AMENDMENT NO.________ Calendar No.______

Purpose: To improve the bill.

IN THE SENATE OF THE UNITED STATES—111th Cong., 1st Sess.

H. R. 3590

To amend the Internal Revenue Code of 1986 to modify the first-time homebuyers credit in the case of members of the Armed Forces and certain other Federal employees, and for other purposes.

Referred to the Committee on ____________________ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by ____________________ to the amendment (No. 2786) proposed by Mr. REID

Viz:

1 On page 2074, strike lines 22 through 25, and insert
2 the following:
3 (f) EFFECTIVE DATE.—The amendments made by
4 subsections (a) through (d) of this section shall apply to
5 amounts paid or incurred after December 31, 2008, in
6 taxable years beginning after such date.

TITLE X—STRENGTHENING QUALITY, AFFORDABLE HEALTH CARE FOR ALL AMERICANS

Subtitle A—Provisions Relating to Title I

SEC. 10101. AMENDMENTS TO SUBTITLE A.

(a) Section 2711 of the Public Health Service Act, as added by section 1001(5) of this Act, is amended to read as follows:

"SEC. 2711. NO LIFETIME OR ANNUAL LIMITS.

"(a) PROHIBITION.—

"(1) IN GENERAL.—A group health plan and a health insurance issuer offering group or individual health insurance coverage may not establish—

"(A) lifetime limits on the dollar value of benefits for any participant or beneficiary; or

"(B) except as provided in paragraph (2), annual limits on the dollar value of benefits for any participant or beneficiary.

"(2) ANNUAL LIMITS PRIOR TO 2014.—With respect to plan years beginning prior to January 1, 2014, a group health plan and a health insurance issuer offering group or individual health insurance coverage may only establish a restricted annual limit

1 on the dollar value of benefits for any participant or
2 beneficiary with respect to the scope of benefits that
3 are essential health benefits under section 1302(b)
4 of the Patient Protection and Affordable Care Act,
5 as determined by the Secretary. In defining the term
6 'restricted annual limit' for purposes of the pre-
7 ceding sentence, the Secretary shall ensure that ac-
8 cess to needed services is made available with a
9 minimal impact on premiums.

10 ''(b) PER BENEFICIARY LIMITS.—Subsection (a)
11 shall not be construed to prevent a group health plan or
12 health insurance coverage from placing annual or lifetime
13 per beneficiary limits on specific covered benefits that are
14 not essential health benefits under section 1302(b) of the
15 Patient Protection and Affordable Care Act, to the extent
16 that such limits are otherwise permitted under Federal or
17 State law.''.

18 (b) Section 2715(a) of the Public Health Service Act,
19 as added by section 1001(5) of this Act, is amended by
20 striking ''and providing to enrollees'' and inserting ''and
21 providing to applicants, enrollees, and policyholders or cer-
22 tificate holders''.

23 (c) Subpart II of part A of title XXVII of the Public
24 Health Service Act, as added by section 1001(5), is
25 amended by inserting after section 2715, the following:

1 **“SEC. 2715A. PROVISION OF ADDITIONAL INFORMATION.**

2 ‘‘A group health plan and a health insurance issuer
3 offering group or individual health insurance coverage
4 shall comply with the provisions of section 1311(e)(3) of
5 the Patient Protection and Affordable Care Act, except
6 that a plan or coverage that is not offered through an Ex-
7 change shall only be required to submit the information
8 required to the Secretary and the State insurance commis-
9 sioner, and make such information available to the pub-
10 lic.’’.

11 (d) Section 2716 of the Public Health Service Act,
12 as added by section 1001(5) of this Act, is amended to
13 read as follows:

14 **“SEC. 2716. PROHIBITION ON DISCRIMINATION IN FAVOR**
15 **OF HIGHLY COMPENSATED INDIVIDUALS.**

16 ‘‘(a) IN GENERAL.—A group health plan (other than
17 a self-insured plan) shall satisfy the requirements of sec-
18 tion 105(h)(2) of the Internal Revenue Code of 1986 (re-
19 lating to prohibition on discrimination in favor of highly
20 compensated individuals).

21 ‘‘(b) RULES AND DEFINITIONS.—For purposes of
22 this section—

23 ‘‘(1) CERTAIN RULES TO APPLY.—Rules similar
24 to the rules contained in paragraphs (3), (4), and
25 (8) of section 105(h) of such Code shall apply.

1 "(2) HIGHLY COMPENSATED INDIVIDUAL.—The
2 term 'highly compensated individual' has the mean-
3 ing given such term by section 105(h)(5) of such
4 Code.".
5 (e) Section 2717 of the Public Health Service Act,
6 as added by section 1001(5) of this Act, is amended—
7 (1) by redesignating subsections (c) and (d) as
8 subsections (d) and (e), respectively; and
9 (2) by inserting after subsection (b), the fol-
10 lowing:
11 "(c) PROTECTION OF SECOND AMENDMENT GUN
12 RIGHTS.—
13 "(1) WELLNESS AND PREVENTION PRO-
14 GRAMS.—A wellness and health promotion activity
15 implemented under subsection (a)(1)(D) may not re-
16 quire the disclosure or collection of any information
17 relating to—
18 "(A) the presence or storage of a lawfully-
19 possessed firearm or ammunition in the resi-
20 dence or on the property of an individual; or
21 "(B) the lawful use, possession, or storage
22 of a firearm or ammunition by an individual.
23 "(2) LIMITATION ON DATA COLLECTION.—None
24 of the authorities provided to the Secretary under
25 the Patient Protection and Affordable Care Act or

1 an amendment made by that Act shall be construed
2 to authorize or may be used for the collection of any
3 information relating to—
4 ‘‘(A) the lawful ownership or possession of
5 a firearm or ammunition;
6 ‘‘(B) the lawful use of a firearm or ammu-
7 nition; or
8 ‘‘(C) the lawful storage of a firearm or am-
9 munition.
10 ‘‘(3) LIMITATION ON DATABASES OR DATA
11 BANKS.—None of the authorities provided to the
12 Secretary under the Patient Protection and Afford-
13 able Care Act or an amendment made by that Act
14 shall be construed to authorize or may be used to
15 maintain records of individual ownership or posses-
16 sion of a firearm or ammunition.
17 ‘‘(4) LIMITATION ON DETERMINATION OF PRE-
18 MIUM RATES OR ELIGIBILITY FOR HEALTH INSUR-
19 ANCE.—A premium rate may not be increased,
20 health insurance coverage may not be denied, and a
21 discount, rebate, or reward offered for participation
22 in a wellness program may not be reduced or with-
23 held under any health benefit plan issued pursuant
24 to or in accordance with the Patient Protection and

1 Affordable Care Act or an amendment made by that
2 Act on the basis of, or on reliance upon—
3 ''(A) the lawful ownership or possession of
4 a firearm or ammunition; or
5 ''(B) the lawful use or storage of a firearm
6 or ammunition.
7 ''(5) LIMITATION ON DATA COLLECTION RE-
8 QUIREMENTS FOR INDIVIDUALS.—No individual
9 shall be required to disclose any information under
10 any data collection activity authorized under the Pa-
11 tient Protection and Affordable Care Act or an
12 amendment made by that Act relating to—
13 ''(A) the lawful ownership or possession of
14 a firearm or ammunition; or
15 ''(B) the lawful use, possession, or storage
16 of a firearm or ammunition.''.
17 (f) Section 2718 of the Public Health Service Act,
18 as added by section 1001(5), is amended to read as fol-
19 lows:
20 **''SEC. 2718. BRINGING DOWN THE COST OF HEALTH CARE**
21 **COVERAGE.**
22 ''(a) CLEAR ACCOUNTING FOR COSTS.—A health in-
23 surance issuer offering group or individual health insur-
24 ance coverage (including a grandfathered health plan)
25 shall, with respect to each plan year, submit to the Sec-

1 retary a report concerning the ratio of the incurred loss
2 (or incurred claims) plus the loss adjustment expense (or
3 change in contract reserves) to earned premiums. Such re-
4 port shall include the percentage of total premium rev-
5 enue, after accounting for collections or receipts for risk
6 adjustment and risk corridors and payments of reinsur-
7 ance, that such coverage expends—

8 "(1) on reimbursement for clinical services pro-
9 vided to enrollees under such coverage;

10 "(2) for activities that improve health care
11 quality; and

12 "(3) on all other non-claims costs, including an
13 explanation of the nature of such costs, and exclud-
14 ing Federal and State taxes and licensing or regu-
15 latory fees.

16 The Secretary shall make reports received under this sec-
17 tion available to the public on the Internet website of the
18 Department of Health and Human Services.

19 "(b) ENSURING THAT CONSUMERS RECEIVE VALUE
20 FOR THEIR PREMIUM PAYMENTS.—

21 "(1) REQUIREMENT TO PROVIDE VALUE FOR
22 PREMIUM PAYMENTS.—

23 "(A) REQUIREMENT.—Beginning not later
24 than January 1, 2011, a health insurance
25 issuer offering group or individual health insur-

1 ance coverage (including a grandfathered health
2 plan) shall, with respect to each plan year, pro-
3 vide an annual rebate to each enrollee under
4 such coverage, on a pro rata basis, if the ratio
5 of the amount of premium revenue expended by
6 the issuer on costs described in paragraphs (1)
7 and (2) of subsection (a) to the total amount of
8 premium revenue (excluding Federal and State
9 taxes and licensing or regulatory fees and after
10 accounting for payments or receipts for risk ad-
11 justment, risk corridors, and reinsurance under
12 sections 1341, 1342, and 1343 of the Patient
13 Protection and Affordable Care Act) for the
14 plan year (except as provided in subparagraph
15 (B)(ii)), is less than—
16 "(i) with respect to a health insurance
17 issuer offering coverage in the large group
18 market, 85 percent, or such higher per-
19 centage as a State may by regulation de-
20 termine; or
21 "(ii) with respect to a health insur-
22 ance issuer offering coverage in the small
23 group market or in the individual market,
24 80 percent, or such higher percentage as a
25 State may by regulation determine, except

1 that the Secretary may adjust such per-
2 centage with respect to a State if the Sec-
3 retary determines that the application of
4 such 80 percent may destabilize the indi-
5 vidual market in such State.
6 ‘‘(B) REBATE AMOUNT.—
7 ‘‘(i) CALCULATION OF AMOUNT.—The
8 total amount of an annual rebate required
9 under this paragraph shall be in an
10 amount equal to the product of—
11 ‘‘(I) the amount by which the
12 percentage described in clause (i) or
13 (ii) of subparagraph (A) exceeds the
14 ratio described in such subparagraph;
15 and
16 ‘‘(II) the total amount of pre-
17 mium revenue (excluding Federal and
18 State taxes and licensing or regu-
19 latory fees and after accounting for
20 payments or receipts for risk adjust-
21 ment, risk corridors, and reinsurance
22 under sections 1341, 1342, and 1343
23 of the Patient Protection and Afford-
24 able Care Act) for such plan year.

1 "(ii) CALCULATION BASED ON AVER-
2 AGE RATIO.—Beginning on January 1,
3 2014, the determination made under sub-
4 paragraph (A) for the year involved shall
5 be based on the averages of the premiums
6 expended on the costs described in such
7 subparagraph and total premium revenue
8 for each of the previous 3 years for the
9 plan.

10 "(2) CONSIDERATION IN SETTING PERCENT-
11 AGES.—In determining the percentages under para-
12 graph (1), a State shall seek to ensure adequate par-
13 ticipation by health insurance issuers, competition in
14 the health insurance market in the State, and value
15 for consumers so that premiums are used for clinical
16 services and quality improvements.

17 "(3) ENFORCEMENT.—The Secretary shall pro-
18 mulgate regulations for enforcing the provisions of
19 this section and may provide for appropriate pen-
20 alties.

21 "(c) DEFINITIONS.—Not later than December 31,
22 2010, and subject to the certification of the Secretary, the
23 National Association of Insurance Commissioners shall es-
24 tablish uniform definitions of the activities reported under
25 subsection (a) and standardized methodologies for calcu-

lating measures of such activities, including definitions of which activities, and in what regard such activities, constitute activities described in subsection (a)(2). Such methodologies shall be designed to take into account the special circumstances of smaller plans, different types of plans, and newer plans.

"(d) ADJUSTMENTS.—The Secretary may adjust the rates described in subsection (b) if the Secretary determines appropriate on account of the volatility of the individual market due to the establishment of State Exchanges.

"(e) STANDARD HOSPITAL CHARGES.—Each hospital operating within the United States shall for each year establish (and update) and make public (in accordance with guidelines developed by the Secretary) a list of the hospital's standard charges for items and services provided by the hospital, including for diagnosis-related groups established under section 1886(d)(4) of the Social Security Act.".

(g) Section 2719 of the Public Health Service Act, as added by section 1001(4) of this Act, is amended to read as follows:

"SEC. 2719. APPEALS PROCESS.

"(a) INTERNAL CLAIMS APPEALS.—

1 "(1) In general.—A group health plan and a
2 health insurance issuer offering group or individual
3 health insurance coverage shall implement an effec-
4 tive appeals process for appeals of coverage deter-
5 minations and claims, under which the plan or issuer
6 shall, at a minimum—
7 "(A) have in effect an internal claims ap-
8 peal process;
9 "(B) provide notice to enrollees, in a cul-
10 turally and linguistically appropriate manner, of
11 available internal and external appeals proc-
12 esses, and the availability of any applicable of-
13 fice of health insurance consumer assistance or
14 ombudsman established under section 2793 to
15 assist such enrollees with the appeals processes;
16 and
17 "(C) allow an enrollee to review their file,
18 to present evidence and testimony as part of the
19 appeals process, and to receive continued cov-
20 erage pending the outcome of the appeals proc-
21 ess.
22 "(2) Established processes.—To comply
23 with paragraph (1)—
24 "(A) a group health plan and a health in-
25 surance issuer offering group health coverage

1 shall provide an internal claims and appeals
2 process that initially incorporates the claims
3 and appeals procedures (including urgent
4 claims) set forth at section 2560.503-1 of title
5 29, Code of Federal Regulations, as published
6 on November 21, 2000 (65 Fed. Reg. 70256),
7 and shall update such process in accordance
8 with any standards established by the Secretary
9 of Labor for such plans and issuers; and
10 ''(B) a health insurance issuer offering in-
11 dividual health coverage, and any other issuer
12 not subject to subparagraph (A), shall provide
13 an internal claims and appeals process that ini-
14 tially incorporates the claims and appeals proce-
15 dures set forth under applicable law (as in ex-
16 istence on the date of enactment of this sec-
17 tion), and shall update such process in accord-
18 ance with any standards established by the Sec-
19 retary of Health and Human Services for such
20 issuers.
21 ''(b) EXTERNAL REVIEW.—A group health plan and
22 a health insurance issuer offering group or individual
23 health insurance coverage—
24 ''(1) shall comply with the applicable State ex-
25 ternal review process for such plans and issuers

1 that, at a minimum, includes the consumer protec-
2 tions set forth in the Uniform External Review
3 Model Act promulgated by the National Association
4 of Insurance Commissioners and is binding on such
5 plans; or
6 ''(2) shall implement an effective external re-
7 view process that meets minimum standards estab-
8 lished by the Secretary through guidance and that is
9 similar to the process described under paragraph
10 (1)—
11 ''(A) if the applicable State has not estab-
12 lished an external review process that meets the
13 requirements of paragraph (1); or
14 ''(B) if the plan is a self-insured plan that
15 is not subject to State insurance regulation (in-
16 cluding a State law that establishes an external
17 review process described in paragraph (1)).
18 ''(c) SECRETARY AUTHORITY.—The Secretary may
19 deem the external review process of a group health plan
20 or health insurance issuer, in operation as of the date of
21 enactment of this section, to be in compliance with the
22 applicable process established under subsection (b), as de-
23 termined appropriate by the Secretary.''.
24 (h) Subpart II of part A of title XVIII of the Public
25 Health Service Act, as added by section 1001(5) of this

1 Act, is amended by inserting after section 2719 the fol-
2 lowing:

3 **"SEC. 2719A. PATIENT PROTECTIONS.**

4 "(a) CHOICE OF HEALTH CARE PROFESSIONAL.—If
5 a group health plan, or a health insurance issuer offering
6 group or individual health insurance coverage, requires or
7 provides for designation by a participant, beneficiary, or
8 enrollee of a participating primary care provider, then the
9 plan or issuer shall permit each participant, beneficiary,
10 and enrollee to designate any participating primary care
11 provider who is available to accept such individual.

