 purposes of subclause (I), a State
9 shall be an eligible State if the State
10 did not have unobligated funds sub-
11 ject to reallocation under section
12 2618(d) in the previous fiscal year
13 and, in accordance with criteria estab-
14 lished by the Secretary, demonstrates
15 a severe need for a grant under this
16 clause. For purposes of determining
17 severe need, the Secretary shall con-
18 sider eligibility standards, formulary
19 composition, the number of eligible in-
20 dividuals to whom a State is unable to
21 provide therapeutics described in sec-
22 tion 2616(a), and an unanticipated in-
23 crease of eligible individuals with
24 HIV/AIDS.

“(III) STATE REQUIREMENTS.—

1
2 The Secretary may not make a grant
3 to a State under this clause unless the
4 State agrees that the State will make
5 available (directly or through dona-
6 tions of public or private entities)
7 non-Federal contributions toward the
8 activities to be carried out under the
9 grant in an amount equal to \$1 for
10 each \$4 of Federal funds provided in
11 the grant, except that the Secretary
12 may waive this subclause if the State
13 has otherwise fully complied with sec-
14 tion 2617(d) with respect to the grant
15 year involved. The provisions of this
16 subclause shall apply to States that
17 are not required to comply with such
18 section 2617(d).”.

19 (B) in subclause (IV), by moving the sub-
20 clause two ems to the left;

21 (C) in subclause (V), by striking “3 per-
22 cent” and inserting “5 percent”; and

23 (D) by striking subclause (VI); and

24 (3) by adding at the end the following clause:

1 “(iii) CODE-BASED STATES; LIMITA-
2 TION ON INCREASE IN FORMULA GRANT.—
3 The limitation under subparagraph (E)(i)
4 applies to grants pursuant to clause (i) of
5 this subparagraph to the same extent and
6 in the same manner as such limitation ap-
7 plies to grants pursuant to paragraph (1),
8 except that the reference to minimum
9 grants does not apply for purposes of this
10 clause. Amounts available as a result of
11 the limitation under the preceding sentence
12 shall be made available by the Secretary as
13 additional amounts for grants under clause
14 (ii) of this subparagraph.”.

15 (d) HOLD HARMLESS.—Section 2618(a)(2) of the
16 Public Health Service Act (42 U.S.C. 300ff-28(a)(2)), as
17 amended by subsection (b)(4) of this section, is amended
18 by adding at the end the following subparagraph:

19 “(H) INCREASE IN FORMULA GRANTS.—
20 “(i) IN GENERAL.—For each of the
21 fiscal years 2007 through 2009, the Sec-
22 retary shall ensure, subject to clauses (ii)
23 through (iv), that the total for a State of
24 the grant pursuant to paragraph (1) and
25 the grant pursuant to subparagraph (G) is

1 not less than 95 percent of such total for
2 the State for the preceding fiscal year, ex-
3 cept that any increase under this clause—

4 “(I) may not result in a grant
5 pursuant to paragraph (1) that is
6 more than 95 percent of the amount
7 of such grant for the preceding fiscal
8 year; and

9 “(II) may not result in a grant
10 pursuant to subparagraph (G) that is
11 more than 95 percent of the amount
12 of such grant for such preceding fiscal
13 year.

14 “(ii) FISCAL YEAR 2007.—For pur-
15 poses of clause (i) as applied for fiscal year
16 2007, the references in such clause to sub-
17 paragraph (G) are deemed to be references
18 to subparagraph (I) as such subparagraph
19 was in effect for fiscal year 2006.

20 “(iii) SOURCE OF FUNDS FOR IN-
21 CREASE.—

22 “(I) IN GENERAL.—From the
23 amount reserved under section
24 2623(b)(2) for a fiscal year, and from
25 amounts available for such section

1 pursuant to subsection (d) of this sec-
2 tion, the Secretary shall make avail-
3 able such amounts as may be nec-
4 essary to comply with clause (i).

5 “(II) PRO RATA REDUCTION.—If
6 the amounts referred to in subclause
7 (I) for a fiscal year are insufficient to
8 fully comply with clause (i) for the
9 year, the Secretary, in order to pro-
10 vide the additional funds necessary for
11 such compliance, shall reduce on a pro
12 rata basis the amount of each grant
13 pursuant to paragraph (1) for the fis-
14 cal year, other than grants for States
15 for which increases under clause (i)
16 apply and other than States described
17 in paragraph (1)(A)(i)(I). A reduction
18 under the preceding sentence may not
19 be made in an amount that would re-
20 sult in the State involved becoming el-
21 igible for such an increase.

22 “(iv) APPLICABILITY.—This para-
23 graph may not be construed as having any
24 applicability after fiscal year 2009.”.

1 (e) ADMINISTRATIVE EXPENSES; CLINICAL QUALITY
2 MANAGEMENT.—Section 2618(b) of the Public Health
3 Service Act (42 U.S.C. 300ff-28(b)) is amended—

4 (1) by redesignating paragraphs (2) through
5 (7) as paragraphs (1) through (6);

6 (2) in paragraph (2) (as so redesignated)—

7 (A) by striking “paragraph (5)” and in-
8 serting “paragraph (4)”; and

9 (B) by striking “paragraph (6)” and in-
10 serting “paragraph (5)”;

11 (3) in paragraph (3) (as so redesignated)—

12 (A) by amending subparagraph (A) to read
13 as follows:

14 “(A) IN GENERAL.—Subject to paragraph
15 (4,) and except as provided in paragraph (5), a
16 State may not use more than 10 percent of
17 amounts received under a grant awarded under
18 section 2611 for administration.”;

19 (B) by redesignating subparagraphs (B)
20 and (C) as subparagraphs (C) and (D), respec-
21 tively;

22 (C) by inserting after subparagraph (A)
23 the following:

24 “(B) ALLOCATIONS.—In the case of enti-
25 ties and subcontractors to which a State allo-

1 cates amounts received by the State under a
2 grant under section 2611, the State shall en-
3 sure that, of the aggregate amount so allocated,
4 the total of the expenditures by such entities for
5 administrative expenses does not exceed 10 per-
6 cent (without regard to whether particular enti-
7 ties expend more than 10 percent for such ex-
8 penses).”;

9 (D) in subparagraph (C) (as so redesign-
10 nated), by inserting before the period the fol-
11 lowing: “, including a clinical quality manage-
12 ment program under subparagraph (E)”;

13 (E) by adding at the end the following:

14 “(E) CLINICAL QUALITY MANAGEMENT.—

15 “(i) REQUIREMENT.—Each State that
16 receives a grant under section 2611 shall
17 provide for the establishment of a clinical
18 quality management program to assess the
19 extent to which HIV health services pro-
20 vided to patients under the grant are con-
21 sistent with the most recent Public Health
22 Service guidelines for the treatment of
23 HIV/AIDS and related opportunistic infec-
24 tion, and as applicable, to develop strate-
25 gies for ensuring that such services are

1 consistent with the guidelines for improve-
2 ment in the access to and quality of HIV
3 health services.

4 “(ii) USE OF FUNDS.—

5 “(I) IN GENERAL.—From
6 amounts received under a grant
7 awarded under section 2611 for a fis-
8 cal year, a State may use for activities
9 associated with the clinical quality
10 management program required in
11 clause (i) not to exceed the lesser of—

12 “(aa) 5 percent of amounts
13 received under the grant; or

14 “(bb) \$3,000,000.

15 “(II) RELATION TO LIMITATION
16 ON ADMINISTRATIVE EXPENSES.—The
17 costs of a clinical quality management
18 program under clause (i) may not be
19 considered administrative expenses for
20 purposes of the limitation established
21 in subparagraph (A).”;

22 (4) in paragraph (4) (as so redesignated)—

23 (A) by striking “paragraph (6)” and in-
24 serting “paragraph (5)”; and

1 (B) by striking “paragraphs (3) and (4)”
2 and inserting “paragraphs (2) and (3)”; and
3 (5) in paragraph (5) (as so redesignated), by
4 striking “paragraphs (3)” and all that follows
5 through “(5),” and inserting the following: “para-
6 graphs (2) and (3), may, notwithstanding para-
7 graphs (2) through (4),”.

8 (f) REALLOCATION FOR SUPPLEMENTAL GRANTS.—
9 Section 2618(d) of the Public Health Service Act (42
10 U.S.C. 300ff-28(d)) is amended to read as follows:

11 “(d) REALLOCATION.—Any portion of a grant made
12 to a State under section 2611 for a fiscal year that has
13 not been obligated as described in subsection (c) ceases
14 to be available to the State and shall be made available
15 by the Secretary for grants under section 2620, in addi-
16 tion to amounts made available for such grants under sec-
17 tion 2623(b)(2).”.

18 (g) DEFINITIONS; OTHER TECHNICAL AMEND-
19 MENTS.—Section 2618(a) of the Public Health Service
20 Act (42 U.S.C. 300ff-28(a)) is amended—

21 (1) in paragraph (1), in the matter preceding
22 subparagraph (A), by striking “section 2677” and
23 inserting “section 2623”;

24 (2) in paragraph (1)(A)—

1 (A) in the matter preceding clause (i), by
2 striking “each of the several States and the
3 District of Columbia” and inserting “each of
4 the 50 States, the District of Columbia, Guam,
5 and the Virgin Islands (referred to in this para-
6 graph as a ‘covered State’)”; and

7 (B) in clause (i)—

8 (i) in subclause (I), by striking “State
9 or District” and inserting “covered State”;
10 and

11 (ii) in subclause (II)—

12 (I) by striking “State or Dis-
13 trict” and inserting “covered State”;
14 and

15 (II) by inserting “and” after the
16 semicolon; and

17 (3) in paragraph (1)(B), by striking “each ter-
18 ritory of the United States, as defined in paragraph
19 (3),” and inserting “each territory other than Guam
20 and the Virgin Islands”;

21 (4) in paragraph (2)(C)(i), by striking “or ter-
22 ritory”; and

23 (5) by striking paragraph (3).

