

115TH CONGRESS
2D SESSION

S. 2278

AN ACT

To amend the Public Health Service Act to provide grants
to improve health care in rural areas.

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.**

2 This Act may be cited as the “State Offices of Rural
3 Health Reauthorization Act of 2018”.

4 **SEC. 2. STATE OFFICES OF RURAL HEALTH.**

5 Section 338J of the Public Health Service Act (42
6 U.S.C. 254r) is amended to read as follows:

7 **“SEC. 338J. GRANTS TO STATE OFFICES OF RURAL HEALTH.**

8 “(a) IN GENERAL.—The Secretary, acting through
9 the Director of the Federal Office of Rural Health Policy
10 (established under section 711 of the Social Security Act),
11 shall make grants to each State Office of Rural Health
12 for the purpose of improving health care in rural areas.

13 “(b) REQUIREMENT OF MATCHING FUNDS.—

14 “(1) IN GENERAL.—Subject to paragraph (2),
15 the Secretary may not make a grant under sub-
16 section (a) unless the State office of rural health in-
17 volved agrees, with respect to the costs to be in-
18 curred in carrying out the purpose described in such
19 subsection, to provide non-Federal contributions to-
20 ward such costs in an amount equal to \$3 for each
21 \$1 of Federal funds provided in the grant.

22 “(2) WAIVER OR REDUCTION.—The Secretary
23 may waive or reduce the non-Federal contribution if
24 the Secretary determines that requiring matching
25 funds would limit the State office of rural health’s

1 ability to carry out the purpose described in sub-
2 section (a).

3 “(3) DETERMINATION OF AMOUNT OF NON-
4 FEDERAL CONTRIBUTION.—Non-Federal contribu-
5 tions required in paragraph (1) may be in cash or
6 in kind, fairly evaluated, including plant, equipment,
7 or services. Amounts provided by the Federal Gov-
8 ernment, or services assisted or subsidized to any
9 significant extent by the Federal Government, may
10 not be included in determining the amount of such
11 non-Federal contributions.

12 “(c) CERTAIN REQUIRED ACTIVITIES.—Recipients of
13 a grant under subsection (a) shall use the grant funds for
14 purposes of—

15 “(1) maintaining within the State office of
16 rural health a clearinghouse for collecting and dis-
17 seminating information on—

18 “(A) rural health care issues;

19 “(B) research findings relating to rural
20 health care; and

21 “(C) innovative approaches to the delivery
22 of health care in rural areas;

23 “(2) coordinating the activities carried out in
24 the State that relate to rural health care, including

1 providing coordination for the purpose of avoiding
2 redundancy in such activities; and

3 “(3) identifying Federal and State programs re-
4 garding rural health, and providing technical assist-
5 ance to public and nonprofit private entities regard-
6 ing participation in such programs.

7 “(d) REQUIREMENT REGARDING ANNUAL BUDGET
8 FOR OFFICE.—The Secretary may not make a grant
9 under subsection (a) unless the State involved agrees that,
10 for any fiscal year for which the State office of rural
11 health receives such a grant, the office operated pursuant
12 to subsection (a) of this section will be provided with an
13 annual budget of not less than \$150,000.

14 “(e) CERTAIN USES OF FUNDS.—

15 “(1) RESTRICTIONS.—The Secretary may not
16 make a grant under subsection (a) unless the State
17 office of rural health involved agrees that the grant
18 will not be expended—

19 “(A) to provide health care (including pro-
20 viding cash payments regarding such care);

21 “(B) to conduct activities for which Fed-
22 eral funds are expended—

23 “(i) within the State to provide tech-
24 nical and other nonfinancial assistance
25 under section 330A(f);

1 “(ii) under a memorandum of agree-
2 ment entered into with the State office of
3 rural health under section 330A(h); or

4 “(iii) under a grant under section
5 338I;

6 “(C) to purchase medical equipment, to
7 purchase ambulances, aircraft, or other vehicles,
8 or to purchase major communications equip-
9 ment;

10 “(D) to purchase or improve real property;
11 or

12 “(E) to carry out any activity regarding a
13 certificate of need.

14 “(2) AUTHORITIES.—Activities for which a
15 State office of rural health may expend a grant
16 under subsection (a) include—

17 “(A) paying the costs of maintaining an
18 office of rural health for purposes of subsection
19 (a);

20 “(B) subject to paragraph (1)(B)(iii), pay-
21 ing the costs of any activity carried out with re-
22 spect to recruiting and retaining health profes-
23 sionals to serve in rural areas of the State; and

1 “(C) providing grants and contracts to
2 public and nonprofit private entities to carry
3 out activities authorized in this section.

4 “(3) LIMIT ON INDIRECT COSTS.—The Sec-
5 retary may impose a limit of no more than 15 per-
6 cent on indirect costs claimed by the recipient of the
7 grant.

8 “(f) REPORTS.—The Secretary may not make a
9 grant under subsection (a) unless the State office of rural
10 health involved agrees—

11 “(1) to submit to the Secretary reports or per-
12 formance data containing such information as the
13 Secretary may require regarding activities carried
14 out under this section; and

15 “(2) to submit such a report or performance
16 data not later than September 30 of each fiscal year
17 immediately following any fiscal year for which the
18 State office of rural health has received such a
19 grant.

20 “(g) REQUIREMENT OF APPLICATION.—The Sec-
21 retary may not make a grant under subsection (a) unless
22 an application for the grant is submitted to the Secretary
23 and the application is in such form, is made in such man-
24 ner, and contains such agreements, assurances, and infor-

1 mation as the Secretary determines to be necessary to
2 carry out such subsection.

3 “(h) NONCOMPLIANCE.—The Secretary may not
4 make payments under subsection (a) to a State office of
5 rural health for any fiscal year subsequent to the first fis-
6 cal year of such payments unless the Secretary determines
7 that, for the immediately preceding fiscal year, the State
8 office of rural health has complied with each of the agree-
9 ments made by the State office of rural health under this
10 section.

11 “(i) AUTHORIZATION OF APPROPRIATIONS.—

12 “(1) IN GENERAL.—For the purpose of making
13 grants under subsection (a), there are authorized to
14 be appropriated \$12,500,000 for each of fiscal years
15 2018 through 2022.

16 “(2) AVAILABILITY.—Amounts appropriated
17 under paragraph (1) shall remain available until ex-
18 pended.”.

Passed the Senate July 24, 2018.

Attest:

Secretary.

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