12 "(b) COVERAGE OF EMERGENCY SERVICES.—

13 "(1) IN GENERAL.—If a group health plan, or
14 a health insurance issuer offering group or indi-
15 vidual health insurance issuer, provides or covers
16 any benefits with respect to services in an emergency
17 department of a hospital, the plan or issuer shall
18 cover emergency services (as defined in paragraph
19 (2)(B))—

20 "(A) without the need for any prior au-
21 thorization determination;

22 "(B) whether the health care provider fur-
23 nishing such services is a participating provider
24 with respect to such services;

1 “(C) in a manner so that, if such services
2 are provided to a participant, beneficiary, or en-
3 rollee—
4 “(i) by a nonparticipating health care
5 provider with or without prior authoriza-
6 tion; or
7 “(ii)(I) such services will be provided
8 without imposing any requirement under
9 the plan for prior authorization of services
10 or any limitation on coverage where the
11 provider of services does not have a con-
12 tractual relationship with the plan for the
13 providing of services that is more restric-
14 tive than the requirements or limitations
15 that apply to emergency department serv-
16 ices received from providers who do have
17 such a contractual relationship with the
18 plan; and
19 “(II) if such services are provided out-
20 of-network, the cost-sharing requirement
21 (expressed as a copayment amount or coin-
22 surance rate) is the same requirement that
23 would apply if such services were provided
24 in-network;

1 "(D) without regard to any other term or
2 condition of such coverage (other than exclusion
3 or coordination of benefits, or an affiliation or
4 waiting period, permitted under section 2701 of
5 this Act, section 701 of the Employee Retire-
6 ment Income Security Act of 1974, or section
7 9801 of the Internal Revenue Code of 1986,
8 and other than applicable cost-sharing).
9 "(2) DEFINITIONS.—In this subsection:
10 "(A) EMERGENCY MEDICAL CONDITION.—
11 The term 'emergency medical condition' means
12 a medical condition manifesting itself by acute
13 symptoms of sufficient severity (including se-
14 vere pain) such that a prudent layperson, who
15 possesses an average knowledge of health and
16 medicine, could reasonably expect the absence
17 of immediate medical attention to result in a
18 condition described in clause (i), (ii), or (iii) of
19 section 1867(e)(1)(A) of the Social Security
20 Act.
21 "(B) EMERGENCY SERVICES.—The term
22 'emergency services' means, with respect to an
23 emergency medical condition—
24 "(i) a medical screening examination
25 (as required under section 1867 of the So-

1 cial Security Act) that is within the capa-
2 bility of the emergency department of a
3 hospital, including ancillary services rou-
4 tinely available to the emergency depart-
5 ment to evaluate such emergency medical
6 condition, and
7 ''(ii) within the capabilities of the
8 staff and facilities available at the hospital,
9 such further medical examination and
10 treatment as are required under section
11 1867 of such Act to stabilize the patient.
12 ''(C) STABILIZE.—The term 'to stabilize',
13 with respect to an emergency medical condition
14 (as defined in subparagraph (A)), has the
15 meaning give in section 1867(e)(3) of the Social
16 Security Act (42 U.S.C. 1395dd(e)(3)).
17 ''(c) ACCESS TO PEDIATRIC CARE.—
18 ''(1) PEDIATRIC CARE.—In the case of a person
19 who has a child who is a participant, beneficiary, or
20 enrollee under a group health plan, or health insur-
21 ance coverage offered by a health insurance issuer in
22 the group or individual market, if the plan or issuer
23 requires or provides for the designation of a partici-
24 pating primary care provider for the child, the plan
25 or issuer shall permit such person to designate a

1 physician (allopathic or osteopathic) who specializes
2 in pediatrics as the child's primary care provider if
3 such provider participates in the network of the plan
4 or issuer.

5 "(2) CONSTRUCTION.—Nothing in paragraph
6 (1) shall be construed to waive any exclusions of cov-
7 erage under the terms and conditions of the plan or
8 health insurance coverage with respect to coverage
9 of pediatric care.

10 "(d) PATIENT ACCESS TO OBSTETRICAL AND GYNE-
11 COLOGICAL CARE.—

12 "(1) GENERAL RIGHTS.—

13 "(A) DIRECT ACCESS.—A group health
14 plan, or health insurance issuer offering group
15 or individual health insurance coverage, de-
16 scribed in paragraph (2) may not require au-
17 thorization or referral by the plan, issuer, or
18 any person (including a primary care provider
19 described in paragraph (2)(B))) in the case of
20 a female participant, beneficiary, or enrollee
21 who seeks coverage for obstetrical or gyneco-
22 logical care provided by a participating health
23 care professional who specializes in obstetrics or
24 gynecology. Such professional shall agree to
25 otherwise adhere to such plan's or issuer's poli-

1 cies and procedures, including procedures re-
2 garding referrals and obtaining prior authoriza-
3 tion and providing services pursuant to a treat-
4 ment plan (if any) approved by the plan or
5 issuer.

6 ''(B) OBSTETRICAL AND GYNECOLOGICAL
7 CARE.—A group health plan or health insur-
8 ance issuer described in paragraph (2) shall
9 treat the provision of obstetrical and gyneco-
10 logical care, and the ordering of related obstet-
11 rical and gynecological items and services, pur-
12 suant to the direct access described under sub-
13 paragraph (A), by a participating health care
14 professional who specializes in obstetrics or
15 gynecology as the authorization of the primary
16 care provider.

17 ''(2) APPLICATION OF PARAGRAPH.—A group
18 health plan, or health insurance issuer offering
19 group or individual health insurance coverage, de-
20 scribed in this paragraph is a group health plan or
21 coverage that—

22 ''(A) provides coverage for obstetric or
23 gynecologic care; and

1 "(B) requires the designation by a partici-
2 pant, beneficiary, or enrollee of a participating
3 primary care provider.
4 "(3) CONSTRUCTION.—Nothing in paragraph
5 (1) shall be construed to—
6 "(A) waive any exclusions of coverage
7 under the terms and conditions of the plan or
8 health insurance coverage with respect to cov-
9 erage of obstetrical or gynecological care; or
10 "(B) preclude the group health plan or
11 health insurance issuer involved from requiring
12 that the obstetrical or gynecological provider
13 notify the primary care health care professional
14 or the plan or issuer of treatment decisions.".
15 (i) Section 2794 of the Public Health Service Act,
16 as added by section 1003 of this Act, is amended—
17 (1) in subsection (c)(1)—
18 (A) in subparagraph (A), by striking
19 "and" at the end;
20 (B) in subparagraph (B), by striking the
21 period and inserting "; and"; and
22 (C) by adding at the end the following:
23 "(C) in establishing centers (consistent
24 with subsection (d)) at academic or other non-
25 profit institutions to collect medical reimburse-

1 ment information from health insurance issuers,
2 to analyze and organize such information, and
3 to make such information available to such
4 issuers, health care providers, health research-
5 ers, health care policy makers, and the general
6 public.''; and
7 (2) by adding at the end the following:
8 ''(d) MEDICAL REIMBURSEMENT DATA CENTERS.—
9 ''(1) FUNCTIONS.—A center established under
10 subsection (c)(1)(C) shall—
11 ''(A) develop fee schedules and other data-
12 base tools that fairly and accurately reflect
13 market rates for medical services and the geo-
14 graphic differences in those rates;
15 ''(B) use the best available statistical
16 methods and data processing technology to de-
17 velop such fee schedules and other database
18 tools;
19 ''(C) regularly update such fee schedules
20 and other database tools to reflect changes in
21 charges for medical services;
22 ''(D) make health care cost information
23 readily available to the public through an Inter-
24 net website that allows consumers to under-
25 stand the amounts that health care providers in

1 their area charge for particular medical serv-
2 ices; and
3 ‘‘(E) regularly publish information con-
4 cerning the statistical methodologies used by
5 the center to analyze health charge data and
6 make such data available to researchers and
7 policy makers.
8 ‘‘(2) CONFLICTS OF INTEREST.—A center es-
9 tablished under subsection (c)(1)(C) shall adopt by-
10 laws that ensures that the center (and all members
11 of the governing board of the center) is independent
12 and free from all conflicts of interest. Such by-laws
13 shall ensure that the center is not controlled or in-
14 fluenced by, and does not have any corporate rela-
15 tion to, any individual or entity that may make or
16 receive payments for health care services based on
17 the center's analysis of health care costs.
18 ‘‘(3) RULE OF CONSTRUCTION.—Nothing in
19 this subsection shall be construed to permit a center
20 established under subsection (c)(1)(C) to compel
21 health insurance issuers to provide data to the cen-
22 ter.’’.
23 **SEC. 10102. AMENDMENTS TO SUBTITLE B.**
24 (a) Section 1102(a)(2)(B) of this Act is amended—

1 (1) in the matter preceding clause (i), by strik-
2 ing "group health benefits plan" and inserting
3 "group benefits plan providing health benefits"; and
4 (2) in clause (i)(I), by inserting "or any agency
5 or instrumentality of any of the foregoing" before
6 the closed parenthetical.
7 (b) Section 1103(a) of this Act is amended—
8 (1) in paragraph (1), by inserting ", or small
9 business in," after "residents of any"; and
10 (2) by striking paragraph (2) and inserting the
11 following:
12 "(2) CONNECTING TO AFFORDABLE COV-
13 ERAGE.—An Internet website established under
14 paragraph (1) shall, to the extent practicable, pro-
15 vide ways for residents of, and small businesses in,
16 any State to receive information on at least the fol-
17 lowing coverage options:
18 "(A) Health insurance coverage offered by
19 health insurance issuers, other than coverage
20 that provides reimbursement only for the treat-
21 ment or mitigation of—
22 "(i) a single disease or condition; or
23 "(ii) an unreasonably limited set of
24 diseases or conditions (as determined by
25 the Secretary).

1 ‘‘(B) Medicaid coverage under title XIX of
2 the Social Security Act.
3 ‘‘(C) Coverage under title XXI of the So-
4 cial Security Act.
5 ‘‘(D) A State health benefits high risk
6 pool, to the extent that such high risk pool is
7 offered in such State; and
8 ‘‘(E) Coverage under a high risk pool
9 under section 1101.
10 ‘‘(F) Coverage within the small group mar-
11 ket for small businesses and their employees,
12 including reinsurance for early retirees under
13 section 1102, tax credits available under section
14 45R of the Internal Revenue Code of 1986 (as
15 added by section 1421), and other information
16 specifically for small businesses regarding af-
17 fordable health care options.’’.

18 **SEC. 10103. AMENDMENTS TO SUBTITLE C.**

19 (a) Section 2701(a)(5) of the Public Health Service
20 Act, as added by section 1201(4) of this Act, is amended
21 by inserting ‘‘(other than self-insured group health plans
22 offered in such market)’’ after ‘‘such market’’.
23 (b) Section 2708 of the Public Health Service Act,
24 as added by section 1201(4) of this Act, is amended by
25 striking ‘‘or individual’’.

1 (c) Subpart I of part A of title XXVII of the Public
2 Health Service Act, as added by section 1201(4) of this
3 Act, is amended by inserting after section 2708, the fol-
4 lowing:

5 **"SEC. 2709. COVERAGE FOR INDIVIDUALS PARTICIPATING**
6 **IN APPROVED CLINICAL TRIALS.**

7 "(a) COVERAGE.—
8 "(1) IN GENERAL.—If a group health plan or
9 a health insurance issuer offering group or indi-
10 vidual health insurance coverage provides coverage
11 to a qualified individual, then such plan or issuer—
12 "(A) may not deny the individual partici-
13 pation in the clinical trial referred to in sub-
14 section (b)(2);
15 "(B) subject to subsection (c), may not
16 deny (or limit or impose additional conditions
17 on) the coverage of routine patient costs for
18 items and services furnished in connection with
19 participation in the trial; and
20 "(C) may not discriminate against the in-
21 dividual on the basis of the individual's partici-
22 pation in such trial.
23 "(2) ROUTINE PATIENT COSTS.—
24 "(A) INCLUSION.—For purposes of para-
25 graph (1)(B), subject to subparagraph (B), rou-

1 tine patient costs include all items and services
2 consistent with the coverage provided in the
3 plan (or coverage) that is typically covered for
4 a qualified individual who is not enrolled in a
5 clinical trial.
6 “(B) EXCLUSION.—For purposes of para-
7 graph (1)(B), routine patient costs does not in-
8 clude—
9 “(i) the investigational item, device, or
10 service, itself;
11 “(ii) items and services that are pro-
12 vided solely to satisfy data collection and
13 analysis needs and that are not used in the
14 direct clinical management of the patient;
15 or
16 “(iii) a service that is clearly incon-
17 sistent with widely accepted and estab-
18 lished standards of care for a particular di-
19 agnosis.
20 “(3) USE OF IN-NETWORK PROVIDERS.—If one
21 or more participating providers is participating in a
22 clinical trial, nothing in paragraph (1) shall be con-
23 strued as preventing a plan or issuer from requiring
24 that a qualified individual participate in the trial
25 through such a participating provider if the provider

1 will accept the individual as a participant in the
2 trial.

3 "(4) USE OF OUT-OF-NETWORK.—Notwith-
4 standing paragraph (3), paragraph (1) shall apply to
5 a qualified individual participating in an approved
6 clinical trial that is conducted outside the State in
7 which the qualified individual resides.

8 "(b) QUALIFIED INDIVIDUAL DEFINED.—For pur-
9 poses of subsection (a), the term 'qualified individual'
10 means an individual who is a participant or beneficiary
11 in a health plan or with coverage described in subsection
12 (a)(1) and who meets the following conditions:

13 "(1) The individual is eligible to participate in
14 an approved clinical trial according to the trial pro-
15 tocol with respect to treatment of cancer or other
16 life-threatening disease or condition.

17 "(2) Either—

18 "(A) the referring health care professional
19 is a participating health care provider and has
20 concluded that the individual's participation in
21 such trial would be appropriate based upon the
22 individual meeting the conditions described in
23 paragraph (1); or

24 "(B) the participant or beneficiary pro-
25 vides medical and scientific information estab-

1 lishing that the individual's participation in
2 such trial would be appropriate based upon the
3 individual meeting the conditions described in
4 paragraph (1).

5 ''(c) LIMITATIONS ON COVERAGE.—This section shall
6 not be construed to require a group health plan, or a
7 health insurance issuer offering group or individual health
8 insurance coverage, to provide benefits for routine patient
9 care services provided outside of the plan's (or coverage's)
10 health care provider network unless out-of-network bene-
11 fits are otherwise provided under the plan (or coverage).