1 **SEC. 204. ADDITIONAL AMENDMENTS TO SUBPART I OF**
2 **PART B.**

3 (a) REFERENCES TO PART B.—Subpart I of part B
4 of title XXVI of the Public Health Service Act (42 U.S.C.
5 300ff-21 et seq.) is amended by striking “this part” each
6 place such term appears and inserting “section 2611”.

7 (b) HEPATITIS.—Section 2614(a)(3) of the Public
8 Health Service Act (42 U.S.C. 300ff-24(a)(3)) is amended
9 by inserting “, including specialty care and vaccinations
10 for hepatitis co-infection,” after “health services”.

11 (c) APPLICATION FOR GRANT.—

12 (1) COORDINATION.—Section 2617(b) of the
13 Public Health Service Act (42 U.S.C. 300ff-27(b)) is
14 amended—

15 (A) by redesignating paragraphs (4)
16 through (6) as paragraphs (5) through (7), re-
17 spectively;

18 (B) by inserting after paragraph (3), the
19 following:

20 “(4) the designation of a lead State agency that
21 shall—

22 “(A) administer all assistance received
23 under this part;

24 “(B) conduct the needs assessment and
25 prepare the State plan under paragraph (3);

1 “(C) prepare all applications for assistance
2 under this part;

3 “(D) receive notices with respect to pro-
4 grams under this title;

5 “(E) every 2 years, collect and submit to
6 the Secretary all audits, consistent with Office
7 of Management and Budget circular A133,
8 from grantees within the State, including audits
9 regarding funds expended in accordance with
10 this part; and

11 “(F) carry out any other duties determined
12 appropriate by the Secretary to facilitate the
13 coordination of programs under this title.”;

14 (C) in paragraph (5) (as so redesign-
15 nated)—

16 (i) in subparagraph (E), by striking
17 “and” at the end; and

18 (ii) by inserting after subparagraph
19 (F) the following:

20 “(G) includes key outcomes to be measured
21 by all entities in the State receiving assistance
22 under this title; and”;

23 (D) in paragraph (7) (as so redesignated),
24 in subparagraph (A)—

1 (i) by striking “paragraph (5)” and
2 inserting “paragraph (6)”; and

3 (ii) by striking “paragraph (4)” and
4 inserting “paragraph (5)”.

5 (2) NATIVE AMERICAN REPRESENTATION.—
6 Section 2617(b)(6) of the Public Health Service Act,
7 as redesignated by paragraph (1)(A) of this sub-
8 section, is amended by inserting before “representa-
9 tives of grantees” the following: “members of a Fed-
10 erally recognized Indian tribe as represented in the
11 State,”.

12 (3) PAYER OF LAST RESORT.—Section
13 2617(b)(7)(F)(ii) of the Public Health Service Act,
14 as redesignated by paragraph (1)(A) of this sub-
15 section, is amended by inserting before the semicolon
16 the following: “(except for a program administered
17 by or providing the services of the Indian Health
18 Service)”.

19 (d) MATCHING FUNDS; APPLICABILITY OF REQUIRE-
20 MENT.—Section 2617(d)(3) of the Public Health Service
21 Act (42 U.S.C. 300ff-27(d)(3)) is amended—

22 (1) in subparagraph (A), by striking “acquired
23 immune deficiency syndrome” and inserting “HIV/
24 AIDS”; and

1 (2) in subparagraph (C), by striking “acquired
2 immune deficiency syndrome” and inserting “HIV/
3 AIDS”.

4 **SEC. 205. SUPPLEMENTAL GRANTS ON BASIS OF DEM-**
5 **ONSTRATED NEED.**

6 Subpart I of part B of title XXVI of the Public
7 Health Service Act (42 U.S.C. 300ff-21 et seq.) is amend-
8 ed—

9 (1) by redesignating section 2620 as section
10 2621; and

11 (2) by inserting after section 2619 the fol-
12 lowing:

13 **“SEC. 2620. SUPPLEMENTAL GRANTS.**

14 “(a) IN GENERAL.—For the purpose of providing
15 services described in section 2612(a), the Secretary shall
16 make grants to States—

17 “(1) whose applications under section 2617
18 have demonstrated the need in the State, on an ob-
19 jective and quantified basis, for supplemental finan-
20 cial assistance to provide such services; and

21 “(2) that did not, for the most recent grant
22 year pursuant to section 2618(a)(1) or
23 2618(a)(2)(G)(i) for which data is available, have
24 more than 2 percent of grant funds under such sec-

1 tions canceled or covered by any waivers under sec-
2 tion 2622(c).

3 “(b) DEMONSTRATED NEED.—The factors consid-
4 ered by the Secretary in determining whether an eligible
5 area has a demonstrated need for purposes of subsection
6 (a)(1) may include any or all of the following:

7 “(1) The unmet need for such services, as de-
8 termined under section 2617(b).

9 “(2) An increasing need for HIV/AIDS-related
10 services, including relative rates of increase in the
11 number of cases of HIV/AIDS.

12 “(3) The relative rates of increase in the num-
13 ber of cases of HIV/AIDS within new or emerging
14 subpopulations.

15 “(4) The current prevalence of HIV/AIDS.

16 “(5) Relevant factors related to the cost and
17 complexity of delivering health care to individuals
18 with HIV/AIDS in the eligible area.

19 “(6) The impact of co-morbid factors, including
20 co-occurring conditions, determined relevant by the
21 Secretary.

22 “(7) The prevalence of homelessness.

23 “(8) The prevalence of individuals described
24 under section 2602(b)(2)(M).

1 “(9) The relevant factors that limit access to
2 health care, including geographic variation, adequacy
3 of health insurance coverage, and language barriers.

4 “(10) The impact of a decline in the amount re-
5 ceived pursuant to section 2618 on services available
6 to all individuals with HIV/AIDS identified and eli-
7 gible under this title.

8 “(c) PRIORITY IN MAKING GRANTS.—The Secretary
9 shall provide funds under this section to a State to address
10 the decline in services related to the decline in the amounts
11 received pursuant to section 2618 consistent with the
12 grant award to the State for fiscal year 2006, to the extent
13 that the factor under subsection (b)(10) (relating to a de-
14 cline in funding) applies to the State.

15 “(d) CORE MEDICAL SERVICES.—The provisions of
16 section 2612(b) apply with respect to a grant under this
17 section to the same extent and in the same manner as
18 such provisions apply with respect to a grant made pursu-
19 ant to section 2618(a)(1).

20 “(e) APPLICABILITY OF GRANT AUTHORITY.—The
21 authority to make grants under this section applies begin-
22 ning with the first fiscal year for which amounts are made
23 available for such grants under section 2623(b)(1).”.

1 **SEC. 206. EMERGING COMMUNITIES.**

2 Section 2621 of the Public Health Service Act, as re-
3 designated by section 205(1) of this Act, is amended—

4 (1) in the heading for the section, by striking
5 “**SUPPLEMENTAL GRANTS**” and inserting
6 “**EMERGING COMMUNITIES**”;

7 (2) in subsection (b)—

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

10 (B) by redesignating paragraph (3) as
11 paragraph (4); and

12 (C) by inserting after paragraph (2) the
13 following:

14 “(3) agree that the grant will be used to pro-
15 vide funds directly to emerging communities in the
16 State, separately from other funds under this title
17 that are provided by the State to such communities;
18 and”.

19 (3) by striking subsections (d) and (e) and in-
20 serting the following:

21 “(d) **DEFINITIONS OF EMERGING COMMUNITY.**—For
22 purposes of this section, the term ‘emerging community’
23 means a metropolitan area (as defined in section 2607)
24 for which there has been reported to and confirmed by
25 the Director of the Centers for Disease Control and Pre-
26 vention a cumulative total of at least 500, but fewer than

1 1,000, cases of AIDS during the most recent period of
2 5 calendar years for which such data are available.

3 “(e) CONTINUED STATUS AS EMERGING COMMU-
4 NITY.—Notwithstanding any other provision of this sec-
5 tion, a metropolitan area that is an emerging community
6 for a fiscal year continues to be an emerging community
7 until the metropolitan area fails, for three consecutive fis-
8 cal years—

9 “(1) to meet the requirements of subsection (d);
10 and

11 “(2) to have a cumulative total of 750 or more
12 living cases of AIDS (reported to and confirmed by
13 the Director of the Centers for Disease Control and
14 Prevention) as of December 31 of the most recent
15 calendar year for which such data is available.

16 “(f) DISTRIBUTION.—The amount of a grant under
17 subsection (a) for a State for a fiscal year shall be an
18 amount equal to the product of—

19 “(1) the amount available under section
20 2623(b)(1) for the fiscal year; and

21 “(2) a percentage equal to the ratio constituted
22 by the number of living cases of HIV/AIDS in
23 emerging communities in the State to the sum of the
24 respective numbers of such cases in such commu-
25 nities for all States.”.

1 **SEC. 207. TIMEFRAME FOR OBLIGATION AND EXPENDI-**
2 **TURE OF GRANT FUNDS.**

3 Subpart I of part B of title XXVI of the Public
4 Health Service Act (42 U.S.C. 300ff-21 et seq.), as
5 amended by section 205, is further amended by adding
6 at the end the following:

7 **“SEC. 2622. TIMEFRAME FOR OBLIGATION AND EXPENDI-**
8 **TURE OF GRANT FUNDS.**

9 “(a) OBLIGATION BY END OF GRANT YEAR.—Effec-
10 tive for fiscal year 2007 and subsequent fiscal years, funds
11 from a grant award made to a State for a fiscal year pur-
12 suant to section 2618(a)(1) or 2618(a)(2)(G), or under
13 section 2620 or 2621, are available for obligation by the
14 State through the end of the one-year period beginning
15 on the date in such fiscal year on which funds from the
16 award first become available to the State (referred to in
17 this section as the ‘grant year for the award’), except as
18 provided in subsection (c)(1).

