

111TH CONGRESS
1ST SESSION

H. R. 3014

To amend the Small Business Act to provide loan guarantees for the acquisition of health information technology by eligible professionals in solo and small group practices, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 24, 2009

Mrs. DAHLKEMPER (for herself, Mr. ALTMIRE, Mr. SCHRADER, Ms. VELÁZQUEZ, Mr. SHULER, Ms. CLARKE, Mr. ELLSWORTH, and Mr. NYE) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to provide loan guarantees for the acquisition of health information technology by eligible professionals in solo and small group practices, 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 “ Small Business Health
5 Information Technology Financing Act”.

1 **SEC. 2. AMENDMENT OF SMALL BUSINESS ACT.**

2 The Small Business Act is amended by redesignating
3 section 44 as section 45 and by inserting the following
4 new section after section 43:

5 **“SEC. 44. LOAN GUARANTEES FOR HEALTH INFORMATION**
6 **TECHNOLOGY.**

7 “(a) DEFINITIONS.—As used in this section:

8 “(1) The term ‘health information technology’
9 means computer hardware, software, and related
10 technology that supports the meaningful EHR use
11 requirements set forth in section 1848(o)(2)(A) of
12 the Social Security Act (42 U.S.C. 1395w–
13 4(o)(2)(A)) and is purchased by an eligible profes-
14 sional to aid in the provision of health care in a
15 health care setting, including, but not limited to,
16 electronic medical records, and that provides for—

17 “(A) enhancement of continuity of care for
18 patients through electronic storage, trans-
19 mission, and exchange of relevant personal
20 health data and information, such that this in-
21 formation is accessible at the times and places
22 where clinical decisions will be or are likely to
23 be made;

24 “(B) enhancement of communication be-
25 tween patients and health care providers;

1 “(C) improvement of quality measurement
2 by eligible professionals enabling them to col-
3 lect, store, measure, and report on the proc-
4 esses and outcomes of individual and population
5 performance and quality of care;

6 “(D) improvement of evidence-based deci-
7 sion support; or

8 “(E) enhancement of consumer and pa-
9 tient empowerment.

10 Such term shall not include information technology
11 whose sole use is financial management, mainte-
12 nance of inventory of basic supplies, or appointment
13 scheduling.

14 “(2) The term ‘eligible professional’ means any
15 of the following:

16 “(A) A physician (as defined in section
17 1861(r) of the Social Security Act (42 U.S.C.
18 1395x(r))

19 “(B) A practitioner described in section
20 1842(b)(18)(C) of that Act.

21 “(C) A physical or occupational therapist
22 or a qualified speech-language pathologist.

23 “(D) A qualified audiologist (as defined in
24 section 1861(l)(3)(B)) of that Act.

1 “(3) The term ‘qualified eligible professional’
2 means an eligible professional whose office can be
3 classified as a small business concern by the Admin-
4 istrator Small Business Administration for purposes
5 of this Act under size standards established under
6 section 3 of this Act.

7 “(b) LOAN GUARANTEES FOR QUALIFIED ELIGIBLE
8 PROFESSIONALS.—

9 “(1) IN GENERAL.—Subject to paragraph (2),
10 the Administrator may guarantee up to 90 percent
11 of the amount of a loan made to a qualified eligible
12 professional to be used for the acquisition of health
13 information technology for use in such eligible pro-
14 fessional’s medical practice and for the costs associ-
15 ated with the installation of such technology. Except
16 as otherwise provided in this section, the terms and
17 conditions that apply to loans made under section
18 7(a) of the Small Business Act shall apply to loan
19 guarantees made under this section.

20 “(2) LIMITATIONS ON GUARANTEE AMOUNTS.—

21 The maximum amount of loan principal guaranteed
22 under this subsection may not exceed—

23 “(A) \$350,000 with respect to any single
24 qualified eligible professional, and

1 “(B) \$2,000,000 with respect to a singled
2 group of affiliated qualified eligible profes-
3 sionals.

4 “(c) FEES.—(1) The Administrator may impose a
5 guarantee fee on the borrower for the purpose of reducing
6 the cost (as defined in section 502(5) of the Federal Credit
7 Reform Act of 1990) of the guarantee to zero in an
8 amount not to exceed 2 percent of the total guaranteed
9 portion of any loan guaranteed under this section. The Ad-
10 ministrator may also impose annual servicing fees on lend-
11 ers not to exceed 0.5 percent of the outstanding balance
12 of the guarantees on lenders’ books.

13 “(2) No service fees, processing fees, origination fees,
14 application fees, points, brokerage fees, bonus points, or
15 other fees may be charged to a loan applicant or recipient
16 by a lender in the case of a loan guaranteed under this
17 section.

18 “(d) DEFERRAL PERIOD.—Loans guaranteed under
19 this section shall carry a deferral period of not less than
20 1 year and not more than 3 years. The Administrator shall
21 have the authority to subsidize interest during the deferral
22 period.

23 “(e) EFFECTIVE DATE.—No loan may be guaranteed
24 under this section until the meaningful EHR use require-

1 ments have been determined by the Secretary of Health
2 and Human Services.

3 “(f) SUNSET.—No loan may be guaranteed under
4 this section after 5 years after meaningful EHR use re-
5 quirements have been determined by the Secretary of
6 Health and Human Services.

7 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated for the cost (as defined
9 in section 502(5) of the Federal Credit Reform Act of
10 1990) of guaranteeing \$10,000,000,000 in loans under
11 this section. The Administrator shall determine such pro-
12 gram cost separately and distinctly from other programs
13 operated by the Administrator.”.

○