12 ''(d) APPROVED CLINICAL TRIAL DEFINED.—

13 ''(1) IN GENERAL.—In this section, the term
14 'approved clinical trial' means a phase I, phase II,
15 phase III, or phase IV clinical trial that is conducted
16 in relation to the prevention, detection, or treatment
17 of cancer or other life-threatening disease or condi-
18 tion and is described in any of the following sub-
19 paragraphs:

20 ''(A) FEDERALLY FUNDED TRIALS.—The
21 study or investigation is approved or funded
22 (which may include funding through in-kind
23 contributions) by one or more of the following:

24 ''(i) The National Institutes of
25 Health.

1 "(ii) The Centers for Disease Control
2 and Prevention.
3 "(iii) The Agency for Health Care Re-
4 search and Quality.
5 "(iv) The Centers for Medicare &
6 Medicaid Services.
7 "(v) cooperative group or center of
8 any of the entities described in clauses (i)
9 through (iv) or the Department of Defense
10 or the Department of Veterans Affairs.
11 "(vi) A qualified non-governmental re-
12 search entity identified in the guidelines
13 issued by the National Institutes of Health
14 for center support grants.
15 "(vii) Any of the following if the con-
16 ditions described in paragraph (2) are met:
17 "(I) The Department of Veterans
18 Affairs.
19 "(II) The Department of De-
20 fense.
21 "(III) The Department of En-
22 ergy.
23 "(B) The study or investigation is con-
24 ducted under an investigational new drug appli-

1 cation reviewed by the Food and Drug Adminis-
2 tration.
3 "(C) The study or investigation is a drug
4 trial that is exempt from having such an inves-
5 tigational new drug application.
6 "(2) CONDITIONS FOR DEPARTMENTS.—The
7 conditions described in this paragraph, for a study
8 or investigation conducted by a Department, are
9 that the study or investigation has been reviewed
10 and approved through a system of peer review that
11 the Secretary determines—
12 "(A) to be comparable to the system of
13 peer review of studies and investigations used
14 by the National Institutes of Health, and
15 "(B) assures unbiased review of the high-
16 est scientific standards by qualified individuals
17 who have no interest in the outcome of the re-
18 view.
19 "(e) LIFE-THREATENING CONDITION DEFINED.—In
20 this section, the term 'life-threatening condition' means
21 any disease or condition from which the likelihood of death
22 is probable unless the course of the disease or condition
23 is interrupted.

1 ''(f) CONSTRUCTION.—Nothing in this section shall
2 be construed to limit a plan's or issuer's coverage with
3 respect to clinical trials.

4 ''(g) APPLICATION TO FEHBP.—Notwithstanding
5 any provision of chapter 89 of title 5, United States Code,
6 this section shall apply to health plans offered under the
7 program under such chapter.

8 ''(h) PREEMPTION.—Notwithstanding any other pro-
9 vision of this Act, nothing in this section shall preempt
10 State laws that require a clinical trials policy for State
11 regulated health insurance plans that is in addition to the
12 policy required under this section.''.

13 (d) Section 1251(a) of this Act is amended—

14 (1) in paragraph (2), by striking ''With'' and
15 inserting ''Except as provided in paragraph (3),
16 with''; and

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

18 ''(3) APPLICATION OF CERTAIN PROVISIONS.—
19 The provisions of sections 2715 and 2718 of the
20 Public Health Service Act (as added by subtitle A)
21 shall apply to grandfathered health plans for plan
22 years beginning on or after the date of enactment of
23 this Act.''.

24 (e) Section 1253 of this Act is amended insert before
25 the period the following: '', except that—

1 ''(1) section 1251 shall take effect on the date
2 of enactment of this Act; and
3 ''(2) the provisions of section 2704 of the Pub-
4 lic Health Service Act (as amended by section
5 1201), as they apply to enrollees who are under 19
6 years of age, shall become effective for plan years
7 beginning on or after the date that is 6 months after
8 the date of enactment of this Act.''.
9 (f) Subtitle C of title I of this Act is amended—
10 (1) by redesignating section 1253 as section
11 1255; and
12 (2) by inserting after section 1252, the fol-
13 lowing:
14 **''SEC. 1253. ANNUAL REPORT ON SELF-INSURED PLANS.**
15 ''Not later than 1 year after the date of enactment
16 of this Act, and annually thereafter, the Secretary of
17 Labor shall prepare an aggregate annual report, using
18 data collected from the Annual Return/Report of Em-
19 ployee Benefit Plan (Department of Labor Form 5500),
20 that shall include general information on self-insured
21 group health plans (including plan type, number of partici-
22 pants, benefits offered, funding arrangements, and benefit
23 arrangements) as well as data from the financial filings
24 of self-insured employers (including information on assets,
25 liabilities, contributions, investments, and expenses). The

1 Secretary shall submit such reports to the appropriate
2 committees of Congress.

3 **"SEC. 1254. STUDY OF LARGE GROUP MARKET.**

4 ''(a) IN GENERAL.—The Secretary of Health and
5 Human Services shall conduct a study of the fully-insured
6 and self-insured group health plan markets to—

7 ''(1) compare the characteristics of employers
8 (including industry, size, and other characteristics as
9 determined appropriate by the Secretary), health
10 plan benefits, financial solvency, capital reserve lev-
11 els, and the risks of becoming insolvent; and

12 ''(2) determine the extent to which new insur-
13 ance market reforms are likely to cause adverse se-
14 lection in the large group market or to encourage
15 small and midsize employers to self-insure.

16 ''(b) COLLECTION OF INFORMATION.—In conducting
17 the study under subsection (a), the Secretary, in coordina-
18 tion with the Secretary of Labor, shall collect information
19 and analyze—

20 ''(1) the extent to which self-insured group
21 health plans can offer less costly coverage and, if so,
22 whether lower costs are due to more efficient plan
23 administration and lower overhead or to the denial
24 of claims and the offering very limited benefit pack-
25 ages;

1 "(2) claim denial rates, plan benefit fluctua-
2 tions (to evaluate the extent that plans scale back
3 health benefits during economic downturns), and the
4 impact of the limited recourse options on consumers;
5 and

6 "(3) any potential conflict of interest as it re-
7 lates to the health care needs of self-insured enroll-
8 ees and self-insured employer's financial contribution
9 or profit margin, and the impact of such conflict on
10 administration of the health plan.

11 "(c) REPORT.—Not later than 1 year after the date
12 of enactment of this Act, the Secretary shall submit to
13 the appropriate committees of Congress a report con-
14 cerning the results of the study conducted under sub-
15 section (a).".

16 **SEC. 10104. AMENDMENTS TO SUBTITLE D.**

17 (a) Section 1301(a) of this Act is amended by strik-
18 ing paragraph (2) and inserting the following:

19 "(2) INCLUSION OF CO-OP PLANS AND MULTI-
20 STATE QUALIFIED HEALTH PLANS.—Any reference
21 in this title to a qualified health plan shall be
22 deemed to include a qualified health plan offered
23 through the CO-OP program under section 1322,
24 and a multi-State plan under section 1334, unless
25 specifically provided for otherwise.

"(3) TREATMENT OF QUALIFIED DIRECT PRIMARY CARE MEDICAL HOME PLANS.—The Secretary of Health and Human Services shall permit a qualified health plan to provide coverage through a qualified direct primary care medical home plan that meets criteria established by the Secretary, so long as the qualified health plan meets all requirements that are otherwise applicable and the services covered by the medical home plan are coordinated with the entity offering the qualified health plan.

"(4) VARIATION BASED ON RATING AREA.—A qualified health plan, including a multi-State qualified health plan, may as appropriate vary premiums by rating area (as defined in section 2701(a)(2) of the Public Health Service Act).".

(b) Section 1302 of this Act is amended—

(1) in subsection (d)(2)(B), by striking "may issue" and inserting "shall issue"; and

(2) by adding at the end the following:

"(g) PAYMENTS TO FEDERALLY-QUALIFIED HEALTH CENTERS.—If any item or service covered by a qualified health plan is provided by a Federally-qualified health center (as defined in section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B)) to an enrollee of the plan, the offeror of the plan shall pay to the center for

1 the item or service an amount that is not less than the
2 amount of payment that would have been paid to the cen-
3 ter under section 1902(bb) of such Act (42 U.S.C.
4 1396a(bb)) for such item or service.''.
5 (c) Section 1303 of this Act is amended to read as
6 follows:

7 **"SEC. 1303. SPECIAL RULES.**

8 ''(a) STATE OPT-OUT OF ABORTION COVERAGE.—
9 ''(1) IN GENERAL.—A State may elect to pro-
10 hibit abortion coverage in qualified health plans of-
11 fered through an Exchange in such State if such
12 State enacts a law to provide for such prohibition.
13 ''(2) TERMINATION OF OPT OUT.—A State may
14 repeal a law described in paragraph (1) and provide
15 for the offering of such services through the Ex-
16 change.
17 ''(b) SPECIAL RULES RELATING TO COVERAGE OF
18 ABORTION SERVICES.—
19 ''(1) VOLUNTARY CHOICE OF COVERAGE OF
20 ABORTION SERVICES.—
21 ''(A) IN GENERAL.—Notwithstanding any
22 other provision of this title (or any amendment
23 made by this title)—
24 ''(i) nothing in this title (or any
25 amendment made by this title), shall be

1 construed to require a qualified health plan
2 to provide coverage of services described in
3 subparagraph (B)(i) or (B)(ii) as part of
4 its essential health benefits for any plan
5 year; and

6 "(ii) subject to subsection (a), the
7 issuer of a qualified health plan shall de-
8 termine whether or not the plan provides
9 coverage of services described in subpara-
10 graph (B)(i) or (B)(ii) as part of such ben-
11 efits for the plan year.

12 "(B) ABORTION SERVICES.—

13 "(i) ABORTIONS FOR WHICH PUBLIC
14 FUNDING IS PROHIBITED.—The services
15 described in this clause are abortions for
16 which the expenditure of Federal funds ap-
17 propriated for the Department of Health
18 and Human Services is not permitted,
19 based on the law as in effect as of the date
20 that is 6 months before the beginning of
21 the plan year involved.

22 "(ii) ABORTIONS FOR WHICH PUBLIC
23 FUNDING IS ALLOWED.—The services de-
24 scribed in this clause are abortions for
25 which the expenditure of Federal funds ap-

1 propriated for the Department of Health
2 and Human Services is permitted, based
3 on the law as in effect as of the date that
4 is 6 months before the beginning of the
5 plan year involved.
6 "(2) PROHIBITION ON THE USE OF FEDERAL
7 FUNDS.—
8 "(A) IN GENERAL.—If a qualified health
9 plan provides coverage of services described in
10 paragraph (1)(B)(i), the issuer of the plan shall
11 not use any amount attributable to any of the
12 following for purposes of paying for such serv-
13 ices:
14 "(i) The credit under section 36B of
15 the Internal Revenue Code of 1986 (and
16 the amount (if any) of the advance pay-
17 ment of the credit under section 1412 of
18 the Patient Protection and Affordable Care
19 Act).
20 "(ii) Any cost-sharing reduction under
21 section 1402 of thePatient Protection and
22 Affordable Care Act (and the amount (if
23 any) of the advance payment of the reduc-
24 tion under section 1412 of the Patient
25 Protection and Affordable Care Act).

1 "(B) ESTABLISHMENT OF ALLOCATION AC-
2 COUNTS.—In the case of a plan to which sub-
3 paragraph (A) applies, the issuer of the plan
4 shall—
5 "(i) collect from each enrollee in the
6 plan (without regard to the enrollee's age,
7 sex, or family status) a separate payment
8 for each of the following:
9 "(I) an amount equal to the por-
10 tion of the premium to be paid di-
11 rectly by the enrollee for coverage
12 under the plan of services other than
13 services described in paragraph
14 (1)(B)(i) (after reduction for credits
15 and cost-sharing reductions described
16 in subparagraph (A)); and
17 "(II) an amount equal to the ac-
18 tuarial value of the coverage of serv-
19 ices described in paragraph (1)(B)(i),
20 and
21 "(ii) shall deposit all such separate
22 payments into separate allocation accounts
23 as provided in subparagraph (C).
24 In the case of an enrollee whose premium for
25 coverage under the plan is paid through em-

1 ployee payroll deposit, the separate payments
2 required under this subparagraph shall each be
3 paid by a separate deposit.
4 "(C) SEGREGATION OF FUNDS.—
5 "(i) IN GENERAL.—The issuer of a
6 plan to which subparagraph (A) applies
7 shall establish allocation accounts de-
8 scribed in clause (ii) for enrollees receiving
9 amounts described in subparagraph (A).
10 "(ii) ALLOCATION ACCOUNTS.—The
11 issuer of a plan to which subparagraph (A)
12 applies shall deposit—
13 "(I) all payments described in
14 subparagraph (B)(i)(I) into a separate
15 account that consists solely of such
16 payments and that is used exclusively
17 to pay for services other than services
18 described in paragraph (1)(B)(i); and
19 "(II) all payments described in
20 subparagraph (B)(i)(II) into a sepa-
21 rate account that consists solely of
22 such payments and that is used exclu-
23 sively to pay for services described in
24 paragraph (1)(B)(i).
25 "(D) ACTUARIAL VALUE.—

1 "(i) IN GENERAL.—The issuer of a
2 qualified health plan shall estimate the
3 basic per enrollee, per month cost, deter-
4 mined on an average actuarial basis, for
5 including coverage under the qualified
6 health plan of the services described in
7 paragraph (1)(B)(i).
8 "(ii) CONSIDERATIONS.—In making
9 such estimate, the issuer—
10 "(I) may take into account the
11 impact on overall costs of the inclu-
12 sion of such coverage, but may not
13 take into account any cost reduction
14 estimated to result from such services,
15 including prenatal care, delivery, or
16 postnatal care;
17 "(II) shall estimate such costs as
18 if such coverage were included for the
19 entire population covered; and
20 "(III) may not estimate such a
21 cost at less than $1 per enrollee, per
22 month.
23 "(E) ENSURING COMPLIANCE WITH SEG-
24 REGATION REQUIREMENTS.—

1 "(i) IN GENERAL.—Subject to clause
2 (ii), State health insurance commissioners
3 shall ensure that health plans comply with
4 the segregation requirements in this sub-
5 section through the segregation of plan
6 funds in accordance with applicable provi-
7 sions of generally accepted accounting re-
8 quirements, circulars on funds manage-
9 ment of the Office of Management and
10 Budget, and guidance on accounting of the
11 Government Accountability Office.
12 "(ii) CLARIFICATION.—Nothing in
13 clause (i) shall prohibit the right of an in-
14 dividual or health plan to appeal such ac-
15 tion in courts of competent jurisdiction.
16 "(3) RULES RELATING TO NOTICE.—
17 "(A) NOTICE.—A qualified health plan
18 that provides for coverage of the services de-
19 scribed in paragraph (1)(B)(i) shall provide a
20 notice to enrollees, only as part of the summary
21 of benefits and coverage explanation, at the
22 time of enrollment, of such coverage.
23 "(B) RULES RELATING TO PAYMENTS.—
24 The notice described in subparagraph (A), any
25 advertising used by the issuer with respect to