19 “(b) SUPPLEMENTAL GRANTS; CANCELLATION OF
20 UNOBLIGATED BALANCE OF GRANT AWARD.—Effective
21 for fiscal year 2007 and subsequent fiscal years, if a grant
22 award made to a State for a fiscal year pursuant to section
23 2618(a)(2)(G)(ii), or under section 2620 or 2621, has an
24 unobligated balance as of the end of the grant year for
25 the award—

1 “(1) the Secretary shall cancel that unobligated
2 balance of the award, and shall require the State to
3 return any amounts from such balance that have
4 been disbursed to the State; and

5 “(2) the funds involved shall be made available
6 by the Secretary as additional amounts for grants
7 pursuant to section 2620 for the first fiscal year be-
8 ginning after the fiscal year in which the Secretary
9 obtains the information necessary for determining
10 that the balance is required under paragraph (1) to
11 be canceled, except that the availability of the funds
12 for such grants is subject to section 2618(a)(2)(H)
13 as applied for such year.

14 “(c) FORMULA GRANTS; CANCELLATION OF UNOBLI-
15 GATED BALANCE OF GRANT AWARD; WAIVER PERMIT-
16 TING CARRYOVER.—

17 “(1) IN GENERAL.—Effective for fiscal year
18 2007 and subsequent fiscal years, if a grant award
19 made to a State for a fiscal year pursuant to section
20 2618(a)(1) or 2618(a)(2)(G)(i) has an unobligated
21 balance as of the end of the grant year for the
22 award, the Secretary shall cancel that unobligated
23 balance of the award, and shall require the State to
24 return any amounts from such balance that have
25 been disbursed to the State, unless—

1 “(A) before the end of the grant year, the
2 State submits to the Secretary a written appli-
3 cation for a waiver of the cancellation, which
4 application includes a description of the pur-
5 poses for which the State intends to expend the
6 funds involved; and

7 “(B) the Secretary approves the waiver.

8 “(2) EXPENDITURE BY END OF CARRYOVER
9 YEAR.—With respect to a waiver under paragraph
10 (1) that is approved for a balance that is unobli-
11 gated as of the end of a grant year for an award:

12 “(A) The unobligated funds are available
13 for expenditure by the State involved for the
14 one-year period beginning upon the expiration
15 of the grant year (referred to in this section as
16 the ‘carryover year’).

17 “(B) If the funds are not expended by the
18 end of the carryover year, the Secretary shall
19 cancel that unexpended balance of the award,
20 and shall require the State to return any
21 amounts from such balance that have been dis-
22 bursed to the State.

23 “(3) USE OF CANCELLED BALANCES.—In the
24 case of any balance of a grant award that is can-
25 celled under paragraph (1) or (2)(B), the grant

1 funds involved shall be made available by the Sec-
2 retary as additional amounts for grants under sec-
3 tion 2620 for the first fiscal year beginning after the
4 fiscal year in which the Secretary obtains the infor-
5 mation necessary for determining that the balance is
6 required under such paragraph to be canceled, ex-
7 cept that the availability of the funds for such
8 grants is subject to section 2618(a)(2)(H) as applied
9 for such year.

10 “(4) CORRESPONDING REDUCTION IN FUTURE
11 GRANT.—

12 “(A) IN GENERAL.—In the case of a State
13 for which a balance from a grant award made
14 pursuant to section 2618(a)(1) or
15 2618(a)(2)(G)(i) is unobligated as of the end of
16 the grant year for the award—

17 “(i) the Secretary shall reduce, by the
18 same amount as such unobligated balance,
19 the amount of the grant under such sec-
20 tion for the first fiscal year beginning after
21 the fiscal year in which the Secretary ob-
22 tains the information necessary for deter-
23 mining that such balance was unobligated
24 as of the end of the grant year (which re-
25 quirement for a reduction applies without

1 regard to whether a waiver under para-
2 graph (1) has been approved with respect
3 to such balance); and

4 “(ii) the grant funds involved in such
5 reduction shall be made available by the
6 Secretary as additional funds for grants
7 under section 2620 for such first fiscal
8 year, subject to section 2618(a)(2)(H);

9 except that this subparagraph does not apply to
10 the State if the amount of the unobligated bal-
11 ance was 2 percent or less.

12 “(B) RELATION TO INCREASES IN
13 GRANT.—A reduction under subparagraph (A)
14 for a State for a fiscal year may not be taken
15 into account in applying section 2618(a)(2)(H)
16 with respect to the State for the subsequent fis-
17 cal year.

18 “(d) TREATMENT OF DRUG REBATES.—For pur-
19 poses of this section, funds that are drug rebates referred
20 to in section 2616(g) may not be considered part of any
21 grant award referred to in subsection (a).”.

22 **SEC. 208. AUTHORIZATION OF APPROPRIATIONS FOR SUB-**
23 **PART I OF PART B.**

24 Subpart I of part B of title XXVI of the Public
25 Health Service Act (42 U.S.C. 300ff-21 et seq.), as

1 amended by section 207, is further amended by adding
2 at the end the following:

3 **“SEC. 2623. AUTHORIZATION OF APPROPRIATIONS.**

4 “(a) IN GENERAL.—For the purpose of carrying out
5 this subpart, there are authorized to be appropriated
6 \$1,195,500,000 for fiscal year 2007, \$1,239,500,000 for
7 fiscal year 2008, \$1,285,200,000 for fiscal year 2009,
8 \$1,332,600,000 for fiscal year 2010, and \$1,381,700,000
9 for fiscal year 2011. Amounts appropriated under the pre-
10 ceding sentence for a fiscal year are available for obliga-
11 tion by the Secretary until the end of the second suc-
12 ceeding fiscal year.

13 “(b) RESERVATION OF AMOUNTS.—

14 “(1) EMERGING COMMUNITIES.—Of the amount
15 appropriated under subsection (a) for a fiscal year,
16 the Secretary shall reserve \$5,000,000 for grants
17 under section 2621.

18 “(2) SUPPLEMENTAL GRANTS.—

19 “(A) IN GENERAL.—Of the amount appro-
20 priated under subsection (a) for a fiscal year in
21 excess of the 2006 adjusted amount, the Sec-
22 retary shall reserve $\frac{1}{3}$ for grants under section
23 2620, except that the availability of the re-
24 served funds for such grants is subject to sec-
25 tion 2618(a)(2)(H) as applied for such year,

1 and except that any amount appropriated exclu-
2 sively for carrying out section 2616 (and, ac-
3 cordingly, distributed under section
4 2618(a)(2)(G)) is not subject to this subpara-
5 graph.

6 “(B) 2006 ADJUSTED AMOUNT.—For pur-
7 poses of subparagraph (A), the term ‘2006 ad-
8 justed amount’ means the amount appropriated
9 for fiscal year 2006 under section 2677(b) (as
10 such section was in effect for such fiscal year),
11 excluding any amount appropriated for such
12 year exclusively for carrying out section 2616
13 (and, accordingly, distributed under section
14 2618(a)(2)(I), as so in effect).”.

15 **SEC. 209. EARLY DIAGNOSIS GRANT PROGRAM.**

16 Section 2625 of the Public Health Service Act (42
17 U.S.C. 300ff-33) is amended to read as follows:

18 **“SEC. 2625. EARLY DIAGNOSIS GRANT PROGRAM.**

19 “(a) IN GENERAL.—In the case of States whose laws
20 or regulations are in accordance with subsection (b), the
21 Secretary, acting through the Centers for Disease Control
22 and Prevention, shall make grants to such States for the
23 purposes described in subsection (c).

24 “(b) DESCRIPTION OF COMPLIANT STATES.—For
25 purposes of subsection (a), the laws or regulations of a

1 State are in accordance with this subsection if, under such
2 laws or regulations (including programs carried out pursu-
3 ant to the discretion of State officials), both of the policies
4 described in paragraph (1) are in effect, or both of the
5 policies described in paragraph (2) are in effect, as follows:

6 “(1)(A) Voluntary opt-out testing of pregnant
7 women.

8 “(B) Universal testing of newborns.

9 “(2)(A) Voluntary opt-out testing of clients at
10 sexually transmitted disease clinics.

11 “(B) Voluntary opt-out testing of clients at sub-
12 stance abuse treatment centers.

13 The Secretary shall periodically ensure that the applicable
14 policies are being carried out and recertify compliance.

15 “(c) USE OF FUNDS.—A State may use funds pro-
16 vided under subsection (a) for HIV/AIDS testing (includ-
17 ing rapid testing), prevention counseling, treatment of
18 newborns exposed to HIV/AIDS, treatment of mothers in-
19 fected with HIV/AIDS, and costs associated with linking
20 those diagnosed with HIV/AIDS to care and treatment for
21 HIV/AIDS.

22 “(d) APPLICATION.—A State that is eligible for the
23 grant under subsection (a) shall submit an application to
24 the Secretary, in such form, in such manner, and con-
25 taining such information as the Secretary may require.

1 “(e) LIMITATION ON AMOUNT OF GRANT.—A grant
2 under subsection (a) to a State for a fiscal year may not
3 be made in an amount exceeding \$10,000,000.

4 “(f) RULE OF CONSTRUCTION.—Nothing in this sec-
5 tion shall be construed to pre-empt State laws regarding
6 HIV/AIDS counseling and testing.

7 “(g) DEFINITIONS.—In this section:

8 “(1) The term ‘voluntary opt-out testing’ means
9 HIV/AIDS testing—

10 “(A) that is administered to an individual
11 seeking other health care services; and

12 “(B) in which—

13 “(i) pre-test counseling is not required
14 but the individual is informed that the in-
15 dividual will receive an HIV/AIDS test and
16 the individual may opt out of such testing;
17 and

18 “(ii) for those individuals with a posi-
19 tive test result, post-test counseling (in-
20 cluding referrals for care) is provided and
21 confidentiality is protected.

