

110TH CONGRESS
1ST SESSION

S. 896

To amend the Public Health Service Act and the Social Security Act to increase the number of primary care physicians and medical residents serving health professional shortage areas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 15, 2007

Ms. MURKOWSKI (for herself, Mr. SCHUMER, Mr. STEVENS, and Mr. SANDERS) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act and the Social Security Act to increase the number of primary care physicians and medical residents serving health professional shortage areas, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Physician Shortage
5 Elimination Act of 2007”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

1 (1) The average life expectancy in the United
2 States has increased to 80 years of age, causing an
3 ever-increasing demand for medical care.

4 (2) Medical school enrollment numbers have
5 been virtually stagnant for the last 25 years.

6 (3) During the last 20 years, median tuition
7 and fees at medical schools have increased by 229
8 percent (122 percent adjusted for inflation) in pri-
9 vate schools and by 479 percent (256 percent ad-
10 justed for inflation) in public schools.

11 (4) The Association of American Medical Col-
12 leges, in its Statement on the Physician Workforce,
13 dated June, 2006, called for an increase of 1,500
14 National Health Service Corps program awards per
15 year to help meet the need for physicians caring for
16 underserved populations and to help address rising
17 medical student indebtedness.

18 (5) The National Health Service Corps program
19 has a proven record of supplying physicians to un-
20 derserved areas, and has played an important role in
21 expanding access for underserved populations in
22 rural and inner city communities.

23 (6) Continued expansion of the National Health
24 Service Corps program is strongly recommended.

1 (7) The growing debt incurred by graduating
2 medical students is likely to increase the interest
3 and willingness of graduates of United States med-
4 ical schools to apply for National Health Service
5 Corps program funding and awards.

6 (8) One-third (250,000) of active physicians are
7 over the age of 55 and are likely to retire in the next
8 ten years, while the population will have increased
9 by 24 percent. These demographic changes will
10 cause the population-to-physician ratio to peak by
11 the year 2020.

12 (9) In 2005, the Council on Graduate Medical
13 Education stated in a report to Congress that there
14 will be a shortage of not fewer than 90,000 full-time
15 physicians by 2020.

16 (10) A decrease in Federal spending to carry
17 out programs authorized by title VII of the Public
18 Health Service Act threatens the viability of pro-
19 grams used to solve the problem of inadequate ac-
20 cess to health care.

21 (11) A continuing decline in the number of pri-
22 mary care physicians will lead to increased shortages
23 of health care access in rural America.

24 (12) There is a declining ability to recruit
25 qualified medical students from rural and under-

1 served areas, coupled with greater difficulty on the
2 part of community health centers and other clinics
3 to attract adequate personnel.

4 (13) Individuals in many geographic areas, es-
5 pecially rural areas, lack adequate access to high
6 quality preventive, primary and specialty health care,
7 contributing to significant health disparities that im-
8 pair America's public health and economic produc-
9 tivity.

10 (14) Barriers to adequate access most acutely
11 affect community-based health care safety-net pro-
12 viders, including Community and Migrant Health
13 Centers, Native American health centers, Rural
14 Health Clinics, Critical Access Hospitals, public
15 health departments, and their patients.

16 (15) Area Health Education Centers and
17 Health Education Training Centers provide a na-
18 tional network of community-based and governed en-
19 tities, linked to community resources and academic
20 centers, that provide an infrastructure to facilitate
21 and implement partnerships and programs that suc-
22 cessfully address each of these barriers, respond to
23 the health needs of underserved communities and
24 populations, and use educational interventions to re-
25 duce health disparities.

1 (16) A collaborative process is needed between
 2 hospitals and non-hospital settings to maximize the
 3 potential of non-hospital health care training.

4 **SEC. 3. AMENDMENTS TO THE PUBLIC HEALTH SERVICE**
 5 **ACT.**

6 (a) REAUTHORIZATION OF NATIONAL HEALTH
 7 SERVICE CORPS SCHOLARSHIP PROGRAM AND LOAN RE-
 8 PAYMENT PROGRAM.—

9 (1) REAUTHORIZATION OF APPROPRIATIONS.—

10 Section 338H(a) of the Public Health Service Act
 11 (42 U.S.C. 254q(a)) is amended by striking
 12 “\$146,250,000” and all that follows through the pe-
 13 riod and inserting “\$300,000,000 for each of fiscal
 14 years 2008 through 2012.”.

15 (2) SCHOLARSHIPS FOR MEDICAL STUDENTS.—

16 Section 338H of such Act is further amended by
 17 adding at the end the following:

18 “(d) SCHOLARSHIPS FOR MEDICAL STUDENTS.—For
 19 contracts for scholarships under this subpart to individ-
 20 uals who are accepted for enrollment, or enrolled, in a
 21 course of study or program described in section
 22 338A(b)(1)(B) that leads to a degree in medicine or osteo-
 23 pathic medicine, the Secretary shall, of the amounts ap-
 24 propriated under subsection (a) for a fiscal year, obligate

1 the greater of 10 percent or such amount as necessary
 2 to fund ongoing activities related to such contracts.”.