1 the plan, any information provided by the Ex-
2 change, and any other information specified by
3 the Secretary shall provide information only
4 with respect to the total amount of the com-
5 bined payments for services described in para-
6 graph (1)(B)(i) and other services covered by
7 the plan.
8 ''(4) NO DISCRIMINATION ON BASIS OF PROVI-
9 SION OF ABORTION.—No qualified health plan of-
10 fered through an Exchange may discriminate against
11 any individual health care provider or health care fa-
12 cility because of its unwillingness to provide, pay for,
13 provide coverage of, or refer for abortions
14 ''(c) APPLICATION OF STATE AND FEDERAL LAWS
15 REGARDING ABORTION.—
16 ''(1) NO PREEMPTION OF STATE LAWS REGARD-
17 ING ABORTION.—Nothing in this Act shall be con-
18 strued to preempt or otherwise have any effect on
19 State laws regarding the prohibition of (or require-
20 ment of) coverage, funding, or procedural require-
21 ments on abortions, including parental notification
22 or consent for the performance of an abortion on a
23 minor.
24 ''(2) NO EFFECT ON FEDERAL LAWS REGARD-
25 ING ABORTION.—

1 "(A) IN GENERAL.—Nothing in this Act
2 shall be construed to have any effect on Federal
3 laws regarding—
4 "(i) conscience protection;
5 "(ii) willingness or refusal to provide
6 abortion; and
7 "(iii) discrimination on the basis of
8 the willingness or refusal to provide, pay
9 for, cover, or refer for abortion or to pro-
10 vide or participate in training to provide
11 abortion.
12 "(3) NO EFFECT ON FEDERAL CIVIL RIGHTS
13 LAW.—Nothing in this subsection shall alter the
14 rights and obligations of employees and employers
15 under title VII of the Civil Rights Act of 1964.
16 "(d) APPLICATION OF EMERGENCY SERVICES
17 LAWS.—Nothing in this Act shall be construed to relieve
18 any health care provider from providing emergency serv-
19 ices as required by State or Federal law, including section
20 1867 of the Social Security Act (popularly known as
21 'EMTALA').".
22 (d) Section 1304 of this Act is amended by adding
23 at the end the following:
24 "(e) EDUCATED HEALTH CARE CONSUMERS.—The
25 term 'educated health care consumer' means an individual

1 who is knowledgeable about the health care system, and
2 has background or experience in making informed deci-
3 sions regarding health, medical, and scientific matters.''.
4 (e) Section 1311(d) of this Act is amended—
5 (1) in paragraph (3)(B), by striking clause (ii)
6 and inserting the following:
7 ''(ii) STATE MUST ASSUME COST.—A
8 State shall make payments—
9 ''(I) to an individual enrolled in a
10 qualified health plan offered in such
11 State; or
12 ''(II) on behalf of an individual
13 described in subclause (I) directly to
14 the qualified health plan in which
15 such individual is enrolled;
16 to defray the cost of any additional bene-
17 fits described in clause (i).''; and
18 (2) in paragraph (6)(A), by inserting ''edu-
19 cated'' before ''health care''.
20 (f) Section 1311(e) of this Act is amended—
21 (1) in paragraph (2), by striking ''may'' in the
22 second sentence and inserting ''shall''; and
23 (2) by adding at the end the following:
24 ''(3) TRANSPARENCY IN COVERAGE.—

1 "(A) IN GENERAL.—The Exchange shall
2 require health plans seeking certification as
3 qualified health plans to submit to the Ex-
4 change, the Secretary, the State insurance com-
5 missioner, and make available to the public, ac-
6 curate and timely disclosure of the following in-
7 formation:
8 "(i) Claims payment policies and
9 practices.
10 "(ii) Periodic financial disclosures.
11 "(iii) Data on enrollment.
12 "(iv) Data on disenrollment.
13 "(v) Data on the number of claims
14 that are denied.
15 "(vi) Data on rating practices.
16 "(vii) Information on cost-sharing and
17 payments with respect to any out-of-net-
18 work coverage.
19 "(viii) Information on enrollee and
20 participant rights under this title.
21 "(ix) Other information as determined
22 appropriate by the Secretary.
23 "(B) USE OF PLAIN LANGUAGE.—The in-
24 formation required to be submitted under sub-
25 paragraph (A) shall be provided in plain lan-

1 guage. The term 'plain language' means lan-
2 guage that the intended audience, including in-
3 dividuals with limited English proficiency, can
4 readily understand and use because that lan-
5 guage is concise, well-organized, and follows
6 other best practices of plain language writing.
7 The Secretary and the Secretary of Labor shall
8 jointly develop and issue guidance on best prac-
9 tices of plain language writing.
10 "(C) COST SHARING TRANSPARENCY.—The
11 Exchange shall require health plans seeking
12 certification as qualified health plans to permit
13 individuals to learn the amount of cost-sharing
14 (including deductibles, copayments, and coin-
15 surance) under the individual's plan or coverage
16 that the individual would be responsible for
17 paying with respect to the furnishing of a spe-
18 cific item or service by a participating provider
19 in a timely manner upon the request of the in-
20 dividual. At a minimum, such information shall
21 be made available to such individual through an
22 Internet website and such other means for indi-
23 viduals without access to the Internet.
24 "(D) GROUP HEALTH PLANS.—The Sec-
25 retary of Labor shall update and harmonize the

1 Secretary's rules concerning the accurate and
2 timely disclosure to participants by group
3 health plans of plan disclosure, plan terms and
4 conditions, and periodic financial disclosure
5 with the standards established by the Secretary
6 under subparagraph (A).''.
7 (g) Section 1311(g)(1) of this Act is amended—
8 (1) in subparagraph (C), by striking ''; and''
9 and inserting a semicolon;
10 (2) in subparagraph (D), by striking the period
11 and inserting ''; and''; and
12 (3) by adding at the end the following:
13 ''(E) the implementation of activities to re-
14 duce health and health care disparities, includ-
15 ing through the use of language services, com-
16 munity outreach, and cultural competency
17 trainings.''.
18 (h) Section 1311(i)(2)((B) of this Act is amended by
19 striking ''small business development centers'' and insert-
20 ing ''resource partners of the Small Business Administra-
21 tion''.
22 (i) Section 1312 of this Act is amended—
23 (1) in subsection (a)(1), by inserting ''and for
24 which such individual is eligible'' before the period;
25 (2) in subsection (e)—

1 (A) in paragraph (1), by inserting ''and
2 employers'' after ''enroll individuals''; and
3 (B) by striking the flush sentence at the
4 end; and
5 (3) in subsection (f)(1)(A)(ii), by striking the
6 parenthetical.
7 (j)(1) Subparagraph (B) of section 1313(a)(6) of this
8 Act is hereby deemed null, void, and of no effect.
9 (2) Section 3730(e) of title 31, United States Code,
10 is amended by striking paragraph (4) and inserting the
11 following:
12 ''(4)(A) The court shall dismiss an action or
13 claim under this section, unless opposed by the Gov-
14 ernment, if substantially the same allegations or
15 transactions as alleged in the action or claim were
16 publicly disclosed—
17 ''(i) in a Federal criminal, civil, or admin-
18 istrative hearing in which the Government or its
19 agent is a party;
20 ''(ii) in a congressional, Government Ac-
21 countability Office, or other Federal report,
22 hearing, audit, or investigation; or
23 ''(iii) from the news media,

1 unless the action is brought by the Attorney General
2 or the person bringing the action is an original
3 source of the information.
4 ''(B) For purposes of this paragraph, ''original
5 source'' means an individual who either (i) prior to
6 a public disclosure under subsection (e)(4)(a), has
7 voluntarily disclosed to the Government the informa-
8 tion on which allegations or transactions in a claim
9 are based, or (2) who has knowledge that is inde-
10 pendent of and materially adds to the publicly dis-
11 closed allegations or transactions, and who has vol-
12 untarily provided the information to the Government
13 before filing an action under this section.''.
14 (k) Section 1313(b) of this Act is amended—
15 (1) in paragraph (3), by striking ''and'' at the
16 end;
17 (2) by redesignating paragraph (4) as para-
18 graph (5); and
19 (3) by inserting after paragraph (3) the fol-
20 lowing:
21 ''(4) a survey of the cost and affordability of
22 health care insurance provided under the Exchanges
23 for owners and employees of small business concerns
24 (as defined under section 3 of the Small Business
25 Act (15 U.S.C. 632)), including data on enrollees in

1 Exchanges and individuals purchasing health insur-
2 ance coverage outside of Exchanges; and''.
3 (l) Section 1322(b) of this Act is amended—
4 (1) by redesignating paragraph (3) as para-
5 graph (4); and
6 (2) by inserting after paragraph (2), the fol-
7 lowing:
8 ''(3) REPAYMENT OF LOANS AND GRANTS.—
9 Not later than July 1, 2013, and prior to awarding
10 loans and grants under the CO-OP program, the
11 Secretary shall promulgate regulations with respect
12 to the repayment of such loans and grants in a man-
13 ner that is consistent with State solvency regulations
14 and other similar State laws that may apply. In pro-
15 mulgating such regulations, the Secretary shall pro-
16 vide that such loans shall be repaid within 5 years
17 and such grants shall be repaid within 15 years, tak-
18 ing into consideration any appropriate State reserve
19 requirements, solvency regulations, and requisite
20 surplus note arrangements that must be constructed
21 in a State to provide for such repayment prior to
22 awarding such loans and grants.''.
23 (m) Part III of subtitle D of title I of this Act is
24 amended by striking section 1323.

1 (n) Section 1324(a) of this Act is amended by strik-
2 ing '', a community health'' and all that follows through
3 ''1333(b)'' and inserting '', or a multi-State qualified
4 health plan under section 1334''.
5 (o) Section 1331 of this Act is amended—
6 (1) in subsection (d)(3)(A)(i), by striking ''85''
7 and inserting ''95''; and
8 (2) in subsection (e)(1)(B), by inserting before
9 the semicolon the following: '', or, in the case of an
10 alien lawfully present in the United States, whose in-
11 come is not greater than 133 percent of the poverty
12 line for the size of the family involved but who is not
13 eligible for the Medicaid program under title XIX of
14 the Social Security Act by reason of such alien sta-
15 tus''.
16 (p) Section 1333 of this Act is amended by striking
17 subsection (b).
18 (q) Part IV of subtitle D of title I of this Act is
19 amended by adding at the end the following:
20 **''SEC. 1334. MULTI-STATE PLANS.**
21 ''(a) OVERSIGHT BY THE OFFICE OF PERSONNEL
22 MANAGEMENT.—
23 ''(1) IN GENERAL.—The Director of the Office
24 of Personnel Management (referred to in this section
25 as the 'Director') shall enter into contracts with

1 health insurance issuers (which may include a group
2 of health insurance issuers affiliated either by com-
3 mon ownership and control or by the common use of
4 a nationally licensed service mark), without regard
5 to section 5 of title 41, United States Code, or other
6 statutes requiring competitive bidding, to offer at
7 least 2 multi-State qualified health plans through
8 each Exchange in each State. Such plans shall pro-
9 vide individual, or in the case of small employers,
10 group coverage.

11 ''(2) TERMS.—Each contract entered into
12 under paragraph (1) shall be for a uniform term of
13 at least 1 year, but may be made automatically re-
14 newable from term to term in the absence of notice
15 of termination by either party. In entering into such
16 contracts, the Director shall ensure that health bene-
17 fits coverage is provided in accordance with the
18 types of coverage provided for under section
19 2701(a)(1)(A)(i) of the Public Health Service Act.

20 ''(3) NON-PROFIT ENTITIES.—In entering into
21 contracts under paragraph (1), the Director shall
22 ensure that at least one contract is entered into with
23 a non-profit entity.

24 ''(4) ADMINISTRATION.—The Director shall im-
25 plement this subsection in a manner similar to the

1 manner in which the Director implements the con-
2 tracting provisions with respect to carriers under the
3 Federal employees health benefit program under
4 chapter 89 of title 5, United States Code, including
5 (through negotiating with each multi-state plan)—
6 ''(A) a medical loss ratio;
7 ''(B) a profit margin;
8 ''(C) the premiums to be charged; and
9 ''(D) such other terms and conditions of
10 coverage as are in the interests of enrollees in
11 such plans.
12 ''(5) AUTHORITY TO PROTECT CONSUMERS.—
13 The Director may prohibit the offering of any multi-
14 State health plan that does not meet the terms and
15 conditions defined by the Director with respect to
16 the elements described in subparagraphs (A)
17 through (D) of paragraph (4).
18 ''(6) ASSURED AVAILABILITY OF VARIED COV-
19 ERAGE.—In entering into contracts under this sub-
20 section, the Director shall ensure that with respect
21 to multi-State qualified health plans offered in an
22 Exchange, there is at least one such plan that does
23 not provide coverage of services described in section
24 1303(b)(1)(B)(i).

1 "(7) WITHDRAWAL.—Approval of a contract
2 under this subsection may be withdrawn by the Di-
3 rector only after notice and opportunity for hearing
4 to the issuer concerned without regard to subchapter
5 II of chapter 5 and chapter 7 of title 5, United
6 States Code.
7 "(b) ELIGIBILITY.—A health insurance issuer shall
8 be eligible to enter into a contract under subsection (a)(1)
9 if such issuer—
10 "(1) agrees to offer a multi-State qualified
11 health plan that meets the requirements of sub-
12 section (c) in each Exchange in each State;
13 "(2) is licensed in each State and is subject to
14 all requirements of State law not inconsistent with
15 this section, including the standards and require-
16 ments that a State imposes that do not prevent the
17 application of a requirement of part A of title
18 XXVII of the Public Health Service Act or a re-
19 quirement of this title;
20 "(3) otherwise complies with the minimum
21 standards prescribed for carriers offering health ben-
22 efits plans under section 8902(e) of title 5, United
23 States Code, to the extent that such standards do
24 not conflict with a provision of this title; and

1 "(4) meets such other requirements as deter-
2 mined appropriate by the Director, in consultation
3 with the Secretary.
4 "(c) REQUIREMENTS FOR MULTI-STATE QUALIFIED
5 HEALTH PLAN.—
6 "(1) IN GENERAL.—A multi-State qualified
7 health plan meets the requirements of this sub-
8 section if, in the determination of the Director—
9 "(A) the plan offers a benefits package
10 that is uniform in each State and consists of
11 the essential benefits described in section 1302;
12 "(B) the plan meets all requirements of
13 this title with respect to a qualified health plan,
14 including requirements relating to the offering
15 of the bronze, silver, and gold levels of coverage
16 and catastrophic coverage in each State Ex-
17 change;
18 "(C) except as provided in paragraph (5),
19 the issuer provides for determinations of pre-
20 miums for coverage under the plan on the basis
21 of the rating requirements of part A of title
22 XXVII of the Public Health Service Act; and
23 "(D) the issuer offers the plan in all geo-
24 graphic regions, and in all States that have

1 adopted adjusted community rating before the
2 date of enactment of this Act.
3 "(2) STATES MAY OFFER ADDITIONAL BENE-
4 FITS.—Nothing in paragraph (1)(A) shall preclude a
5 State from requiring that benefits in addition to the
6 essential health benefits required under such para-
7 graph be provided to enrollees of a multi-State quali-
8 fied health plan offered in such State.
9 "(3) CREDITS.—
10 "(A) IN GENERAL.—An individual enrolled
11 in a multi-State qualified health plan under this
12 section shall be eligible for credits under section
13 36B of the Internal Revenue Code of 1986 and
14 cost sharing assistance under section 1402 in
15 the same manner as an individual who is en-
16 rolled in a qualified health plan.
17 "(B) NO ADDITIONAL FEDERAL COST.—A
18 requirement by a State under paragraph (2)
19 that benefits in addition to the essential health
20 benefits required under paragraph (1)(A) be
21 provided to enrollees of a multi-State qualified
22 health plan shall not affect the amount of a
23 premium tax credit provided under section 36B
24 of the Internal Revenue Code of 1986 with re-
25 spect to such plan.