22 “(2) The term ‘universal testing of newborns’
23 means HIV/AIDS testing that is administered with-
24 in 48 hours of delivery to—

25 “(A) all infants born in the State; or

1 “(B) all infants born in the State whose
2 mother’s HIV/AIDS status is unknown at the
3 time of delivery.

4 “(h) AUTHORIZATION OF APPROPRIATIONS.—Of the
5 funds appropriated annually to the Centers for Disease
6 Control and Prevention for HIV/AIDS prevention activi-
7 ties, \$30,000,000 shall be made available for each of the
8 fiscal years 2007 through 2011 for grants under sub-
9 section (a), of which \$20,000,000 shall be made available
10 for grants to States with the policies described in sub-
11 section (b)(1), and \$10,000,000 shall be made available
12 for grants to States with the policies described in sub-
13 section (b)(2). Funds provided under this section are
14 available until expended.”.

15 **SEC. 210. CERTAIN PARTNER NOTIFICATION PROGRAMS;**

16 **AUTHORIZATION OF APPROPRIATIONS.**

17 Section 2631(d) of the Public Health Service Act (42
18 U.S.C. 300ff-38(d)) is amended by striking “there are”
19 and all that follows and inserting the following: “there is
20 authorized to be appropriated \$10,000,000 for each of the
21 fiscal years 2007 through 2011.”.

1 **TITLE III—EARLY**
2 **INTERVENTION SERVICES**

3 **SEC. 301. ESTABLISHMENT OF PROGRAM; CORE MEDICAL**
4 **SERVICES.**

5 (a) IN GENERAL.—Section 2651 of the Public Health
6 Service Act (42 U.S.C. 300ff-51) is amended to read as
7 follows:

8 **“SEC. 2651. ESTABLISHMENT OF A PROGRAM.**

9 “(a) IN GENERAL.—For the purposes described in
10 subsection (b), the Secretary, acting through the Adminis-
11 trator of the Health Resources and Services Administra-
12 tion, may make grants to public and nonprofit private en-
13 tities specified in section 2652(a).

14 “(b) REQUIREMENTS.—

15 “(1) IN GENERAL.—The Secretary may not
16 make a grant under subsection (a) unless the appli-
17 cant for the grant agrees to expend the grant only
18 for—

19 “(A) core medical services described in
20 subsection (c);

21 “(B) support services described in sub-
22 section (d); and

23 “(C) administrative expenses as described
24 in section 2664(g)(3).

1 “(2) EARLY INTERVENTION SERVICES.—An ap-
2 plicant for a grant under subsection (a) shall expend
3 not less than 50 percent of the amount received
4 under the grant for the services described in sub-
5 paragraphs (B) through (E) of subsection (e)(1) for
6 individuals with HIV/AIDS.

7 “(c) REQUIRED FUNDING FOR CORE MEDICAL SERV-
8 ICES.—

9 “(1) IN GENERAL.—With respect to a grant
10 under subsection (a) to an applicant for a fiscal
11 year, the applicant shall, of the portion of the grant
12 remaining after reserving amounts for purposes of
13 paragraphs (3) and (5) of section 2664(g), use not
14 less than 75 percent to provide core medical services
15 that are needed in the area involved for individuals
16 with HIV/AIDS who are identified and eligible
17 under this title (including services regarding the co-
18 occurring conditions of the individuals).

19 “(2) WAIVER.—

20 “(A) The Secretary shall waive the applica-
21 tion of paragraph (1) with respect to an appli-
22 cant for a grant if the Secretary determines
23 that, within the service area of the applicant—

1 “(i) there are no waiting lists for
2 AIDS Drug Assistance Program services
3 under section 2616; and

4 “(ii) core medical services are avail-
5 able to all individuals with HIV/AIDS
6 identified and eligible under this title.

7 “(B) NOTIFICATION OF WAIVER STATUS.—
8 When informing an applicant that a grant
9 under subsection (a) is being made for a fiscal
10 year, the Secretary shall inform the applicant
11 whether a waiver under subparagraph (A) is in
12 effect for the fiscal year.

13 “(3) CORE MEDICAL SERVICES.—For purposes
14 of this subsection, the term ‘core medical services’,
15 with respect to an individual with HIV/AIDS (in-
16 cluding the co-occurring conditions of the individual)
17 means the following services:

18 “(A) Outpatient and ambulatory health
19 services.

20 “(B) AIDS Drug Assistance Program
21 treatments under section 2616.

22 “(C) AIDS pharmaceutical assistance.

23 “(D) Oral health care.

24 “(E) Early intervention services described
25 in subsection (e).

1 “(F) Health insurance premium and cost
2 sharing assistance for low-income individuals in
3 accordance with section 2615.

4 “(G) Home health care.

5 “(H) Medical nutrition therapy.

6 “(I) Hospice services.

7 “(J) Home and community-based health
8 services as defined under section 2614(c).

9 “(K) Mental health services.

10 “(L) Substance abuse outpatient care.

11 “(M) Medical case management, including
12 treatment adherence services.

13 “(d) SUPPORT SERVICES.—

14 “(1) IN GENERAL.—For purposes of this sec-
15 tion, the term ‘support services’ means services, sub-
16 ject to the approval of the Secretary, that are need-
17 ed for individuals with HIV/AIDS to achieve their
18 medical outcomes (such as respite care for persons
19 caring for individuals with HIV/AIDS, outreach
20 services, medical transportation, linguistic services,
21 and referrals for health care and support services).

22 “(2) DEFINITION OF MEDICAL OUTCOMES.—In
23 this section, the term ‘medical outcomes’ means
24 those outcomes affecting the HIV-related clinical
25 status of an individual with HIV/AIDS.

1 “(e) SPECIFICATION OF EARLY INTERVENTION
2 SERVICES.—

3 “(1) IN GENERAL.—The early intervention serv-
4 ices referred to in this section are—

5 “(A) counseling individuals with respect to
6 HIV/AIDS in accordance with section 2662;

7 “(B) testing individuals with respect to
8 HIV/AIDS, including tests to confirm the pres-
9 ence of the disease, tests to diagnose the extent
10 of the deficiency in the immune system, and
11 tests to provide information on appropriate
12 therapeutic measures for preventing and treat-
13 ing the deterioration of the immune system and
14 for preventing and treating conditions arising
15 from HIV/AIDS;

16 “(C) referrals described in paragraph (2);

17 “(D) other clinical and diagnostic services
18 regarding HIV/AIDS, and periodic medical
19 evaluations of individuals with HIV/AIDS; and

20 “(E) providing the therapeutic measures
21 described in subparagraph (B).

22 “(2) REFERRALS.—The services referred to in
23 paragraph (1)(C) are referrals of individuals with
24 HIV/AIDS to appropriate providers of health and
25 support services, including, as appropriate—

1 “(A) to entities receiving amounts under
2 part A or B for the provision of such services;

3 “(B) to biomedical research facilities of in-
4 stitutions of higher education that offer experi-
5 mental treatment for such disease, or to com-
6 munity-based organizations or other entities
7 that provide such treatment; or

8 “(C) to grantees under section 2671, in
9 the case of a pregnant woman.

10 “(3) REQUIREMENT OF AVAILABILITY OF ALL
11 EARLY INTERVENTION SERVICES THROUGH EACH
12 GRANTEE.—

13 “(A) IN GENERAL.—The Secretary may
14 not make a grant under subsection (a) unless
15 the applicant for the grant agrees that each of
16 the early intervention services specified in para-
17 graph (2) will be available through the grantee.
18 With respect to compliance with such agree-
19 ment, such a grantee may expend the grant to
20 provide the early intervention services directly,
21 and may expend the grant to enter into agree-
22 ments with public or nonprofit private entities,
23 or private for-profit entities if such entities are
24 the only available provider of quality HIV care

1 in the area, under which the entities provide the
2 services.

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

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

13 “(ii) subparagraphs (B) and (C) of
14 section 2652(a)(1) shall ensure the avail-
15 ability of early intervention services
16 through a system of linkages to commu-
17 nity-based primary care providers, and to
18 establish mechanisms for the referrals de-
19 scribed in paragraph (1)(C), and for fol-
20 low-up concerning such referrals.”.

21 (b) ADMINISTRATIVE EXPENSES; CLINICAL QUALITY
22 MANAGEMENT PROGRAM.—Section 2664(g) of the Public
23 Health Service Act (42 U.S.C. 300ff-64(g)) is amended—

24 (1) in paragraph (3), by amending the para-
25 graph to read as follows:

1 “(3) the applicant will not expend more than 10
2 percent of the grant for administrative expenses with
3 respect to the grant, including planning and evalua-
4 tion, except that the costs of a clinical quality man-
5 agement program under paragraph (5) may not be
6 considered administrative expenses for purposes of
7 such limitation;” and

8 (2) in paragraph (5), by inserting “clinical” be-
9 fore “quality management”.

10 **SEC. 302. ELIGIBLE ENTITIES; PREFERENCES; PLANNING**
11 **AND DEVELOPMENT GRANTS.**

12 (a) **MINIMUM QUALIFICATION OF GRANTEES.**—Sec-
13 tion 2652(a) of the Public Health Service Act (42 U.S.C.
14 300ff-52(a)) is amended to read as follows:

15 “(a) **ELIGIBLE ENTITIES.**—

16 “(1) **IN GENERAL.**—The entities referred to in
17 section 2651(a) are public entities and nonprofit pri-
18 vate entities that are—

19 “(A) federally-qualified health centers
20 under section 1905(l)(2)(B) of the Social Secu-
21 rity Act;

22 “(B) grantees under section 1001 (regard-
23 ing family planning) other than States;

24 “(C) comprehensive hemophilia diagnostic
25 and treatment centers;

1 “(D) rural health clinics;

2 “(E) health facilities operated by or pursu-
3 ant to a contract with the Indian Health Serv-
4 ice;

5 “(F) community-based organizations, clin-
6 ics, hospitals and other health facilities that
7 provide early intervention services to those per-
8 sons infected with HIV/AIDS through intra-
9 venous drug use; or

10 “(G) nonprofit private entities that provide
11 comprehensive primary care services to popu-
12 lations at risk of HIV/AIDS, including faith-
13 based and community-based organizations.