3 (b) REAUTHORIZATION OF CERTAIN PROGRAMS PRO-
 4 VIDING GRANTS FOR HEALTH PROFESSIONS TRAINING
 5 FOR DIVERSITY.—

6 (1) GRANTS FOR CENTERS OF EXCELLENCE.—

7 Section 736(h)(1) of the Public Health Service Act
 8 (42 U.S.C. 293(h)(1)) is amended by striking
 9 “\$26,000,000” and all that follows through “2002”
 10 and inserting “\$33,610,000 for each of fiscal years
 11 2008 through 2012”.

12 (2) EDUCATIONAL ASSISTANCE FOR INDIVID-
 13 UALS FROM DISADVANTAGED BACKGROUNDS.—Sec-
 14 tion 740(e) of such Act (42 U.S.C. 293d(e)) is
 15 amended by striking “\$29,400,000” and all that fol-
 16 lows through the period and inserting “\$35,650,000
 17 for each of fiscal years 2008 through 2012.”.

18 (c) EXPANSION OF RESIDENCY TRAINING PROGRAMS
 19 AND PRIMARY CARE SERVICES OFFERED BY COMMUNITY
 20 HEALTH CENTERS.—Part C of title VII of the Public
 21 Health Service Act (42 U.S.C. 293k et seq.) is amended—

22 (1) by adding before section 747 the following:

23 **“Subpart I—In General”; and**

24 (2) by adding after section 748 the following:

“Subpart II—Additional Programs

**“SEC. 749. GRANTS TO EXPAND MEDICAL RESIDENCY
TRAINING PROGRAMS AT COMMUNITY
HEALTH CENTERS.**

“(a) PROGRAM AUTHORIZED.—The Secretary may make grants to community health centers—

“(1) to establish, at the centers, new or alternative-campus accredited medical residency training programs affiliated with a hospital or other health care facility; or

“(2) to fund new residency positions within existing accredited medical residency training programs at the centers and their affiliated partners.

“(b) USE OF FUNDS.—Amounts from a grant under this section shall be used to cover the costs of establishing or expanding a medical residency training program described in subsection (a), including costs associated with—

“(1) curriculum development;

“(2) equipment acquisition;

“(3) recruitment, training, and retention of residents and faculty; and

“(4) residency stipends.

“(c) APPLICATIONS.—A community health center seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

1 “(d) PREFERENCE.—In selecting recipients for a
2 grant under this section, the Secretary shall give pref-
3 erence to funding medical residency training programs fo-
4 cusing on primary health care.

5 “(e) DEFINITION.—In this section:

6 “(1) The term ‘accredited’, as applied to a new
7 or alternative-campus medical residency training
8 program, means a program that is accredited by a
9 recognized body or bodies approved for such purpose
10 by the Accreditation Council for Graduate Medical
11 Education, except that a new medical residency
12 training program that, by reason of an insufficient
13 period of operation, is not eligible for accreditation
14 on or before the date of submission of an application
15 under subsection (c) shall be deemed accredited if
16 the Accreditation Council for Graduate Medical
17 Education finds, after consultation with the appro-
18 priate accreditation body or bodies, that there is rea-
19 sonable assurance that the program will meet the ac-
20 creditation standards of such body or bodies prior to
21 the date of graduation of the first entering class in
22 that program.

23 “(2) The term ‘community health center’ means
24 a health center as defined in section 330.

1 **“SEC. 749A. GRANTS TO IMPROVE DELIVERY OF PRIMARY**
 2 **CARE SERVICES IN COMMUNITY HEALTH**
 3 **CENTERS.**

4 “(a) PRIMARY CARE ACCESS GRANTS.—

5 “(1) PROGRAM AUTHORIZED.—The Secretary,
 6 acting through the Administrator of the Health Re-
 7 sources and Services Administration, may make
 8 grants to community health centers for the purpose
 9 of increasing the number of medical service pro-
 10 viders associated with such centers.

11 “(2) GRANTS.—A recipient of a grant under
 12 this subsection shall be eligible to receive such
 13 grants for a total of 5 fiscal years.

14 “(3) USE OF FUNDS.—A recipient of a grant
 15 under this subsection shall use amounts from the
 16 grant for one or more of the following activities:

17 “(A) To recruit residents for medical resi-
 18 dency training programs at the community
 19 health center.

20 “(B) To establish a multi-community phy-
 21 sician mentoring program to encourage upper
 22 level residents to remain in the State in which
 23 the community health center and medical resi-
 24 dency training program are located.