1 "(4) STATE MUST ASSUME COST.—A State
2 shall make payments—
3 "(A) to an individual enrolled in a multi-
4 State qualified health plan offered in such
5 State; or
6 "(B) on behalf of an individual described
7 in subparagraph (A) directly to the multi-State
8 qualified health plan in which such individual is
9 enrolled;
10 to defray the cost of any additional benefits de-
11 scribed in paragraph (2).
12 "(5) APPLICATION OF CERTAIN STATE RATING
13 REQUIREMENTS.—With respect to a multi-State
14 qualified health plan that is offered in a State with
15 age rating requirements that are lower than 3:1, the
16 State may require that Exchanges operating in such
17 State only permit the offering of such multi-State
18 qualified health plans if such plans comply with the
19 State's more protective age rating requirements.
20 "(d) PLANS DEEMED TO BE CERTIFIED.—A multi-
21 State qualified health plan that is offered under a contract
22 under subsection (a) shall be deemed to be certified by
23 an Exchange for purposes of section 1311(d)(4)(A).
24 "(e) PHASE-IN.—Notwithstanding paragraphs (1)
25 and (2) of subsection (b), the Director shall enter into a

1 contract with a health insurance issuer for the offering
2 of a multi-State qualified health plan under subsection (a)
3 if—
4 “(1) with respect to the first year for which the
5 issuer offers such plan, such issuer offers the plan
6 in at least 60 percent of the States;
7 “(2) with respect to the second such year, such
8 issuer offers the plan in at least 70 percent of the
9 States;
10 “(3) with respect to the third such year, such
11 issuer offers the plan in at least 85 percent of the
12 States; and
13 “(4) with respect to each subsequent year, such
14 issuer offers the plan in all States.
15 “(f) APPLICABILITY.—The requirements under chap-
16 ter 89 of title 5, United States Code, applicable to health
17 benefits plans under such chapter shall apply to multi-
18 State qualified health plans provided for under this section
19 to the extent that such requirements do not conflict with
20 a provision of this title.
21 “(g) CONTINUED SUPPORT FOR FEHBP.—
22 “(1) MAINTENANCE OF EFFORT.—Nothing in
23 this section shall be construed to permit the Director
24 to allocate fewer financial or personnel resources to
25 the functions of the Office of Personnel Management

1 related to the administration of the Federal Employ-
2 ees Health Benefit Program under chapter 89 of
3 title 5, United States Code.

4 ‘‘(2) SEPARATE RISK POOL.—Enrollees in
5 multi-State qualified health plans under this section
6 shall be treated as a separate risk pool apart from
7 enrollees in the Federal Employees Health Benefit
8 Program under chapter 89 of title 5, United States
9 Code.

10 ‘‘(3) AUTHORITY TO ESTABLISH SEPARATE EN-
11 TITIES.—The Director may establish such separate
12 units or offices within the Office of Personnel Man-
13 agement as the Director determines to be appro-
14 priate to ensure that the administration of multi-
15 State qualified health plans under this section does
16 not interfere with the effective administration of the
17 Federal Employees Health Benefit Program under
18 chapter 89 of title 5, United States Code.

19 ‘‘(4) EFFECTIVE OVERSIGHT.—The Director
20 may appoint such additional personnel as may be
21 necessary to enable the Director to carry out activi-
22 ties under this section.

23 ‘‘(5) ASSURANCE OF SEPARATE PROGRAM.—In
24 carrying out this section, the Director shall ensure
25 that the program under this section is separate from

1 the Federal Employees Health Benefit Program
2 under chapter 89 of title 5, United States Code.
3 Premiums paid for coverage under a multi-State
4 qualified health plan under this section shall not be
5 considered to be Federal funds for any purposes.

6 ‘‘(6) FEHBP PLANS NOT REQUIRED TO PAR-
7 TICIPATE.—Nothing in this section shall require that
8 a carrier offering coverage under the Federal Em-
9 ployees Health Benefit Program under chapter 89 of
10 title 5, United States Code, also offer a multi-State
11 qualified health plan under this section.

12 ‘‘(h) ADVISORY BOARD.—The Director shall establish
13 an advisory board to provide recommendations on the ac-
14 tivities described in this section. A significant percentage
15 of the members of such board shall be comprised of enroll-
16 ees in a multi-State qualified health plan, or representa-
17 tives of such enrollees.

18 ‘‘(i) AUTHORIZATION OF APPROPRIATIONS.—There is
19 authorized to be appropriated, such sums as may be nec-
20 essary to carry out this section.’’.

21 (r) Section 1341 of this Act is amended—

22 (1) in the section heading, by striking ‘‘**AND**
23 **SMALL GROUP MARKETS**’’ and inserting ‘‘**MAR-**
24 **KET**’’;

1 (2) in subsection (b)(2)(B), by striking ''para-
2 graph (1)(A)'' and inserting ''paragraph (1)(B)'';
3 and
4 (3) in subsection (c)(1)(A), by striking ''and
5 small group markets'' and inserting ''market''.

6 **SEC. 10105. AMENDMENTS TO SUBTITLE E.**

7 (a) Section 36B(b)(3)(A)(ii) of the Internal Revenue
8 Code of 1986, as added by section 1401(a) of this Act,
9 is amended by striking ''is in excess of'' and inserting
10 ''equals or exceeds''.
11 (b) Section 36B(c)(1)(A) of the Internal Revenue
12 Code of 1986, as added by section 1401(a) of this Act,
13 is amended by inserting ''equals or'' before ''exceeds''.
14 (c) Section 36B(c)(2)(C)(iv) of the Internal Revenue
15 Code of 1986, as added by section 1401(a) of this Act,
16 is amended by striking ''subsection (b)(3)(A)(ii)'' and in-
17 serting ''subsection (b)(3)(A)(iii)''.
18 (d) Section 1401(d) of this Act is amended by adding
19 at the end the following:
20 ''(3) Section 6211(b)(4)(A) of the Internal Rev-
21 enue Code of 1986 is amended by inserting '36B,'
22 after '36A,'.''.
23 (e)(1) Subparagraph (B) of section 45R(d)(3) of the
24 Internal Revenue Code of 1986, as added by section
25 1421(a) of this Act, is amended to read as follows:

1 "(B) DOLLAR AMOUNT.—For purposes of
2 paragraph (1)(B) and subsection (c)(2)—
3 "(i) 2010, 2011, 2012, AND 2013.—The
4 dollar amount in effect under this para-
5 graph for taxable years beginning in 2010,
6 2011, 2012, or 2013 is $25,000.
7 "(ii) SUBSEQUENT YEARS.—In the
8 case of a taxable year beginning in a cal-
9 endar year after 2013, the dollar amount
10 in effect under this paragraph shall be
11 equal to $25,000, multiplied by the cost-of-
12 living adjustment under section 1(f)(3) for
13 the calendar year, determined by sub-
14 stituting 'calendar year 2012' for 'calendar
15 year 1992' in subparagraph (B) thereof.".
16 (2) Subsection (g) of section 45R of the Internal Rev-
17 enue Code of 1986, as added by section 1421(a) of this
18 Act, is amended by striking "2011" both places it appears
19 and inserting "2010, 2011".
20 (3) Section 280C(h) of the Internal Revenue Code of
21 1986, as added by section 1421(d)(1) of this Act, is
22 amended by striking "2011" and inserting "2010, 2011".
23 (4) Section 1421(f) of this Act is amended by striking
24 "2010" both places it appears and inserting "2009".

1 (5) The amendments made by this subsection shall
2 take effect as if included in the enactment of section 1421
3 of this Act.
4 (f) Part I of subtitle E of title I of this Act is amend-
5 ed by adding at the end of subpart B, the following:

6 **"SEC. 1416. STUDY OF GEOGRAPHIC VARIATION IN APPLI-**
7 **CATION OF FPL.**

8 "(a) IN GENERAL.—The Secretary shall conduct a
9 study to examine the feasibility and implication of adjust-
10 ing the application of the Federal poverty level under this
11 subtitle (and the amendments made by this subtitle) for
12 different geographic areas so as to reflect the variations
13 in cost-of-living among different areas within the United
14 States. If the Secretary determines that an adjustment is
15 feasible, the study should include a methodology to make
16 such an adjustment. Not later than January 1, 2013, the
17 Secretary shall submit to Congress a report on such study
18 and shall include such recommendations as the Secretary
19 determines appropriate.
20 "(b) INCLUSION OF TERRITORIES.—
21 "(1) IN GENERAL.—The Secretary shall ensure
22 that the study under subsection (a) covers the terri-
23 tories of the United States and that special attention
24 is paid to the disparity that exists among poverty
25 levels and the cost of living in such territories and

1 to the impact of such disparity on efforts to expand
2 health coverage and ensure health care.
3 "(2) TERRITORIES DEFINED.—In this sub-
4 section, the term 'territories of the United States'
5 includes the Commonwealth of Puerto Rico, the
6 United States Virgin Islands, Guam, the Northern
7 Mariana Islands, and any other territory or posses-
8 sion of the United States.".

9 **SEC. 10106. AMENDMENTS TO SUBTITLE F.**

10 (a) Section 1501(a)(2) of this Act is amended to read
11 as follows:
12 "(2) EFFECTS ON THE NATIONAL ECONOMY
13 AND INTERSTATE COMMERCE.—The effects de-
14 scribed in this paragraph are the following:
15 "(A) The requirement regulates activity
16 that is commercial and economic in nature: eco-
17 nomic and financial decisions about how and
18 when health care is paid for, and when health
19 insurance is purchased. In the absence of the
20 requirement, some individuals would make an
21 economic and financial decision to forego health
22 insurance coverage and attempt to self-insure,
23 which increases financial risks to households
24 and medical providers.

1 "(B) Health insurance and health care
2 services are a significant part of the national
3 economy. National health spending is projected
4 to increase from $2,500,000,000,000, or 17.6
5 percent of the economy, in 2009 to
6 $4,700,000,000,000 in 2019. Private health in-
7 surance spending is projected to be
8 $854,000,000,000 in 2009, and pays for med-
9 ical supplies, drugs, and equipment that are
10 shipped in interstate commerce. Since most
11 health insurance is sold by national or regional
12 health insurance companies, health insurance is
13 sold in interstate commerce and claims pay-
14 ments flow through interstate commerce.
15 "(C) The requirement, together with the
16 other provisions of this Act, will add millions of
17 new consumers to the health insurance market,
18 increasing the supply of, and demand for,
19 health care services, and will increase the num-
20 ber and share of Americans who are insured.
21 "(D) The requirement achieves near-uni-
22 versal coverage by building upon and strength-
23 ening the private employer-based health insur-
24 ance system, which covers 176,000,000 Ameri-
25 cans nationwide. In Massachusetts, a similar re-

1 quirement has strengthened private employer-
2 based coverage: despite the economic downturn,
3 the number of workers offered employer-based
4 coverage has actually increased.
5 ''(E) The economy loses up to
6 $207,000,000,000 a year because of the poorer
7 health and shorter lifespan of the uninsured. By
8 significantly reducing the number of the unin-
9 sured, the requirement, together with the other
10 provisions of this Act, will significantly reduce
11 this economic cost.
12 ''(F) The cost of providing uncompensated
13 care to the uninsured was $43,000,000,000 in
14 2008. To pay for this cost, health care pro-
15 viders pass on the cost to private insurers,
16 which pass on the cost to families. This cost-
17 shifting increases family premiums by on aver-
18 age over $1,000 a year. By significantly reduc-
19 ing the number of the uninsured, the require-
20 ment, together with the other provisions of this
21 Act, will lower health insurance premiums.
22 ''(G) 62 percent of all personal bank-
23 ruptcies are caused in part by medical expenses.
24 By significantly increasing health insurance
25 coverage, the requirement, together with the

1 other provisions of this Act, will improve finan-
2 cial security for families.
3 "(H) Under the Employee Retirement In-
4 come Security Act of 1974 (29 U.S.C. 1001 et
5 seq.), the Public Health Service Act (42 U.S.C.
6 201 et seq.), and this Act, the Federal Govern-
7 ment has a significant role in regulating health
8 insurance. The requirement is an essential part
9 of this larger regulation of economic activity,
10 and the absence of the requirement would un-
11 dercut Federal regulation of the health insur-
12 ance market.
13 "(I) Under sections 2704 and 2705 of the
14 Public Health Service Act (as added by section
15 1201 of this Act), if there were no requirement,
16 many individuals would wait to purchase health
17 insurance until they needed care. By signifi-
18 cantly increasing health insurance coverage, the
19 requirement, together with the other provisions
20 of this Act, will minimize this adverse selection
21 and broaden the health insurance risk pool to
22 include healthy individuals, which will lower
23 health insurance premiums. The requirement is
24 essential to creating effective health insurance
25 markets in which improved health insurance

1 products that are guaranteed issue and do not
2 exclude coverage of pre-existing conditions can
3 be sold.

4 "(J) Administrative costs for private
5 health insurance, which were $90,000,000,000
6 in 2006, are 26 to 30 percent of premiums in
7 the current individual and small group markets.
8 By significantly increasing health insurance
9 coverage and the size of purchasing pools,
10 which will increase economies of scale, the re-
11 quirement, together with the other provisions of
12 this Act, will significantly reduce administrative
13 costs and lower health insurance premiums.
14 The requirement is essential to creating effec-
15 tive health insurance markets that do not re-
16 quire underwriting and eliminate its associated
17 administrative costs.".

18 (b)(1) Section 5000A(b)(1) of the Internal Revenue
19 Code of 1986, as added by section 1501(b) of this Act,
20 is amended to read as follows:

21 "(1) IN GENERAL.—If a taxpayer who is an ap-
22 plicable individual, or an applicable individual for
23 whom the taxpayer is liable under paragraph (3),
24 fails to meet the requirement of subsection (a) for
25 1 or more months, then, except as provided in sub-

1 section (e), there is hereby imposed on the taxpayer
2 a penalty with respect to such failures in the amount
3 determined under subsection (c).''.
4 (2) Paragraphs (1) and (2) of section 5000A(c)
5 of the Internal Revenue Code of 1986, as so added,
6 are amended to read as follows:
7 ''(1) IN GENERAL.—The amount of the penalty
8 imposed by this section on any taxpayer for any tax-
9 able year with respect to failures described in sub-
10 section (b)(1) shall be equal to the lesser of—
11 ''(A) the sum of the monthly penalty
12 amounts determined under paragraph (2) for
13 months in the taxable year during which 1 or
14 more such failures occurred, or
15 ''(B) an amount equal to the national aver-
16 age premium for qualified health plans which
17 have a bronze level of coverage, provide cov-
18 erage for the applicable family size involved,
19 and are offered through Exchanges for plan
20 years beginning in the calendar year with or
21 within which the taxable year ends.
22 ''(2) MONTHLY PENALTY AMOUNTS.—For pur-
23 poses of paragraph (1)(A), the monthly penalty
24 amount with respect to any taxpayer for any month
25 during which any failure described in subsection

1 (b)(1) occurred is an amount equal to 1⁄12 of the
2 greater of the following amounts:
3 ‘‘(A) FLAT DOLLAR AMOUNT.—An amount
4 equal to the lesser of—
5 ‘‘(i) the sum of the applicable dollar
6 amounts for all individuals with respect to
7 whom such failure occurred during such
8 month, or
9 ‘‘(ii) 300 percent of the applicable dol-
10 lar amount (determined without regard to
11 paragraph (3)(C)) for the calendar year
12 with or within which the taxable year ends.
13 ‘‘(B) PERCENTAGE OF INCOME.—An
14 amount equal to the following percentage of the
15 taxpayer’s household income for the taxable
16 year:
17 ‘‘(i) 0.5 percent for taxable years be-
18 ginning in 2014.
19 ‘‘(ii) 1.0 percent for taxable years be-
20 ginning in 2015.
21 ‘‘(iii) 2.0 percent for taxable years be-
22 ginning after 2015.’’.
23 (3) Section 5000A(c)(3) of the Internal Revenue
24 Code of 1986, as added by section 1501(b) of this Act,
25 is amended by striking ‘‘$350’’ and inserting ‘‘$495’’.