14 “(2) UNDERSERVED POPULATIONS.—Entities
15 described in paragraph (1) shall serve underserved
16 populations which may include minority populations
17 and Native American populations, ex-offenders, indi-
18 viduals with comorbidities including hepatitis B or
19 C, mental illness, or substance abuse, low-income
20 populations, inner city populations, and rural popu-
21 lations.”.

22 (b) PREFERENCES IN MAKING GRANTS.—Section
23 2653 of the Public Health Service Act (42 U.S.C. 300ff-
24 53) is amended—

25 (1) in subsection (b)(1)—

1 (A) in subparagraph (A), by striking “ac-
2 quired immune deficiency syndrome” and in-
3 serting “HIV/AIDS”; and

4 (B) in subparagraph (D), by inserting be-
5 fore the semicolon the following: “and the num-
6 ber of cases of individuals co-infected with HIV/
7 AIDS and hepatitis B or C”; and

8 (2) in subsection (d)(2), by striking “special
9 consideration” and inserting “preference”.

10 (c) PLANNING AND DEVELOPMENT GRANTS.—Sec-
11 tion 2654(c) of the Public Health Service Act (42 U.S.C.
12 300ff-54(c)) is amended—

13 (1) in paragraph (1)—

14 (A) in subparagraph (A), by striking
15 “HIV”; and

16 (B) in subparagraph (B), by striking
17 “HIV” and inserting “HIV/AIDS”; and

18 (2) in paragraph (3), by striking “or under-
19 served communities” and inserting “areas or to un-
20 derserved populations”.

21 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

22 Section 2655 of the Public Health Service Act (42
23 U.S.C. 300ff-55) is amended by striking “such sums” and
24 all that follows through “2005” and inserting “,
25 \$218,600,000 for fiscal year 2007, \$226,700,000 for fis-

1 cal year 2008, \$235,100,000 for fiscal year 2009,
2 \$243,800,000 for fiscal year 2010, and \$252,800,000 for
3 fiscal year 2011”.

4 **SEC. 304. CONFIDENTIALITY AND INFORMED CONSENT.**

5 Section 2661 of the Public Health Service Act (42
6 U.S.C. 300ff–61) is amended to read as follows:

7 **“SEC. 2661. CONFIDENTIALITY AND INFORMED CONSENT.**

8 “(a) CONFIDENTIALITY.—The Secretary may not
9 make a grant under this part unless, in the case of any
10 entity applying for a grant under section 2651, the entity
11 agrees to ensure that information regarding the receipt
12 of early intervention services pursuant to the grant is
13 maintained confidentially in a manner not inconsistent
14 with applicable law.

15 “(b) INFORMED CONSENT.—The Secretary may not
16 make a grant under this part unless the applicant for the
17 grant agrees that, in testing an individual for HIV/AIDS,
18 the applicant will test an individual only after the indi-
19 vidual confirms that the decision of the individual with re-
20 spect to undergoing such testing is voluntarily made.”.

21 **SEC. 305. PROVISION OF CERTAIN COUNSELING SERVICES.**

22 Section 2662 of the Public Health Service Act (42
23 U.S.C. 300ff–62) is amended to read as follows:

1 **“SEC. 2662. PROVISION OF CERTAIN COUNSELING SERV-**
2 **ICES.**

3 “(a) COUNSELING OF INDIVIDUALS WITH NEGATIVE
4 TEST RESULTS.—The Secretary may not make a grant
5 under this part unless the applicant for the grant agrees
6 that, if the results of testing conducted for HIV/AIDS in-
7 dicate that an individual does not have such condition, the
8 applicant will provide the individual information, includ-
9 ing—

10 “(1) measures for prevention of, exposure to,
11 and transmission of HIV/AIDS, hepatitis B, hepa-
12 titis C, and other sexually transmitted diseases;

13 “(2) the accuracy and reliability of results of
14 testing for HIV/AIDS, hepatitis B, and hepatitis C;

15 “(3) the significance of the results of such test-
16 ing, including the potential for developing AIDS,
17 hepatitis B, or hepatitis C;

18 “(4) the appropriateness of further counseling,
19 testing, and education of the individual regarding
20 HIV/AIDS and other sexually transmitted diseases;

21 “(5) if diagnosed with chronic hepatitis B or
22 hepatitis C co-infection, the potential of developing
23 hepatitis-related liver disease and its impact on HIV/
24 AIDS; and

1 “(6) information regarding the availability of
2 hepatitis B vaccine and information about hepatitis
3 treatments.

4 “(b) COUNSELING OF INDIVIDUALS WITH POSITIVE
5 TEST RESULTS.—The Secretary may not make a grant
6 under this part unless the applicant for the grant agrees
7 that, if the results of testing for HIV/AIDS indicate that
8 the individual has such condition, the applicant will pro-
9 vide to the individual appropriate counseling regarding the
10 condition, including—

11 “(1) information regarding—

12 “(A) measures for prevention of, exposure
13 to, and transmission of HIV/AIDS, hepatitis B,
14 and hepatitis C;

15 “(B) the accuracy and reliability of results
16 of testing for HIV/AIDS, hepatitis B, and hep-
17 atitis C; and

18 “(C) the significance of the results of such
19 testing, including the potential for developing
20 AIDS, hepatitis B, or hepatitis C;

21 “(2) reviewing the appropriateness of further
22 counseling, testing, and education of the individual
23 regarding HIV/AIDS and other sexually transmitted
24 diseases; and

25 “(3) providing counseling—

1 “(A) on the availability, through the appli-
2 cant, of early intervention services;

3 “(B) on the availability in the geographic
4 area of appropriate health care, mental health
5 care, and social and support services, including
6 providing referrals for such services, as appro-
7 priate;

8 “(C)(i) that explains the benefits of locat-
9 ing and counseling any individual by whom the
10 infected individual may have been exposed to
11 HIV/AIDS, hepatitis B, or hepatitis C and any
12 individual whom the infected individual may
13 have exposed to HIV/AIDS, hepatitis B, or hep-
14 atitis C; and

15 “(ii) that emphasizes it is the duty of in-
16 fected individuals to disclose their infected sta-
17 tus to their sexual partners and their partners
18 in the sharing of hypodermic needles; that pro-
19 vides advice to infected individuals on the man-
20 ner in which such disclosures can be made; and
21 that emphasizes that it is the continuing duty
22 of the individuals to avoid any behaviors that
23 will expose others to HIV/AIDS, hepatitis B, or
24 hepatitis C; and

1 “(D) on the availability of the services of
2 public health authorities with respect to locat-
3 ing and counseling any individual described in
4 subparagraph (C);

5 “(4) if diagnosed with chronic hepatitis B or
6 hepatitis C co-infection, the potential of developing
7 hepatitis-related liver disease and its impact on HIV/
8 AIDS; and

9 “(5) information regarding the availability of
10 hepatitis B vaccine.

11 “(c) ADDITIONAL REQUIREMENTS REGARDING AP-
12 PROPRIATE COUNSELING.—The Secretary may not make
13 a grant under this part unless the applicant for the grant
14 agrees that, in counseling individuals with respect to HIV/
15 AIDS, the applicant will ensure that the counseling is pro-
16 vided under conditions appropriate to the needs of the in-
17 dividuals.

18 “(d) COUNSELING OF EMERGENCY RESPONSE EM-
19 PLOYEES.—The Secretary may not make a grant under
20 this part to a State unless the State agrees that, in coun-
21 seling individuals with respect to HIV/AIDS, the State will
22 ensure that, in the case of emergency response employees,
23 the counseling is provided to such employees under condi-
24 tions appropriate to the needs of the employees regarding
25 the counseling.

1 “(e) RULE OF CONSTRUCTION REGARDING COUN-
2 SELING WITHOUT TESTING.—Agreements made pursuant
3 to this section may not be construed to prohibit any grant-
4 ee under this part from expending the grant for the pur-
5 pose of providing counseling services described in this sec-
6 tion to an individual who does not undergo testing for
7 HIV/AIDS as a result of the grantee or the individual de-
8 termining that such testing of the individual is not appro-
9 priate.”.

10 **SEC. 306. GENERAL PROVISIONS.**

11 (a) APPLICABILITY OF CERTAIN REQUIREMENTS.—
12 Section 2663 of the Public Health Service Act (42 U.S.C.
13 300ff-63) is amended by striking “will, without” and all
14 that follows through “be carried” and inserting “with
15 funds appropriated through this Act will be carried”.

16 (b) ADDITIONAL REQUIRED AGREEMENTS.—Section
17 2664(a) of the Public Health Service Act (42 U.S.C.
18 300ff-64(a)) is amended—

19 (1) in paragraph (1)—

20 (A) in subparagraph (A), by striking
21 “and” at the end;

22 (B) in subparagraph (B), by striking
23 “and” at the end; and

24 (C) by adding at the end the following:

1 “(C) information regarding how the ex-
2 pected expenditures of the grant are related to
3 the planning process for localities funded under
4 part A (including the planning process de-
5 scribed in section 2602) and for States funded
6 under part B (including the planning process
7 described in section 2617(b)); and

8 “(D) a specification of the expected ex-
9 penditures and how those expenditures will im-
10 prove overall client outcomes, as described in
11 the State plan under section 2617(b);”;

12 (2) in paragraph (2), by striking the period and
13 inserting a semicolon; and

14 (3) by adding at the end the following:

15 “(3) the applicant agrees to provide additional
16 documentation to the Secretary regarding the proc-
17 ess used to obtain community input into the design
18 and implementation of activities related to such
19 grant; and

20 “(4) the applicant agrees to submit, every 2
21 years, to the lead State agency under section
22 2617(b)(4) audits, consistent with Office of Manage-
23 ment and Budget circular A133, regarding funds ex-
24 pended in accordance with this title and shall in-
25 clude necessary client level data to complete unmet

1 need calculations and Statewide coordinated state-
 2 ments of need process.”.