1 “(C) To enter into contracts for technical
2 assistance for the purpose of recruiting or re-
3 taining primary health care staff.

4 “(D) To enter into contracts for technical
5 assistance in preparing contracts with local pro-
6 viders of primary health care to provide services
7 for medically underserved communities.

8 “(4) APPLICATION.—A community health cen-
9 ter seeking a grant under this subsection shall sub-
10 mit an application to the Secretary at such time, in
11 such manner, and containing such information as
12 the Secretary may require.

13 “(b) GRANTS FOR PRIMARY CARE FACILITY CAPITAL
14 EXPENDITURES.—

15 “(1) PROGRAM AUTHORIZED.—The Secretary,
16 acting through the Administrator of the Health Re-
17 sources and Services Administration, may make
18 grants to community health centers for the purpose
19 of increasing primary health care capabilities
20 through the construction, expansion, or renovation
21 of facilities.

22 “(2) GRANTS.—A recipient of a grant under
23 this subsection shall be eligible to receive such
24 grants for a total of 5 fiscal years.

1 “(3) USE OF FUNDS.—A recipient of a grant
2 under this subsection shall use amounts from the
3 grant for one or more of the following activities:

4 “(A) To acquire or lease facilities.

5 “(B) To construct new facilities.

6 “(C) To repair or modernize existing facili-
7 ties.

8 “(D) To purchase or lease medical equip-
9 ment.

10 “(c) DEFINITION.—The term ‘community health cen-
11 ter’ means a health center as defined in section 330.

12 **“SEC. 749B. AUTHORIZATION OF APPROPRIATIONS.**

13 “‘There is authorized to be appropriated
14 \$200,000,000 for fiscal year 2008 and such sums as may
15 be necessary for each fiscal year thereafter to carry out
16 this subpart.’”.

17 (d) INTERDISCIPLINARY, COMMUNITY-BASED PRO-
18 GRAMS.—

19 (1) AREA HEALTH EDUCATION CENTERS.—Sec-
20 tion 751(a) of the Public Health Service Act (42
21 U.S.C. 294a(a)) is amended—

22 (A) in paragraph (1)(A)—

23 (i) in clause (i), by inserting at the
24 end before the semicolon the following: “,

1 with an emphasis on such personnel who
 2 focus on primary care”;

3 (ii) by redesignating clauses (ii)
 4 through (vii) as clauses (iii) through (viii),
 5 respectively; and

6 (iii) by inserting after clause (i) the
 7 following:

8 “(ii) foster and provide community-
 9 based training and education for health
 10 professions students in underserved com-
 11 munities and among underserved popu-
 12 lations, including but not limited to the
 13 National Health Service Corps, community
 14 and migrant health centers, rural health
 15 clinics, critical access hospitals, tribal
 16 health clinics, and public health depart-
 17 ments;”;

18 (B) by adding at the end the following:

19 “(3) POINT OF SERVICE ENHANCEMENT
 20 GRANTS.—

21 “(A) IN GENERAL.—The Secretary may
 22 award grants to entities receiving an award
 23 under paragraph (1) or (2) to improve the ef-
 24 fectiveness of the programs operated by such
 25 entities or to enable the entities to respond to

1 changes affecting such entities arising since the
2 date of the receipt of the award under para-
3 graph (1) or (2).

4 “(B) APPLICATION.—To receive an award
5 under this paragraph, an entity described under
6 subparagraph (A) shall submit to the Secretary
7 an application at such time, in such manner,
8 and containing such information as the Sec-
9 retary may require, including an explanation of
10 the changes affecting such entity arising since
11 the date of the receipt by the entity of the
12 award under paragraph (1) or (2), such as
13 changes in the demographics of the area served,
14 the needs of the population served, and the sit-
15 uations encountered by such population and
16 such entity.”.

17 (2) AUTHORIZATION OF APPROPRIATIONS.—

18 Section 757 of the Public Health Service Act (42
19 U.S.C. 294g) is amended—

20 (A) in subsection (a), by striking
21 “\$55,600,000” and all that follows through
22 “2002” and inserting “\$125,000,000 for fiscal
23 year 2008 and such sums as may be necessary
24 for each of fiscal years 2009 through 2012”;

1 (B) by striking subsection (b) and insert-
 2 ing the following:

3 “(b) ALLOCATION.—

4 “(1) IN GENERAL.—Of the amounts appro-
 5 priated under subsection (a) that the Secretary
 6 makes available for each fiscal year to carry out sec-
 7 tion 751, the Secretary shall obligate—

8 “(A) for awards under paragraph (1) of
 9 section 751(a), not more than 25 percent of
 10 such amounts in each fiscal year; and

11 “(B) for awards under paragraphs (2) and
 12 (3) of section 751(a), not less than 60 percent
 13 of such amounts in each fiscal year.”; and

14 (C) in subsection (c), by—

15 (i) striking the subsection designation
 16 and heading and inserting the following:

17 “(c) SENSE OF THE CONGRESS.—It is the sense of
 18 the Congress that—”.