1 (c) Section 5000A(d)(2)(A) of the Internal Revenue
2 Code of 1986, as added by section 1501(b) of this Act,
3 is amended to read as follows:
4 ''(A) RELIGIOUS CONSCIENCE EXEMP-
5 TION.—Such term shall not include any indi-
6 vidual for any month if such individual has in
7 effect an exemption under section
8 1311(d)(4)(H) of the Patient Protection and
9 Affordable Care Act which certifies that such
10 individual is—
11 ''(i) a member of a recognized reli-
12 gious sect or division thereof which is de-
13 scribed in section 1402(g)(1), and
14 ''(ii) an adherent of established tenets
15 or teachings of such sect or division as de-
16 scribed in such section.''.
17 (d) Section 5000A(e)(1)(C) of the Internal Revenue
18 Code of 1986, as added by section 1501(b) of this Act,
19 is amended to read as follows:
20 ''(C) SPECIAL RULES FOR INDIVIDUALS
21 RELATED TO EMPLOYEES.—For purposes of
22 subparagraph (B)(i), if an applicable individual
23 is eligible for minimum essential coverage
24 through an employer by reason of a relationship
25 to an employee, the determination under sub-

1 paragraph (A) shall be made by reference to re-
2 quired contribution of the employee.''.
3 (e) Section 4980H(b) of the Internal Revenue Code
4 of 1986, as added by section 1513(a) of this Act, is
5 amended to read as follows:
6 ''(b) LARGE EMPLOYERS WITH WAITING PERIODS
7 EXCEEDING 60 DAYS.—
8 ''(1) IN GENERAL.—In the case of any applica-
9 ble large employer which requires an extended wait-
10 ing period to enroll in any minimum essential cov-
11 erage under an employer-sponsored plan (as defined
12 in section 5000A(f)(2)), there is hereby imposed on
13 the employer an assessable payment of $600 for
14 each full-time employee of the employer to whom the
15 extended waiting period applies.
16 ''(2) EXTENDED WAITING PERIOD.—The term
17 'extended waiting period' means any waiting period
18 (as defined in section 2701(b)(4) of the Public
19 Health Service Act) which exceeds 60 days.''.
20 (f)(1) Subparagraph (A) of section 4980H(d)(4) of
21 the Internal Revenue Code of 1986, as added by section
22 1513(a) of this Act, is amended by inserting '', with re-
23 spect to any month,'' after ''means''.

1 (2) Section 4980H(d)(2) of the Internal Revenue
2 Code of 1986, as added by section 1513(a) of this Act,
3 is amended by adding at the end the following:
4 "(D) APPLICATION TO CONSTRUCTION IN-
5 DUSTRY EMPLOYERS.—In the case of any em-
6 ployer the substantial annual gross receipts of
7 which are attributable to the construction in-
8 dustry—
9 "(i) subparagraph (A) shall be applied
10 by substituting 'who employed an average
11 of at least 5 full-time employees on busi-
12 ness days during the preceding calendar
13 year and whose annual payroll expenses ex-
14 ceed $250,000 for such preceding calendar
15 year' for 'who employed an average of at
16 least 50 full-time employees on business
17 days during the preceding calendar year',
18 and
19 "(ii) subparagraph (B) shall be ap-
20 plied by substituting '5' for '50'.".
21 (3) The amendment made by paragraph (2) shall
22 apply to months beginning after December 31, 2013.
23 (g) Section 6056(b) of the Internal Revenue Code of
24 1986, as added by section 1514(a) of the Act, is amended
25 by adding at the end the following new flush sentence:

1 ''The Secretary shall have the authority to review the ac-
2 curacy of the information provided under this subsection,
3 including the applicable large employer's share under
4 paragraph (2)(C)(iv).''.

5 **SEC. 10107. AMENDMENTS TO SUBTITLE G.**

6 (a) Section 1562 of this Act is amended, in the
7 amendment made by subsection (a)(2)(B)(iii), by striking
8 ''subpart 1'' and inserting ''subparts I and II''; and
9 (b) Subtitle G of title I of this Act is amended—
10 (1) by redesignating section 1562 (as amended)
11 as section 1563; and
12 (2) by inserting after section 1561 the fol-
13 lowing:

14 **''SEC. 1562. GAO STUDY REGARDING THE RATE OF DENIAL**
15 **OF COVERAGE AND ENROLLMENT BY**
16 **HEALTH INSURANCE ISSUERS AND GROUP**
17 **HEALTH PLANS.**

18 ''(a) IN GENERAL.—The Comptroller General of the
19 United States (referred to in this section as the 'Comp-
20 troller General') shall conduct a study of the incidence of
21 denials of coverage for medical services and denials of ap-
22 plications to enroll in health insurance plans, as described
23 in subsection (b), by group health plans and health insur-
24 ance issuers.
25 ''(b) DATA.—

1 "(1) IN GENERAL.—In conducting the study de-
2 scribed in subsection (a), the Comptroller General
3 shall consider samples of data concerning the fol-
4 lowing:
5 "(A)(i) denials of coverage for medical
6 services to a plan enrollees, by the types of
7 services for which such coverage was denied;
8 and
9 "(ii) the reasons such coverage was denied;
10 and
11 "(B)(i) incidents in which group health
12 plans and health insurance issuers deny the ap-
13 plication of an individual to enroll in a health
14 insurance plan offered by such group health
15 plan or issuer; and
16 "(ii) the reasons such applications are de-
17 nied.
18 "(2) SCOPE OF DATA.—
19 "(A) FAVORABLY RESOLVED DISPUTES.—
20 The data that the Comptroller General con-
21 siders under paragraph (1) shall include data
22 concerning denials of coverage for medical serv-
23 ices and denials of applications for enrollment
24 in a plan by a group health plan or health in-
25 surance issuer, where such group health plan or

1 health insurance issuer later approves such cov-
2 erage or application.
3 ‘‘(B) ALL HEALTH PLANS.—The study
4 under this section shall consider data from var-
5 ied group health plans and health insurance
6 plans offered by health insurance issuers, in-
7 cluding qualified health plans and health plans
8 that are not qualified health plans.
9 ‘‘(c) REPORT.—Not later than one year after the date
10 of enactment of this Act, the Comptroller General shall
11 submit to the Secretaries of Health and Human Services
12 and Labor a report describing the results of the study con-
13 ducted under this section.
14 ‘‘(d) PUBLICATION OF REPORT.—The Secretaries of
15 Health and Human Services and Labor shall make the
16 report described in subsection (c) available to the public
17 on an Internet website.
18 **‘‘SEC. 1563. SMALL BUSINESS PROCUREMENT.**
19 ‘‘Part 19 of the Federal Acquisition Regulation, sec-
20 tion 15 of the Small Business Act (15 U.S.C. 644), and
21 any other applicable laws or regulations establishing pro-
22 curement requirements relating to small business concerns
23 (as defined in section 3 of the Small Business Act (15
24 U.S.C. 632)) may not be waived with respect to any con-

1 tract awarded under any program or other authority
2 under this Act or an amendment made by this Act.''.

3 **SEC. 10108. FREE CHOICE VOUCHERS.**

4 (a) IN GENERAL.—An offering employer shall pro-
5 vide free choice vouchers to each qualified employee of
6 such employer.

7 (b) OFFERING EMPLOYER.—For purposes of this
8 section, the term ''offering employer'' means any employer
9 who—

10 (1) offers minimum essential coverage to its
11 employees consisting of coverage through an eligible
12 employer-sponsored plan; and

13 (2) pays any portion of the costs of such plan.

14 (c) QUALIFIED EMPLOYEE.—For purposes of this
15 section—

16 (1) IN GENERAL.—The term ''qualified em-
17 ployee'' means, with respect to any plan year of an
18 offering employer, any employee—

19 (A) whose required contribution (as deter-
20 mined under section 5000A(e)(1)(B)) for min-
21 imum essential coverage through an eligible em-
22 ployer-sponsored plan—

23 (i) exceeds 8 percent of such employ-
24 ee's household income for the taxable year

1 described in section 1412(b)(1)(B) which
2 ends with or within in the plan year; and
3 (ii) does not exceed 9.8 percent of
4 such employee's household income for such
5 taxable year;
6 (B) whose household income for such tax-
7 able year is not greater than 400 percent of the
8 poverty line for a family of the size involved;
9 and
10 (C) who does not participate in a health
11 plan offered by the offering employer.
12 (2) INDEXING.—In the case of any calendar
13 year beginning after 2014, the Secretary shall adjust
14 the 8 percent under paragraph (1)(A)(i) and 9.8
15 percent under paragraph (1)(A)(ii) for the calendar
16 year to reflect the rate of premium growth between
17 the preceding calendar year and 2013 over the rate
18 of income growth for such period.
19 (d) FREE CHOICE VOUCHER.—
20 (1) AMOUNT.—
21 (A) IN GENERAL.—The amount of any free
22 choice voucher provided under subsection (a)
23 shall be equal to the monthly portion of the cost
24 of the eligible employer-sponsored plan which
25 would have been paid by the employer if the

employee were covered under the plan with respect to which the employer pays the largest portion of the cost of the plan. Such amount shall be equal to the amount the employer would pay for an employee with self-only coverage unless such employee elects family coverage (in which case such amount shall be the amount the employer would pay for family coverage).

(B) DETERMINATION OF COST.—The cost of any health plan shall be determined under the rules similar to the rules of section 2204 of the Public Health Service Act, except that such amount shall be adjusted for age and category of enrollment in accordance with regulations established by the Secretary.

(2) USE OF VOUCHERS.—An Exchange shall credit the amount of any free choice voucher provided under subsection (a) to the monthly premium of any qualified health plan in the Exchange in which the qualified employee is enrolled and the offering employer shall pay any amounts so credited to the Exchange.

(3) PAYMENT OF EXCESS AMOUNTS.—If the amount of the free choice voucher exceeds the

1 amount of the premium of the qualified health plan
2 in which the qualified employee is enrolled for such
3 month, such excess shall be paid to the employee.
4 (e) OTHER DEFINITIONS.—Any term used in this
5 section which is also used in section 5000A of the Internal
6 Revenue Code of 1986 shall have the meaning given such
7 term under such section 5000A.
8 (f) EXCLUSION FROM INCOME FOR EMPLOYEE.—
9 (1) IN GENERAL.—Part III of subchapter B of
10 chapter 1 of the Internal Revenue Code of 1986 is
11 amended by inserting after section 139C the fol-
12 lowing new section:
13 **''SEC. 139D. FREE CHOICE VOUCHERS.**
14 ''Gross income shall not include the amount of any
15 free choice voucher provided by an employer under section
16 10108 of the Patient Protection and Affordable Care Act
17 to the extent that the amount of such voucher does not
18 exceed the amount paid for a qualified health plan (as de-
19 fined in section 1301 of such Act) by the taxpayer.''.
20 (2) CLERICAL AMENDMENT.—The table of sec-
21 tions for part III of subchapter B of chapter 1 of
22 such Code is amended by inserting after the item re-
23 lating to section 139C the following new item:

''Sec. 139D. Free choice vouchers.''.

1 (3) EFFECTIVE DATE.—The amendments made
2 by this subsection shall apply to vouchers provided
3 after December 31, 2013.
4 (g) DEDUCTION ALLOWED TO EMPLOYER.—
5 (1) IN GENERAL.—Section 162(a) of the Inter-
6 nal Revenue Code of 1986 is amended by adding at
7 the end the following new sentence: ''For purposes
8 of paragraph (1), the amount of a free choice vouch-
9 er provided under section 10108 of the Patient Pro-
10 tection and Affordable Care Act shall be treated as
11 an amount for compensation for personal services
12 actually rendered.''.
13 (2) EFFECTIVE DATE.—The amendments made
14 by this subsection shall apply to vouchers provided
15 after December 31, 2013.
16 (h) VOUCHER TAKEN INTO ACCOUNT IN DETER-
17 MINING PREMIUM CREDIT.—
18 (1) IN GENERAL.—Subsection (c)(2) of section
19 36B of the Internal Revenue Code of 1986, as added
20 by section 1401, is amended by adding at the end
21 the following new subparagraph:
22 ''(D) EXCEPTION FOR INDIVIDUAL RECEIV-
23 ING FREE CHOICE VOUCHERS.—The term 'cov-
24 erage month' shall not include any month in
25 which such individual has a free choice voucher

1 provided under section 10108 of the Patient
2 Protection and Affordable Care Act.''.
3 (2) EFFECTIVE DATE.—The amendment made
4 by this subsection shall apply to taxable years begin-
5 ning after December 31, 2013.
6 (i) COORDINATION WITH EMPLOYER RESPONSIBIL-
7 ITIES.—
8 (1) SHARED RESPONSIBILITY PENALTY.—
9 (A) IN GENERAL.—Subsection (c) of sec-
10 tion 4980H of the Internal Revenue Code of
11 1986, as added by section 1513, is amended by
12 adding at the end the following new paragraph:
13 ''(3) SPECIAL RULES FOR EMPLOYERS PRO-
14 VIDING FREE CHOICE VOUCHERS.—No assessable
15 payment shall be imposed under paragraph (1) for
16 any month with respect to any employee to whom
17 the employer provides a free choice voucher under
18 section 10108 of the Patient Protection and Afford-
19 able Care Act for such month.''.
20 (B) EFFECTIVE DATE.—The amendment
21 made by this paragraph shall apply to months
22 beginning after December 31, 2013.
23 (2) NOTIFICATION REQUIREMENT.—Section
24 18B(a)(3) of the Fair Labor Standards Act of 1938,
25 as added by section 1512, is amended—

1 (A) by inserting "and the employer does
2 not offer a free choice voucher" after "Ex-
3 change"; and
4 (B) by striking "will lose" and inserting
5 "may lose".
6 (j) EMPLOYER REPORTING.—
7 (1) IN GENERAL.—Subsection (a) of section
8 6056 of the Internal Revenue Code of 1986, as
9 added by section 1514, is amended by inserting
10 "and every offering employer" before "shall".
11 (2) OFFERING EMPLOYERS.—Subsection (f) of
12 section 6056 of such Code, as added by section
13 1514, is amended to read as follows:
14 "(f) DEFINITIONS.—For purposes of this section—
15 "(1) OFFERING EMPLOYER.—
16 "(A) IN GENERAL.—The term 'offering
17 employer' means any offering employer (as de-
18 fined in section 10108(b) of the Patient Protec-
19 tion and Affordable Care Act) if the required
20 contribution (within the meaning of section
21 5000A(e)(1)(B)(i)) of any employee exceeds 8
22 percent of the wages (as defined in section
23 3121(a)) paid to such employee by such em-
24 ployer.