3 (c) PAYER OF LAST RESORT.—Section 2664(f)(1)(A)
 4 of the Public Health Service Act (42 U.S.C. 300ff-
 5 64(f)(1)(A)) is amended by inserting “(except for a pro-
 6 gram administered by or providing the services of the In-
 7 dian Health Service)” before the semicolon.

8 **TITLE IV—WOMEN, INFANTS,**
 9 **CHILDREN, AND YOUTH**

10 **SEC. 401. WOMEN, INFANTS, CHILDREN, AND YOUTH.**

11 Part D of title XXVI of the Public Health Service
 12 Act (42 U.S.C. 300ff-71 et seq.) is amended to read as
 13 follows:

14 **“PART D—WOMEN, INFANTS, CHILDREN, AND**
 15 **YOUTH**

16 **“SEC. 2671. GRANTS FOR COORDINATED SERVICES AND AC-**
 17 **CESS TO RESEARCH FOR WOMEN, INFANTS,**
 18 **CHILDREN, AND YOUTH.**

19 “(a) IN GENERAL.—The Secretary, acting through
 20 the Administrator of the Health Resources and Services
 21 Administration, shall award grants to public and nonprofit
 22 private entities (including a health facility operated by or
 23 pursuant to a contract with the Indian Health Service)
 24 for the purpose of providing family-centered care involving
 25 outpatient or ambulatory care (directly or through con-

1 tracts) for women, infants, children, and youth with HIV/
2 AIDS.

3 “(b) ADDITIONAL SERVICES FOR PATIENTS AND
4 FAMILIES.—Funds provided under grants awarded under
5 subsection (a) may be used for the following support serv-
6 ices:

7 “(1) Family-centered care including case man-
8 agement.

9 “(2) Referrals for additional services includ-
10 ing—

11 “(A) referrals for inpatient hospital serv-
12 ices, treatment for substance abuse, and mental
13 health services; and

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

16 “(3) Additional services necessary to enable the
17 patient and the family to participate in the program
18 established by the applicant pursuant to such sub-
19 section including services designed to recruit and re-
20 tain youth with HIV.

21 “(4) The provision of information and edu-
22 cation on opportunities to participate in HIV/AIDS-
23 related clinical research.

24 “(c) COORDINATION WITH OTHER ENTITIES.—A
25 grant awarded under subsection (a) may be made only if

1 the applicant provides an agreement that includes the fol-
2 lowing:

3 “(1) The applicant will coordinate activities
4 under the grant with other providers of health care
5 services under this Act, and under title V of the So-
6 cial Security Act, including programs promoting the
7 reduction and elimination of risk of HIV/AIDS for
8 youth.

9 “(2) The applicant will participate in the state-
10 wide coordinated statement of need under part B
11 (where it has been initiated by the public health
12 agency responsible for administering grants under
13 part B) and in revisions of such statement.

14 “(3) The applicant will every 2 years submit to
15 the lead State agency under section 2617(b)(4) au-
16 dits regarding funds expended in accordance with
17 this title and shall include necessary client-level data
18 to complete unmet need calculations and Statewide
19 coordinated statements of need process.

20 “(d) ADMINISTRATION; APPLICATION.—A grant may
21 only be awarded to an entity under subsection (a) if an
22 application for the grant is submitted to the Secretary and
23 the application is in such form, is made in such manner,
24 and contains such agreements, assurances, and informa-
25 tion as the Secretary determines to be necessary to carry

1 out this section. Such application shall include the fol-
2 lowing:

3 “(1) Information regarding how the expected
4 expenditures of the grant are related to the planning
5 process for localities funded under part A (including
6 the planning process outlined in section 2602) and
7 for States funded under part B (including the plan-
8 ning process outlined in section 2617(b)).

9 “(2) A specification of the expected expendi-
10 tures and how those expenditures will improve over-
11 all patient outcomes, as outlined as part of the State
12 plan (under section 2617(b)) or through additional
13 outcome measures.

14 “(e) ANNUAL REVIEW OF PROGRAMS; EVALUA-
15 TIONS.—

16 “(1) REVIEW REGARDING ACCESS TO AND PAR-
17 TICIPATION IN PROGRAMS.—With respect to a grant
18 under subsection (a) for an entity for a fiscal year,
19 the Secretary shall, not later than 180 days after
20 the end of the fiscal year, provide for the conduct
21 and completion of a review of the operation during
22 the year of the program carried out under such sub-
23 section by the entity. The purpose of such review
24 shall be the development of recommendations, as ap-
25 propriate, for improvements in the following:

1 “(A) Procedures used by the entity to allo-
2 cate opportunities and services under subsection
3 (a) among patients of the entity who are
4 women, infants, children, or youth.

5 “(B) Other procedures or policies of the
6 entity regarding the participation of such indi-
7 viduals in such program.

8 “(2) EVALUATIONS.—The Secretary shall, di-
9 rectly or through contracts with public and private
10 entities, provide for evaluations of programs carried
11 out pursuant to subsection (a).

12 “(f) ADMINISTRATIVE EXPENSES.—

13 “(1) LIMITATION.—A grantee may not use
14 more than 10 percent of amounts received under a
15 grant awarded under this section for administrative
16 expenses.

17 “(2) CLINICAL QUALITY MANAGEMENT PRO-
18 GRAM.—A grantee under this section shall imple-
19 ment a clinical quality management program to as-
20 sess the extent to which HIV health services pro-
21 vided to patients under the grant are consistent with
22 the most recent Public Health Service guidelines for
23 the treatment of HIV/AIDS and related opportu-
24 nistic infection, and as applicable, to develop strate-
25 gies for ensuring that such services are consistent

1 with the guidelines for improvement in the access to
2 and quality of HIV health services.

3 “(g) TRAINING AND TECHNICAL ASSISTANCE.—

4 From the amounts appropriated under subsection (i) for
5 a fiscal year, the Secretary may use not more than 5 per-
6 cent to provide, directly or through contracts with public
7 and private entities (which may include grantees under
8 subsection (a)), training and technical assistance to assist
9 applicants and grantees under subsection (a) in complying
10 with the requirements of this section.

11 “(h) DEFINITIONS.—In this section:

12 “(1) ADMINISTRATIVE EXPENSES.—The term
13 ‘administrative expenses’ means funds that are to be
14 used by grantees for grant management and moni-
15 toring activities, including costs related to any staff
16 or activity unrelated to services or indirect costs.

17 “(2) INDIRECT COSTS.—The term ‘indirect
18 costs’ means costs included in a Federally negotiated
19 indirect rate.

20 “(3) SERVICES.—The term ‘services’ means—

21 “(A) services that are provided to clients to
22 meet the goals and objectives of the program
23 under this section, including the provision of
24 professional, diagnostic, and therapeutic serv-

1 ices by a primary care provider or a referral to
2 and provision of specialty care; and

3 “(B) services that sustain program activity
4 and contribute to or help improve services
5 under subparagraph (A).

6 “(i) AUTHORIZATION OF APPROPRIATIONS.—For the
7 purpose of carrying out this section, there are authorized
8 to be appropriated, \$71,800,000 for each of the fiscal
9 years 2007 through 2011.”.

10 **SEC. 402. GAO REPORT.**

11 Not later than 24 months after the date of enactment
12 of this Act, the Comptroller General of the Government
13 Accountability Office shall conduct an evaluation, and sub-
14 mit to Congress a report, concerning the funding provided
15 for under part D of title XXVI of the Public Health Serv-
16 ice Act to determine—

17 (1) how funds are used to provide the adminis-
18 trative expenses, indirect costs, and services, as de-
19 fined in section 2671(h) of such title, for individuals
20 with HIV/AIDS;

21 (2) how funds are used to provide the adminis-
22 trative expenses, indirect costs, and services, as de-
23 fined in section 2671(h) of such title, to family
24 members of women, infants, children, and youth in-
25 fected with HIV/AIDS;

1 (3) how funds are used to provide family-cen-
2 tered care involving outpatient or ambulatory care
3 authorized under section 2671(a) of such title;

4 (4) how funds are used to provide additional
5 services authorized under section 2671(b) of such
6 title; and

7 (5) how funds are used to help identify HIV-
8 positive pregnant women and their children who are
9 exposed to HIV and connect them with care that can
10 improve their health and prevent perinatal trans-
11 mission.

12 **TITLE V—GENERAL PROVISIONS**

13 **SEC. 501. GENERAL PROVISIONS.**

14 Part E of title XXVI of the Public Health Service
15 Act (42 U.S.C. 300ff-80 et seq.) is amended to read as
16 follows:

17 **“PART E—GENERAL PROVISIONS**

18 **“SEC. 2681. COORDINATION.**

19 “(a) REQUIREMENT.—The Secretary shall ensure
20 that the Health Resources and Services Administration,
21 the Centers for Disease Control and Prevention, the Sub-
22 stance Abuse and Mental Health Services Administration,
23 and the Centers for Medicare & Medicaid Services coordi-
24 nate the planning, funding, and implementation of Federal
25 HIV programs (including all minority AIDS initiatives of

1 the Public Health Service, including under section 2693)
2 to enhance the continuity of care and prevention services
3 for individuals with HIV/AIDS or those at risk of such
4 disease. The Secretary shall consult with other Federal
5 agencies, including the Department of Veterans Affairs,
6 as needed and utilize planning information submitted to
7 such agencies by the States and entities eligible for assist-
8 ance under this title.