19 (ii) striking paragraph (1); and

20 (iii) in paragraph (2), by—

21 (I) striking the paragraph des-
 22 ignation and all that follows through
 23 “Congress that—”; and

1 (II) redesignating subparagraphs
 2 (A) and (B) as paragraphs (1) and
 3 (2) and indenting appropriately.

4 **SEC. 4. AMENDMENTS TO THE SOCIAL SECURITY ACT.**

5 (a) CLARIFICATION OF CONGRESSIONAL INTENT RE-
 6 GARDING THE COUNTING OF RESIDENTS IN A NONHOS-
 7 PITAL SETTING.—

8 (1) D—GME.—Section 1886(h)(4)(E) of the So-
 9 cial Security Act (42 U.S.C. 1395ww(h)(4)(E)) is
 10 amended by adding at the end the following new
 11 sentences: “For purposes of the preceding sentence,
 12 the term ‘all, or substantially all, of the costs for the
 13 training program’ means the stipends and benefits
 14 provided to the resident and other amounts, if any,
 15 as determined by the hospital and the entity oper-
 16 ating the nonhospital setting. The hospital is not re-
 17 quired to pay the entity any amounts other than
 18 those determined by the hospital and the entity in
 19 order for the hospital to be considered to have in-
 20 curred all, or substantially all, of the costs for the
 21 training program in that setting.”.

22 (2) IME.—Section 1886(d)(5)(B)(iv) of the So-
 23 cial Security Act (42 U.S.C. 1395ww(d)(5)(B)(iv)) is
 24 amended by adding at the end the following new
 25 sentences: “For purposes of the preceding sentence,

1 the term ‘all, or substantially all, of the costs for the
 2 training program’ means the stipends and benefits
 3 provided to the resident and other amounts, if any,
 4 as determined by the hospital and the entity oper-
 5 ating the nonhospital setting. The hospital is not re-
 6 quired to pay the entity any amounts other than
 7 those determined by the hospital and the entity in
 8 order for the hospital to be considered to have in-
 9 curred all, or substantially all, of the costs for the
 10 training program in that setting.”.

11 (3) EFFECTIVE DATE.—The amendments made
 12 by this subsection shall take effect on January 1,
 13 2008.

14 (b) CLARIFICATION OF ELIGIBILITY OF A NONRURAL
 15 HOSPITAL THAT HAS A TRAINING PROGRAM WITH AN
 16 INTEGRATED RURAL TRACK.—

17 (1) IN GENERAL.—Section 1886(h)(4)(H) of
 18 the Social Security Act (42 U.S.C.
 19 1395ww(h)(4)(H)) is amended—

20 (A) in clause (iv), by inserting “(as defined
 21 in clause (v))” after “an integrated rural
 22 track”; and

23 (B) by adding at the end the following new
 24 clause:

1 “(v) DEFINITION OF ACCREDITED
 2 TRAINING PROGRAM WITH AN INTEGRATED
 3 RURAL TRACK.—For purposes of clause
 4 (iv), the term ‘accredited training program
 5 with an integrated rural track’ means an
 6 accredited medical residency training pro-
 7 gram located in an urban area which offers
 8 a curriculum for all residents in the pro-
 9 gram that includes the following character-
 10 istics:

11 “(I) A minimum of 3 block
 12 months of rural rotations. During
 13 such 3 block months, the resident is
 14 in a rural area for 4 weeks or a
 15 month.

16 “(II) A stated mission for train-
 17 ing rural physicians.

18 “(III) A minimum of 3 months of
 19 obstetrical training, or an equivalent
 20 longitudinal experience.

21 “(IV) A minimum of 4 months of
 22 pediatric training that includes neo-
 23 natal, ambulatory, inpatient, and
 24 emergency experiences through rota-

1 tions, or an equivalent longitudinal ex-
2 perience.

3 “(V) A minimum of 2 months of
4 emergency medicine rotations, or an
5 equivalent longitudinal experience.”.

6 (2) EFFECTIVE DATE.—The amendments made
7 by this subsection apply with respect to—

8 (A) payments to hospitals under section
9 1886(h) of the Social Security Act (42 U.S.C.
10 1395ww(h)) for cost reporting periods begin-
11 ning on or after January 1, 2008; and

12 (B) payments to hospitals under section
13 1886(d)(5)(B)(v) of such Act (42 U.S.C.
14 1395ww(d)(5)(B)(v)) for discharges occurring
15 on or after January 1, 2008.

○