1 ''(B) INDEXING.—In the case of any cal-
2 endar year beginning after 2014, the 8 percent
3 under subparagraph (A) shall be adjusted for
4 the calendar year to reflect the rate of premium
5 growth between the preceding calendar year
6 and 2013 over the rate of income growth for
7 such period.
8 ''(2) OTHER DEFINITIONS.—Any term used in
9 this section which is also used in section 4980H
10 shall have the meaning given such term by section
11 4980H.''.
12 (3) CONFORMING AMENDMENTS.—
13 (A) The heading of section 6056 of such
14 Code, as added by section 1514, is amended by
15 striking ''**LARGE**'' and inserting ''**CERTAIN**''.
16 (B) Section 6056(b)(2)(C) of such Code is
17 amended—
18 (i) by inserting ''in the case of an ap-
19 plicable large employer,'' before ''the
20 length'' in clause (i);
21 (ii) by striking ''and'' at the end of
22 clause (iii);
23 (iii) by striking ''applicable large em-
24 ployer'' in clause (iv) and inserting ''em-
25 ployer'';

1 (iv) by inserting ''and'' at the end of
2 clause (iv); and
3 (v) by inserting at the end the fol-
4 lowing new clause:
5 ''(v) in the case of an offering em-
6 ployer, the option for which the employer
7 pays the largest portion of the cost of the
8 plan and the portion of the cost paid by
9 the employer in each of the enrollment cat-
10 egories under such option,''.
11 (C) Section 6056(d)(2) of such Code is
12 amended by inserting ''or offering employer''
13 after ''applicable large employer''.
14 (D) Section 6056(e) of such Code is
15 amended by inserting ''or offering employer''
16 after ''applicable large employer''.
17 (E) Section 6724(d)(1)(B)(xxv) of such
18 Code, as added by section 1514, is amended by
19 striking ''large'' and inserting ''certain''.
20 (F) Section 6724(d)(2)(HH) of such Code,
21 as added by section 1514, is amended by strik-
22 ing ''large'' and inserting ''certain''.
23 (G) The table of sections for subpart D of
24 part III of subchapter A of chapter 1 of such
25 Code, as amended by section 1514, is amended

1 by striking "Large employers" in the item re-
2 lating to section 6056 and inserting "Certain
3 employers".
4 (4) EFFECTIVE DATE.—The amendments made
5 by this subsection shall apply to periods beginning
6 after December 31, 2013.

7 **SEC. 10109. DEVELOPMENT OF STANDARDS FOR FINANCIAL**
8 **AND ADMINISTRATIVE TRANSACTIONS.**

9 (a) ADDITIONAL TRANSACTION STANDARDS AND OP-
10 ERATING RULES.—
11 (1) DEVELOPMENT OF ADDITIONAL TRANS-
12 ACTION STANDARDS AND OPERATING RULES.—Sec-
13 tion 1173(a) of the Social Security Act (42 U.S.C.
14 1320d–2(a)), as amended by section 1104(b)(2), is
15 amended—
16 (A) in paragraph (1)(B), by inserting be-
17 fore the period the following: ", and subject to
18 the requirements under paragraph (5)"; and
19 (B) by adding at the end the following new
20 paragraph:
21 "(5) CONSIDERATION OF STANDARDIZATION OF
22 ACTIVITIES AND ITEMS.—
23 "(A) IN GENERAL.—For purposes of car-
24 rying out paragraph (1)(B), the Secretary shall
25 solicit, not later than January 1, 2012, and not

1 less than every 3 years thereafter, input from
2 entities described in subparagraph (B) on—
3 "(i) whether there could be greater
4 uniformity in financial and administrative
5 activities and items, as determined appro-
6 priate by the Secretary; and
7 "(ii) whether such activities should be
8 considered financial and administrative
9 transactions (as described in paragraph
10 (1)(B)) for which the adoption of stand-
11 ards and operating rules would improve
12 the operation of the health care system
13 and reduce administrative costs.
14 "(B) SOLICITATION OF INPUT.—For pur-
15 poses of subparagraph (A), the Secretary shall
16 seek input from—
17 "(i) the National Committee on Vital
18 and Health Statistics, the Health Informa-
19 tion Technology Policy Committee, and the
20 Health Information Technology Standards
21 Committee; and
22 "(ii) standard setting organizations
23 and stakeholders, as determined appro-
24 priate by the Secretary.".

1 (b) ACTIVITIES AND ITEMS FOR INITIAL CONSIDER-
2 ATION.—For purposes of section 1173(a)(5) of the Social
3 Security Act, as added by subsection (a), the Secretary
4 of Health and Human Services (in this section referred
5 to as the "Secretary") shall, not later than January 1,
6 2012, seek input on activities and items relating to the
7 following areas:

8 (1) Whether the application process, including
9 the use of a uniform application form, for enrollment
10 of health care providers by health plans could be
11 made electronic and standardized.

12 (2) Whether standards and operating rules de-
13 scribed in section 1173 of the Social Security Act
14 should apply to the health care transactions of auto-
15 mobile insurance, worker's compensation, and other
16 programs or persons not described in section
17 1172(a) of such Act (42 U.S.C. 1320d–1(a)).

18 (3) Whether standardized forms could apply to
19 financial audits required by health plans, Federal
20 and State agencies (including State auditors, the Of-
21 fice of the Inspector General of the Department of
22 Health and Human Services, and the Centers for
23 Medicare & Medicaid Services), and other relevant
24 entities as determined appropriate by the Secretary.

1 (4) Whether there could be greater trans-
2 parency and consistency of methodologies and proc-
3 esses used to establish claim edits used by health
4 plans (as described in section 1171(5) of the Social
5 Security Act (42 U.S.C. 1320d(5))).
6 (5) Whether health plans should be required to
7 publish their timeliness of payment rules.
8 (c) ICD CODING CROSSWALKS.—
9 (1) ICD-9 TO ICD-10 CROSSWALK.—The Sec-
10 retary shall task the ICD-9-CM Coordination and
11 Maintenance Committee to convene a meeting, not
12 later than January 1, 2011, to receive input from
13 appropriate stakeholders (including health plans,
14 health care providers, and clinicians) regarding the
15 crosswalk between the Ninth and Tenth Revisions of
16 the International Classification of Diseases (ICD-9
17 and ICD-10, respectively) that is posted on the
18 website of the Centers for Medicare & Medicaid
19 Services, and make recommendations about appro-
20 priate revisions to such crosswalk.
21 (2) REVISION OF CROSSWALK.—For purposes
22 of the crosswalk described in paragraph (1), the Sec-
23 retary shall make appropriate revisions and post any
24 such revised crosswalk on the website of the Centers
25 for Medicare & Medicaid Services.

1 (3) USE OF REVISED CROSSWALK.—For pur-
2 poses of paragraph (2), any revised crosswalk shall
3 be treated as a code set for which a standard has
4 been adopted by the Secretary for purposes of sec-
5 tion 1173(c)(1)(B) of the Social Security Act (42
6 U.S.C. 1320d–2(c)(1)(B)).
7 (4) SUBSEQUENT CROSSWALKS.—For subse-
8 quent revisions of the International Classification of
9 Diseases that are adopted by the Secretary as a
10 standard code set under section 1173(c) of the So-
11 cial Security Act (42 U.S.C. 1320d–2(c)), the Sec-
12 retary shall, after consultation with the appropriate
13 stakeholders, post on the website of the Centers for
14 Medicare & Medicaid Services a crosswalk between
15 the previous and subsequent version of the Inter-
16 national Classification of Diseases not later than the
17 date of implementation of such subsequent revision.

18 Subtitle B—Provisions Relating to 19 Title II

20 PART I—MEDICAID AND CHIP

21 SEC. 10201. AMENDMENTS TO THE SOCIAL SECURITY ACT 22 AND TITLE II OF THIS ACT.

23 (a)(1) Section 1902(a)(10)(A)(i)(IX) of the Social
24 Security Act (42 U.S.C. 1396a(a)(10)(A)(i)(IX)), as
25 added by section 2004(a), is amended to read as follows:

1 ''(IX) who—
2 ''(aa) are under 26 years of
3 age;
4 ''(bb) are not described in or
5 enrolled under any of subclauses
6 (I) through (VII) of this clause
7 or are described in any of such
8 subclauses but have income that
9 exceeds the level of income appli-
10 cable under the State plan for
11 eligibility to enroll for medical as-
12 sistance under such subclause;
13 ''(cc) were in foster care
14 under the responsibility of the
15 State on the date of attaining 18
16 years of age or such higher age
17 as the State has elected under
18 section 475(8)(B)(iii); and
19 ''(dd) were enrolled in the
20 State plan under this title or
21 under a waiver of the plan while
22 in such foster care;''.
23 (2) Section 1902(a)(10) of the Social Security Act
24 (42 U.S.C. 1396a(a)(10), as amended by section
25 2001(a)(5)(A), is amended in the matter following sub-

1 paragraph (G), by striking “and (XV)” and inserting
2 “(XV)”, and by inserting “and (XVI) if an individual is
3 described in subclause (IX) of subparagraph (A)(i) and
4 is also described in subclause (VIII) of that subparagraph,
5 the medical assistance shall be made available to the indi-
6 vidual through subclause (IX) instead of through sub-
7 clause (VIII)” before the semicolon.

8 (3) Section 2004(d) of this Act is amended by strik-
9 ing “2019” and inserting “2014”.

10 (b) Section 1902(k)(2) of the Social Security Act (42
11 U.S.C. 1396a(k)(2)), as added by section 2001(a)(4)(A),
12 is amended by striking “January 1, 2011” and inserting
13 “April 1, 2010”.

14 (c) Section 1905 of the Social Security Act (42
15 U.S.C. 1396d), as amended by sections 2001(a)(3),
16 2001(a)(5)(C), 2006, and 4107(a)(2), is amended—

17 (1) in subsection (a), in the matter preceding
18 paragraph (1), by inserting in clause (xiv), “or
19 1902(a)(10)(A)(i)(IX)” before the comma;

20 (2) in subsection (b), in the first sentence, by
21 inserting “, (z),” before “and (aa)”;

22 (3) in subsection (y)—

23 (A) in paragraph (1)(B)(ii)(II), in the first
24 sentence, by inserting “includes inpatient hos-

1 pital services,'' after ''100 percent of the pov-
2 erty line, that''; and
3 (B) in paragraph (2)(A), by striking ''on
4 the date of enactment of the Patient Protection
5 and Affordable Care Act'' and inserting ''as of
6 December 1, 2009'';
7 (4) by inserting after subsection (y) the fol-
8 lowing:
9 ''(z) EQUITABLE SUPPORT FOR CERTAIN STATES.—
10 ''(1)(A) During the period that begins on Janu-
11 ary 1, 2014, and ends on September 30, 2019, not-
12 withstanding subsection (b), the Federal medical as-
13 sistance percentage otherwise determined under sub-
14 section (b) with respect to a fiscal year occurring
15 during that period shall be increased by 2.2 percent-
16 age points for any State described in subparagraph
17 (B) for amounts expended for medical assistance for
18 individuals who are not newly eligible (as defined in
19 subsection (y)(2)) individuals described in subclause
20 (VIII) of section 1902(a)(10)(A)(i).
21 ''(B) For purposes of subparagraph (A), a
22 State described in this subparagraph is a State
23 that—
24 ''(i) is an expansion State described in sub-
25 section (y)(1)(B)(ii)(II);

1 ''(ii) the Secretary determines will not re-
2 ceive any payments under this title on the basis
3 of an increased Federal medical assistance per-
4 centage under subsection (y) for expenditures
5 for medical assistance for newly eligible individ-
6 uals (as so defined); and
7 ''(iii) has not been approved by the Sec-
8 retary to divert a portion of the DSH allotment
9 for a State to the costs of providing medical as-
10 sistance or other health benefits coverage under
11 a waiver that is in effect on July 2009.
12 ''(2)(A) During the period that begins on January
13 1, 2014, and ends on December 31, 2016, notwithstanding
14 subsection (b), the Federal medical assistance percentage
15 otherwise determined under subsection (b) with respect to
16 all or any portion of a fiscal year occurring during that
17 period shall be increased by .5 percentage point for a State
18 described in subparagraph (B) for amounts expended for
19 medical assistance under the State plan under this title
20 or under a waiver of that plan during that period.
21 ''(B) For purposes of subparagraph (A), a State de-
22 scribed in this subparagraph is a State that—
23 ''(i) is described in clauses (i) and (ii) of para-
24 graph (1)(B); and

1 “(ii) is the State with the highest percentage of
2 its population insured during 2008, based on the
3 Current Population Survey.
4 “(3) Notwithstanding subsection (b) and paragraphs
5 (1) and (2) of this subsection, the Federal medical assist-
6 ance percentage otherwise determined under subsection
7 (b) with respect to all or any portion of a fiscal year that
8 begins on or after January 1, 2017, for the State of Ne-
9 braska, with respect to amounts expended for newly eligi-
10 ble individuals described in subclause (VIII) of section
11 1902(a)(10)(A)(i), shall be determined as provided for
12 under subsection (y)(1)(A) (notwithstanding the period
13 provided for in such paragraph).
14 “(4) The increase in the Federal medical assistance
15 percentage for a State under paragraphs (1), (2), or (3)
16 shall apply only for purposes of this title and shall not
17 apply with respect to—
18 “(A) disproportionate share hospital payments
19 described in section 1923;
20 “(B) payments under title IV;
21 “(C) payments under title XXI; and
22 “(D) payments under this title that are based
23 on the enhanced FMAP described in section
24 2105(b).”;

1 (5) in subsection (aa), is amended by striking
2 "without regard to this subsection and subsection
3 (y)" and inserting "without regard to this sub-
4 section, subsection (y), subsection (z), and section
5 10202 of the Patient Protection and Affordable Care
6 Act" each place it appears;
7 (6) by adding after subsection (bb), the fol-
8 lowing:
9 "(cc) REQUIREMENT FOR CERTAIN STATES.—Not-
10 withstanding subsections (y), (z), and (aa), in the case of
11 a State that requires political subdivisions within the State
12 to contribute toward the non-Federal share of expendi-
13 tures required under the State plan under section
14 1902(a)(2), the State shall not be eligible for an increase
15 in its Federal medical assistance percentage under such
16 subsections if it requires that political subdivisions pay a
17 greater percentage of the non-Federal share of such ex-
18 penditures, or a greater percentage of the non-Federal
19 share of payments under section 1923, than the respective
20 percentages that would have been required by the State
21 under the State plan under this title, State law, or both,
22 as in effect on December 31, 2009, and without regard
23 to any such increase. Voluntary contributions by a political
24 subdivision to the non-Federal share of expenditures
25 under the State plan under this title or to the non-Federal

1 share of payments under section 1923, shall not be consid-
2 ered to be required contributions for purposes of this sub-
3 section. The treatment of voluntary contributions, and the
4 treatment of contributions required by a State under the
5 State plan under this title, or State law, as provided by
6 this subsection, shall also apply to the increases in the
7 Federal medical assistance percentage under section 5001
8 of the American Recovery and Reinvestment Act of
9 2009.''.

10 (d) Section 1108(g)(4)(B) of the Social Security Act
11 (42 U.S.C. 1308(g)(4)(B)), as added by section 2005(b),
12 is amended by striking ''income eligibility level in effect
13 for that population under title XIX or under a waiver''
14 and inserting ''the highest income eligibility level in effect
15 for parents under the commonwealth's or territory's State
16 plan under title XIX or under a waiver of the plan''.