9 “(b) REPORT.—The Secretary shall biennially pre-
10 pare and submit to the appropriate committees of the Con-
11 gress a report concerning the coordination efforts at the
12 Federal, State, and local levels described in this section,
13 including a description of Federal barriers to HIV pro-
14 gram integration and a strategy for eliminating such bar-
15 riers and enhancing the continuity of care and prevention
16 services for individuals with HIV/AIDS or those at risk
17 of such disease.

18 “(c) INTEGRATION BY STATE.—As a condition of re-
19 ceipt of funds under this title, a State shall provide assur-
20 ances to the Secretary that health support services funded
21 under this title will be integrated with other such services,
22 that programs will be coordinated with other available pro-
23 grams (including Medicaid), and that the continuity of
24 care and prevention services of individuals with HIV/AIDS
25 is enhanced.

1 “(d) INTEGRATION BY LOCAL OR PRIVATE ENTI-
2 TIES.—As a condition of receipt of funds under this title,
3 a local government or private nonprofit entity shall provide
4 assurances to the Secretary that services funded under
5 this title will be integrated with other such services, that
6 programs will be coordinated with other available pro-
7 grams (including Medicaid), and that the continuity of
8 care and prevention services of individuals with HIV is
9 enhanced.

10 **“SEC. 2682. AUDITS.**

11 “(a) IN GENERAL.—For fiscal year 2009, and each
12 subsequent fiscal year, the Secretary may reduce the
13 amounts of grants under this title to a State or political
14 subdivision of a State for a fiscal year if, with respect to
15 such grants for the second preceding fiscal year, the State
16 or subdivision fails to prepare audits in accordance with
17 the procedures of section 7502 of title 31, United States
18 Code. The Secretary shall annually select representative
19 samples of such audits, prepare summaries of the selected
20 audits, and submit the summaries to the Congress.

21 “(b) POSTING ON THE INTERNET.—All audits that
22 the Secretary receives from the State lead agency under
23 section 2617(b)(4) shall be posted, in their entirety, on
24 the Internet website of the Health Resources and Services
25 Administration.

1 **“SEC. 2683. PUBLIC HEALTH EMERGENCY.**

2 “(a) IN GENERAL.—In an emergency area and dur-
3 ing an emergency period, the Secretary shall have the au-
4 thority to waive such requirements of this title to improve
5 the health and safety of those receiving care under this
6 title and the general public, except that the Secretary may
7 not expend more than 5 percent of the funds allocated
8 under this title for sections 2620 and section 2603(b).

9 “(b) EMERGENCY AREA AND EMERGENCY PE-
10 RIOD.—In this section:

11 “(1) EMERGENCY AREA.—The term ‘emergency
12 area’ means a geographic area in which there ex-
13 ists—

14 “(A) an emergency or disaster declared by
15 the President pursuant to the National Emer-
16 gencies Act or the Robert T. Stafford Disaster
17 Relief and Emergency Assistance Act; or

18 “(B) a public health emergency declared
19 by the Secretary pursuant to section 319.

20 “(2) EMERGENCY PERIOD.—The term ‘emer-
21 gency period’ means the period in which there ex-
22 ists—

23 “(A) an emergency or disaster declared by
24 the President pursuant to the National Emer-
25 gencies Act or the Robert T. Stafford Disaster
26 Relief and Emergency Assistance Act; or

1 “(B) a public health emergency declared
2 by the Secretary pursuant to section 319.

3 “(c) UNOBLIGATED FUNDS.—If funds under a grant
4 under this section are not expended for an emergency in
5 the fiscal year in which the emergency is declared, such
6 funds shall be returned to the Secretary for reallocation
7 under sections 2603(b) and 2620.

8 **“SEC. 2684. PROHIBITION ON PROMOTION OF CERTAIN AC-**
9 **TIVITIES.**

10 “None of the funds appropriated under this title shall
11 be used to fund AIDS programs, or to develop materials,
12 designed to promote or encourage, directly, intravenous
13 drug use or sexual activity, whether homosexual or hetero-
14 sexual. Funds authorized under this title may be used to
15 provide medical treatment and support services for indi-
16 viduals with HIV.

17 **“SEC. 2685. PRIVACY PROTECTIONS.**

18 “(a) IN GENERAL.—The Secretary shall ensure that
19 any information submitted to, or collected by, the Sec-
20 retary under this title excludes any personally identifiable
21 information.

22 “(b) DEFINITION.—In this section, the term ‘person-
23 ally identifiable information’ has the meaning given such
24 term under the regulations promulgated under section

1 264(c) of the Health Insurance Portability and Account-
2 ability Act of 1996.

3 **“SEC. 2686. GAO REPORT.**

4 “The Comptroller General of the Government Ac-
5 countability Office shall biennially submit to the appro-
6 priate committees of Congress a report that includes a de-
7 scription of Federal, State, and local barriers to HIV pro-
8 gram integration, particularly for racial and ethnic minori-
9 ties, including activities carried out under subpart III of
10 part F, and recommendations for enhancing the continuity
11 of care and the provision of prevention services for individ-
12 uals with HIV/AIDS or those at risk for such disease.
13 Such report shall include a demonstration of the manner
14 in which funds under this subpart are being expended and
15 to what extent the services provided with such funds in-
16 crease access to prevention and care services for individ-
17 uals with HIV/AIDS and build stronger community link-
18 ages to address HIV prevention and care for racial and
19 ethnic minority communities.

20 **“SEC. 2687. DEFINITIONS.**

21 “For purposes of this title:

22 “(1) AIDS.—The term ‘AIDS’ means acquired
23 immune deficiency syndrome.

24 “(2) CO-OCCURRING CONDITIONS.—The term
25 ‘co-occurring conditions’ means one or more adverse

1 health conditions in an individual with HIV/AIDS,
2 without regard to whether the individual has AIDS
3 and without regard to whether the conditions arise
4 from HIV.

5 “(3) COUNSELING.—The term ‘counseling’
6 means such counseling provided by an individual
7 trained to provide such counseling.

8 “(4) FAMILY-CENTERED CARE.—The term
9 ‘family-centered care’ means the system of services
10 described in this title that is targeted specifically to
11 the special needs of infants, children, women and
12 families. Family-centered care shall be based on a
13 partnership between parents, professionals, and the
14 community designed to ensure an integrated, coordi-
15 nated, culturally sensitive, and community-based
16 continuum of care for children, women, and families
17 with HIV/AIDS.

18 “(5) FAMILIES WITH HIV/AIDS.—The term
19 ‘families with HIV/AIDS’ means families in which
20 one or more members have HIV/AIDS.

21 “(6) HIV.—The term ‘HIV’ means infection
22 with the human immunodeficiency virus.

23 “(7) HIV/AIDS.—

1 “(A) IN GENERAL.—The term ‘HIV/AIDS’
2 means HIV, and includes AIDS and any condi-
3 tion arising from AIDS.

4 “(B) COUNTING OF CASES.—The term ‘liv-
5 ing cases of HIV/AIDS’, with respect to the
6 counting of cases in a geographic area during
7 a period of time, means the sum of—

8 “(i) the number of living non-AIDS
9 cases of HIV in the area; and

10 “(ii) the number of living cases of
11 AIDS in the area.

12 “(C) NON-AIDS CASES.—The term ‘non-
13 AIDS’, with respect to a case of HIV, means
14 that the individual involved has HIV but does
15 not have AIDS.

16 “(8) HUMAN IMMUNODEFICIENCY VIRUS.—The
17 term ‘human immunodeficiency virus’ means the
18 etiologic agent for AIDS.

19 “(9) OFFICIAL POVERTY LINE.—The term ‘offi-
20 cial poverty line’ means the poverty line established
21 by the Director of the Office of Management and
22 Budget and revised by the Secretary in accordance
23 with section 673(2) of the Omnibus Budget Rec-
24 onciliation Act of 1981.

1 “(10) PERSON.—The term ‘person’ includes one
2 or more individuals, governments (including the
3 Federal Government and the governments of the
4 States), governmental agencies, political subdivi-
5 sions, labor unions, partnerships, associations, cor-
6 porations, legal representatives, mutual companies,
7 joint-stock companies, trusts, unincorporated organi-
8 zations, receivers, trustees, and trustees in cases
9 under title 11, United States Code.

10 “(11) STATE.—

11 “(A) IN GENERAL.—The term ‘State’
12 means each of the 50 States, the District of Co-
13 lumbia, and each of the territories.

14 “(B) TERRITORIES.—The term ‘territory’
15 means each of American Samoa, Guam, the
16 Commonwealth of Puerto Rico, the Common-
17 wealth of the Northern Mariana Islands, the
18 Virgin Islands, the Republic of the Marshall Is-
19 lands, the Federated States of Micronesia, and
20 Palau.

21 “(12) YOUTH WITH HIV.—The term ‘youth with
22 HIV’ means individuals who are 13 through 24
23 years old and who have HIV/AIDS.”.

1 **TITLE VI—DEMONSTRATION**
2 **AND TRAINING**

3 **SEC. 601. DEMONSTRATION AND TRAINING.**

4 Subpart I of part F of title XXVI of the Public
5 Health Service Act (42 U.S.C. 300ff-101 et seq.) is
6 amended to read as follows:

7 **“Subpart I—Special Projects of National Significance**

8 **“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFI-**
9 **CANCE.**

10 “(a) IN GENERAL.—Of the amount appropriated
11 under each of parts A, B, C, and D for each fiscal year,
12 the Secretary shall use the greater of \$20,000,000 or an
13 amount equal to 3 percent of such amount appropriated
14 under each such part, but not to exceed \$25,000,000, to
15 administer special projects of national significance to—

16 “(1) quickly respond to emerging needs of indi-
17 viduals receiving assistance under this title; and

18 “(2) to fund special programs to develop a
19 standard electronic client information data system to
20 improve the ability of grantees under this title to re-
21 port client-level data to the Secretary.

22 “(b) GRANTS.—The Secretary shall award grants
23 under subsection (a) to entities eligible for funding under
24 parts A, B, C, and D based on—

1 “(1) whether the funding will promote obtaining cli-
2 ent level data as it relates to the creation of a severity
3 of need index under section 2618(a)(2)(E), including
4 funds to facilitate the purchase and enhance the utilization
5 of qualified health information technology systems;

6 “(2) demonstrated ability to create and maintain a
7 qualified health information technology system;

8 “(3) the potential replicability of the proposed activ-
9 ity in other similar localities or nationally;

10 “(4) the demonstrated reliability of the proposed
11 qualified health information technology system across a
12 variety of providers, geographic regions, and clients; and

13 “(5) the demonstrated ability to maintain a safe and
14 secure qualified health information system; or

15 “(6) newly emerging needs of individuals receiving as-
16 sistance under this title.

17 “(c) COORDINATION.—The Secretary may not make
18 a grant under this section unless the applicant submits
19 evidence that the proposed program is consistent with the
20 statewide coordinated statement of need, and the appli-
21 cant agrees to participate in the ongoing revision process
22 of such statement of need.

23 “(d) PRIVACY PROTECTION.—The Secretary may not
24 make a grant under this section for the development of
25 a qualified health information technology system unless

1 the applicant provides assurances to the Secretary that the
2 system will, at a minimum, comply with the privacy regu-
3 lations promulgated under section 264(c) of the Health
4 Insurance Portability and Accountability Act of 1996.

5 “(e) REPLICATION.—The Secretary shall make infor-
6 mation concerning successful models or programs devel-
7 oped under this part available to grantees under this title
8 for the purpose of coordination, replication, and integra-
9 tion. To facilitate efforts under this subsection, the Sec-
10 retary may provide for peer-based technical assistance for
11 grantees funded under this part.”.

12 **SEC. 602. AIDS EDUCATION AND TRAINING CENTERS.**

13 (a) AMENDMENTS REGARDING SCHOOLS AND CEN-
14 TERS.—Section 2692(a)(2) of the Public Health Service
15 Act (42 U.S.C. 300ff-111(a)(2)) is amended—

16 (1) in subparagraph (A)—

17 (A) by inserting “and Native Americans”
18 after “minority individuals”; and

19 (B) by striking “and” at the end;

20 (2) in subparagraph (B), by striking the period
21 and inserting “; and”; and

22 (3) by adding at the end the following:

23 “(C) train or result in the training of
24 health professionals and allied health profes-

1 sionals to provide treatment for hepatitis B or
2 C co-infected individuals.”.

3 (b) AUTHORIZATIONS OF APPROPRIATIONS FOR
4 SCHOOLS, CENTERS, AND DENTAL PROGRAMS.—Section
5 2692(c) of the Public Health Service Act (42 U.S.C.
6 300ff-111(c)) is amended to read as follows:

7 “(c) AUTHORIZATION OF APPROPRIATIONS.—

8 “(1) SCHOOLS; CENTERS.—For the purpose of
9 awarding grants under subsection (a), there is au-
10 thorized to be appropriated \$34,700,000 for each of
11 the fiscal years 2007 through 2011.

12 “(2) DENTAL SCHOOLS.—For the purpose of
13 awarding grants under subsection (b), there is au-
14 thorized to be appropriated \$13,000,000 for each of
15 the fiscal years 2007 through 2011.”.

16 **SEC. 603. CODIFICATION OF MINORITY AIDS INITIATIVE.**

17 Part F of title XXVI of the Public Health Service
18 Act (42 U.S.C. 300ff-101 et seq.) is amended by adding
19 at the end the following:

20 **“Subpart III—Minority AIDS Initiative**

21 **“SEC. 2693. MINORITY AIDS INITIATIVE.**

22 “(a) IN GENERAL.—For the purpose of carrying out
23 activities under this section to evaluate and address the
24 disproportionate impact of HIV/AIDS on, and the dispari-
25 ties in access, treatment, care, and outcomes for, racial

1 and ethnic minorities (including African Americans, Alas-
2 ka Natives, Latinos, American Indians, Asian Americans,
3 Native Hawaiians, and Pacific Islanders), there are au-
4 thorized to be appropriated \$131,200,000 for fiscal year
5 2007, \$135,100,000 for fiscal year 2008, \$139,100,000
6 for fiscal year 2009, \$143,200,000 for fiscal year 2010,
7 and \$147,500,000 for fiscal year 2011.

8 “(b) CERTAIN ACTIVITIES.—

9 “(1) IN GENERAL.—In carrying out the purpose
10 described in subsection (a), the Secretary shall pro-
11 vide for—

12 “(A) emergency assistance under part A;

13 “(B) care grants under part B;

14 “(C) early intervention services under part
15 C;

16 “(D) services through projects for HIV-re-
17 lated care under part D; and

18 “(E) activities through education and
19 training centers under section 2692.

20 “(2) ALLOCATIONS AMONG ACTIVITIES.—Activi-
21 ties under paragraph (1) shall be carried out by the
22 Secretary in accordance with the following:

23 “(A) For competitive, supplemental grants
24 to improve HIV-related health outcomes to re-
25 duce existing racial and ethnic health dispari-

1 ties, the Secretary shall, of the amount appro-
2 priated under subsection (a) for a fiscal year,
3 reserve the following, as applicable:

4 “(i) For fiscal year 2007,
5 \$43,800,000.

6 “(ii) For fiscal year 2008,
7 \$45,400,000.

8 “(iii) For fiscal year 2009,
9 \$47,100,000.

10 “(iv) For fiscal year 2010,
11 \$48,800,000.

12 “(v) For fiscal year 2011,
13 \$50,700,000.

14 “(B) For competitive grants used for sup-
15 plemental support education and outreach serv-
16 ices to increase the number of eligible racial
17 and ethnic minorities who have access to treat-
18 ment through the program under section 2616
19 for therapeutics, the Secretary shall, of the
20 amount appropriated for a fiscal year under
21 subsection (a), reserve the following, as applica-
22 ble:

23 “(i) For fiscal year 2007, \$7,000,000.

24 “(ii) For fiscal year 2008,
25 \$7,300,000.

1 “(iii) For fiscal year 2009,
2 \$7,500,000.

3 “(iv) For fiscal year 2010,
4 \$7,800,000.

5 “(v) For fiscal year 2011, \$8,100,000.

6 “(C) For planning grants, capacity-build-
7 ing grants, and services grants to health care
8 providers who have a history of providing cul-
9 turally and linguistically appropriate care and
10 services to racial and ethnic minorities, the Sec-
11 retary shall, of the amount appropriated for a
12 fiscal year under subsection (a), reserve the fol-
13 lowing, as applicable:

14 “(i) For fiscal year 2007,
15 \$53,400,000.

16 “(ii) For fiscal year 2008,
17 \$55,400,000.

18 “(iii) For fiscal year 2009,
19 \$57,400,000.

20 “(iv) For fiscal year 2010,
21 \$59,500,000.

22 “(v) For fiscal year 2011,
23 \$61,800,000.

24 “(D) For eliminating racial and ethnic dis-
25 parities in the delivery of comprehensive, cul-

1 turally and linguistically appropriate care serv-
2 ices for HIV disease for women, infants, chil-
3 dren, and youth, the Secretary shall, of the
4 amount appropriated under subsection (a), re-
5 serve \$18,500,000 for each of the fiscal years
6 2007 through 2011.

7 “(E) For increasing the training capacity
8 of centers to expand the number of health care
9 professionals with treatment expertise and
10 knowledge about the most appropriate stand-
11 ards of HIV disease-related treatments and
12 medical care for racial and ethnic minority
13 adults, adolescents, and children with HIV dis-
14 ease, the Secretary shall, of the amount appro-
15 priated under subsection (a), reserve
16 \$8,500,000 for each of the fiscal years 2007
17 through 2011.

18 “(c) CONSISTENCY WITH PRIOR PROGRAM.—With
19 respect to the purpose described in subsection (a), the Sec-
20 retary shall carry out this section consistent with the ac-
21 tivities carried out under this title by the Secretary pursu-
22 ant to the Departments of Labor, Health and Human
23 Services, and Education, and Related Agencies Appropria-
24 tions Act, 2002 (Public Law 107–116).”.

1 **TITLE VII—MISCELLANEOUS**
2 **PROVISIONS**

3 **SEC. 701. HEPATITIS; USE OF FUNDS.**

4 Section 2667 of the Public Health Service Act (42
5 U.S.C. 300ff-67) is amended—

6 (1) in paragraph (2), by striking “and” at the
7 end;

8 (2) in paragraph (3), by striking the period and
9 inserting “; and”; and

10 (3) by adding at the end the following:

11 “(4) shall provide information on the trans-
12 mission and prevention of hepatitis A, B, and C, in-
13 cluding education about the availability of hepatitis
14 A and B vaccines and assisting patients in identi-
15 fying vaccination sites.”.

16 **SEC. 702. CERTAIN REFERENCES.**

17 Title XXVI of the Public Health Service Act (42
18 U.S.C. 300ff et seq.) is amended—

19 (1) by striking “acquired immune deficiency
20 syndrome” each place such term appears, other than
21 in section 2687(1) (as added by section 501 of this
22 Act), and inserting “AIDS”;

23 (2) by striking “such syndrome” and inserting
24 “AIDS”; and

1 (3) by striking “HIV disease” each place such
2 term appears and inserting “HIV/AIDS”.

 Passed the House of Representatives September 28,
2006.

Attest:

KAREN L. HAAS,

Clerk.