17 (e)(1) Section 1923(f) of the Social Security Act (42
18 U.S.C. 1396r–4(f)), as amended by section 2551, is
19 amended—

20 (A) in paragraph (6)—

21 (i) by striking the paragraph heading and
22 inserting the following: ''ALLOTMENT ADJUST-
23 MENTS''; and

24 (ii) in subparagraph (B), by adding at the
25 end the following:

1 "(iii) ALLOTMENT FOR 2D, 3RD, AND
2 4TH QUARTER OF FISCAL YEAR 2012, FIS-
3 CAL YEAR 2013, AND SUCCEEDING FISCAL
4 YEARS.—Notwithstanding the table set
5 forth in paragraph (2) or paragraph (7):
6 "(I) 2D, 3RD, AND 4TH QUARTER
7 OF FISCAL YEAR 2012.—The DSH al-
8 lotment for Hawaii for the 2d, 3rd,
9 and 4th quarters of fiscal year 2012
10 shall be $7,500,000.
11 "(II) TREATMENT AS A LOW-DSH
12 STATE FOR FISCAL YEAR 2013 AND
13 SUCCEEDING FISCAL YEARS.—With
14 respect to fiscal year 2013, and each
15 fiscal year thereafter, the DSH allot-
16 ment for Hawaii shall be increased in
17 the same manner as allotments for
18 low DSH States are increased for
19 such fiscal year under clause (iii) of
20 paragraph (5)(B).
21 "(III) CERTAIN HOSPITAL PAY-
22 MENTS.—The Secretary may not im-
23 pose a limitation on the total amount
24 of payments made to hospitals under
25 the QUEST section 1115 Demonstra-

1 tion Project except to the extent that
2 such limitation is necessary to ensure
3 that a hospital does not receive pay-
4 ments in excess of the amounts de-
5 scribed in subsection (g), or as nec-
6 essary to ensure that such payments
7 under the waiver and such payments
8 pursuant to the allotment provided in
9 this clause do not, in the aggregate in
10 any year, exceed the amount that the
11 Secretary determines is equal to the
12 Federal medical assistance percentage
13 component attributable to dispropor-
14 tionate share hospital payment adjust-
15 ments for such year that is reflected
16 in the budget neutrality provision of
17 the QUEST Demonstration Project.'';
18 and
19 (B) in paragraph (7)—
20 (i) in subparagraph (A), in the matter pre-
21 ceding clause (i), by striking ''subparagraph
22 (E)'' and inserting ''subparagraphs (E) and
23 (G)'';
24 (ii) in subparagraph (B)—

1 (I) in clause (i), by striking sub-
2 clauses (I) and (II), and inserting the fol-
3 lowing:
4 "(I) if the State is a low DSH
5 State described in paragraph (5)(B)
6 and has spent not more than 99.90
7 percent of the DSH allotments for the
8 State on average for the period of fis-
9 cal years 2004 through 2008, as of
10 September 30, 2009, the applicable
11 percentage is equal to 25 percent;
12 "(II) if the State is a low DSH
13 State described in paragraph (5)(B)
14 and has spent more than 99.90 per-
15 cent of the DSH allotments for the
16 State on average for the period of fis-
17 cal years 2004 through 2008, as of
18 September 30, 2009, the applicable
19 percentage is equal to 17.5 percent;
20 "(III) if the State is not a low
21 DSH State described in paragraph
22 (5)(B) and has spent not more than
23 99.90 percent of the DSH allotments
24 for the State on average for the pe-
25 riod of fiscal years 2004 through

2008, as of September 30, 2009, the applicable percentage is equal to 50 percent; and

"(IV) if the State is not a low DSH State described in paragraph (5)(B) and has spent more than 99.90 percent of the DSH allotments for the State on average for the period of fiscal years 2004 through 2008, as of September 30, 2009, the applicable percentage is equal to 35 percent.";

(II) in clause (ii), by striking subclauses (I) and (II), and inserting the following:

"(I) if the State is a low DSH State described in paragraph (5)(B) and has spent not more than 99.90 percent of the DSH allotments for the State on average for the period of fiscal years 2004 through 2008, as of September 30, 2009, the applicable percentage is equal to the product of the percentage reduction in uncovered individuals for the fiscal year from the

1 preceding fiscal year and 27.5 per-
2 cent;
3 ‘‘(II) if the State is a low DSH
4 State described in paragraph (5)(B)
5 and has spent more than 99.90 per-
6 cent of the DSH allotments for the
7 State on average for the period of fis-
8 cal years 2004 through 2008, as of
9 September 30, 2009, the applicable
10 percentage is equal to the product of
11 the percentage reduction in uncovered
12 individuals for the fiscal year from the
13 preceding fiscal year and 20 percent;
14 ‘‘(III) if the State is not a low
15 DSH State described in paragraph
16 (5)(B) and has spent not more than
17 99.90 percent of the DSH allotments
18 for the State on average for the pe-
19 riod of fiscal years 2004 through
20 2008, as of September 30, 2009, the
21 applicable percentage is equal to the
22 product of the percentage reduction in
23 uncovered individuals for the fiscal
24 year from the preceding fiscal year
25 and 55 percent; and

1 "(IV) if the State is not a low
2 DSH State described in paragraph
3 (5)(B) and has spent more than 99.90
4 percent of the DSH allotments for the
5 State on average for the period of fis-
6 cal years 2004 through 2008, as of
7 September 30, 2009, the applicable
8 percentage is equal to the product of
9 the percentage reduction in uncovered
10 individuals for the fiscal year from the
11 preceding fiscal year and 40 per-
12 cent.";
13 (III) in subparagraph (E), by striking
14 "35 percent" and inserting "50 percent";
15 and
16 (IV) by adding at the end the fol-
17 lowing:
18 "(G) NONAPPLICATION.—The preceding
19 provisions of this paragraph shall not apply to
20 the DSH allotment determined for the State of
21 Hawaii for a fiscal year under paragraph (6).".
22 (f) Section 2551 of this Act is amended by striking
23 subsection (b).
24 (g) Section 2105(d)(3)(B) of the Social Security Act
25 (42 U.S.C. 1397ee(d)(3)(B)), as added by section

1 2101(b)(1), is amended by adding at the end the following:
2 "For purposes of eligibility for premium assistance for the
3 purchase of a qualified health plan under section 36B of
4 the Internal Revenue Code of 1986 and reduced cost-shar-
5 ing under section 1402 of the Patient Protection and Af-
6 fordable Care Act, children described in the preceding sen-
7 tence shall be deemed to be ineligible for coverage under
8 the State child health plan.".

9 (h) Clause (i) of subparagraph (C) of section
10 513(b)(2) of the Social Security Act, as added by section
11 2953 of this Act, is amended to read as follows:

12 "(i) Healthy relationships, including
13 marriage and family interactions.".

14 (i) Section 1115 of the Social Security Act (42 U.S.C.
15 1315) is amended by inserting after subsection (c) the fol-
16 lowing:

17 "(d)(1) An application or renewal of any experi-
18 mental, pilot, or demonstration project undertaken under
19 subsection (a) to promote the objectives of title XIX or
20 XXI in a State that would result in an impact on eligi-
21 bility, enrollment, benefits, cost-sharing, or financing with
22 respect to a State program under title XIX or XXI (in
23 this subsection referred to as a 'demonstration project')
24 shall be considered by the Secretary in accordance with

1 the regulations required to be promulgated under para-
2 graph (2).

3 ''(2) Not later than 180 days after the date of enact-
4 ment of this subsection, the Secretary shall promulgate
5 regulations relating to applications for, and renewals of,
6 a demonstration project that provide for—

7 ''(A) a process for public notice and comment
8 at the State level, including public hearings, suffi-
9 cient to ensure a meaningful level of public input;

10 ''(B) requirements relating to—

11 ''(i) the goals of the program to be imple-
12 mented or renewed under the demonstration
13 project;

14 ''(ii) the expected State and Federal costs
15 and coverage projections of the demonstration
16 project; and

17 ''(iii) the specific plans of the State to en-
18 sure that the demonstration project will be in
19 compliance with title XIX or XXI;

20 ''(C) a process for providing public notice and
21 comment after the application is received by the Sec-
22 retary, that is sufficient to ensure a meaningful level
23 of public input;

24 ''(D) a process for the submission to the Sec-
25 retary of periodic reports by the State concerning

1 the implementation of the demonstration project;
2 and

3 "(E) a process for the periodic evaluation by
4 the Secretary of the demonstration project.

5 "(3) The Secretary shall annually report to Congress
6 concerning actions taken by the Secretary with respect to
7 applications for demonstration projects under this sec-
8 tion.".

9 (j) Subtitle F of title III of this Act is amended by
10 adding at the end the following:

11 **"SEC. 3512. GAO STUDY AND REPORT ON CAUSES OF AC-**
12 **TION.**

13 "(a) STUDY.—

14 "(1) IN GENERAL.—The Comptroller General of
15 the United States shall conduct a study of whether
16 the development, recognition, or implementation of
17 any guideline or other standards under a provision
18 described in paragraph (2) would result in the estab-
19 lishment of a new cause of action or claim.

20 "(2) PROVISIONS DESCRIBED.—The provisions
21 described in this paragraph include the following:

22 "(A) Section 2701 (adult health quality
23 measures).

24 "(B) Section 2702 (payment adjustments
25 for health care acquired conditions).

1 "(C) Section 3001 (Hospital Value-Based
2 Purchase Program).
3 "(D) Section 3002 (improvements to the
4 Physician Quality Reporting Initiative).
5 "(E) Section 3003 (improvements to the
6 Physician Feedback Program).
7 "(F) Section 3007 (value based payment
8 modifier under physician fee schedule).
9 "(G) Section 3008 (payment adjustment
10 for conditions acquired in hospitals).
11 "(H) Section 3013 (quality measure devel-
12 opment).
13 "(I) Section 3014 (quality measurement).
14 "(J) Section 3021 (Establishment of Cen-
15 ter for Medicare and Medicaid Innovation).
16 "(K) Section 3025 (hospital readmission
17 reduction program).
18 "(L) Section 3501 (health care delivery
19 system research, quality improvement).
20 "(M) Section 4003 (Task Force on Clinical
21 and Preventive Services).
22 "(N) Section 4301 (research to optimize
23 deliver of public health services).
24 "(b) REPORT.—Not later than 2 years after the date
25 of enactment of this Act, the Comptroller General of the

United States shall submit to the appropriate committees of Congress, a report containing the findings made by the Comptroller General under the study under subsection (a).''.

SEC. 10202. INCENTIVES FOR STATES TO OFFER HOME AND COMMUNITY-BASED SERVICES AS A LONG-TERM CARE ALTERNATIVE TO NURSING HOMES.

(a) STATE BALANCING INCENTIVE PAYMENTS PROGRAM.—Notwithstanding section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), in the case of a balancing incentive payment State, as defined in subsection (b), that meets the conditions described in subsection (c), during the balancing incentive period, the Federal medical assistance percentage determined for the State under section 1905(b) of such Act and, if applicable, increased under subsection (z) or (aa) shall be increased by the applicable percentage points determined under subsection (d) with respect to eligible medical assistance expenditures described in subsection (e).

(b) BALANCING INCENTIVE PAYMENT STATE.—A balancing incentive payment State is a State—

(1) in which less than 50 percent of the total expenditures for medical assistance under the State Medicaid program for a fiscal year for long-term

1 services and supports (as defined by the Secretary
2 under subsection (f))(1)) are for non-institutionally-
3 based long-term services and supports described in
4 subsection (f)(1)(B);
5 (2) that submits an application and meets the
6 conditions described in subsection (c); and
7 (3) that is selected by the Secretary to partici-
8 pate in the State balancing incentive payment pro-
9 gram established under this section.
10 (c) CONDITIONS.—The conditions described in this
11 subsection are the following:
12 (1) APPLICATION.—The State submits an appli-
13 cation to the Secretary that includes, in addition to
14 such other information as the Secretary shall re-
15 quire—
16 (A) a proposed budget that details the
17 State's plan to expand and diversify medical as-
18 sistance for non-institutionally-based long-term
19 services and supports described in subsection
20 (f)(1)(B) under the State Medicaid program
21 during the balancing incentive period and
22 achieve the target spending percentage applica-
23 ble to the State under paragraph (2), including
24 through structural changes to how the State
25 furnishes such assistance, such as through the

1 establishment of a ''no wrong door - single
2 entry point system'', optional presumptive eligi-
3 bility, case management services, and the use of
4 core standardized assessment instruments, and
5 that includes a description of the new or ex-
6 panded offerings of such services that the State
7 will provide and the projected costs of such
8 services; and
9 (B) in the case of a State that proposes to
10 expand the provision of home and community-
11 based services under its State Medicaid pro-
12 gram through a State plan amendment under
13 section 1915(i) of the Social Security Act, at
14 the option of the State, an election to increase
15 the income eligibility for such services from 150
16 percent of the poverty line to such higher per-
17 centage as the State may establish for such
18 purpose, not to exceed 300 percent of the sup-
19 plemental security income benefit rate estab-
20 lished by section 1611(b)(1) of the Social Secu-
21 rity Act (42 U.S.C. 1382(b)(1)).
22 (2) TARGET SPENDING PERCENTAGES.—
23 (A) In the case of a balancing incentive
24 payment State in which less than 25 percent of
25 the total expenditures for long-term services

1 and supports under the State Medicaid program
2 for fiscal year 2009 are for home and commu-
3 nity-based services, the target spending percent-
4 age for the State to achieve by not later than
5 October 1, 2015, is that 25 percent of the total
6 expenditures for long-term services and sup-
7 ports under the State Medicaid program are for
8 home and community-based services.
9 (B) In the case of any other balancing in-
10 centive payment State, the target spending per-
11 centage for the State to achieve by not later
12 than October 1, 2015, is that 50 percent of the
13 total expenditures for long-term services and
14 supports under the State Medicaid program are
15 for home and community-based services.
16 (3) MAINTENANCE OF ELIGIBILITY REQUIRE-
17 MENTS.—The State does not apply eligibility stand-
18 ards, methodologies, or procedures for determining
19 eligibility for medical assistance for non-institution-
20 ally-based long-term services and supports described
21 in subsection (f)(1)(B) under the State Medicaid
22 program that are more restrictive than the eligibility
23 standards, methodologies, or procedures in effect for
24 such purposes on December 31, 2010.

1 (4) USE OF ADDITIONAL FUNDS.—The State
2 agrees to use the additional Federal funds paid to
3 the State as a result of this section only for pur-
4 poses of providing new or expanded offerings of non-
5 institutionally-based long-term services and supports
6 described in subsection (f)(1)(B) under the State
7 Medicaid program.
8 (5) STRUCTURAL CHANGES.—The State agrees
9 to make, not later than the end of the 6-month pe-
10 riod that begins on the date the State submits an
11 application under this section, the following changes:
12 (A) ''NO WRONG DOOR - SINGLE ENTRY
13 POINT SYSTEM''.—Development of a statewide
14 system to enable consumers to access all long-
15 term services and supports through an agency,
16 organization, coordinated network, or portal, in
17 accordance with such standards as the State
18 shall establish and that shall provide informa-
19 tion regarding the availability of such services,
20 how to apply for such services, referral services
21 for services and supports otherwise available in
22 the community, and determinations of financial
23 and functional eligibility for such services and
24 supports, or assistance with assessment proc-
25 esses for financial and functional eligibility.

1 (B) CONFLICT-FREE CASE MANAGEMENT
2 SERVICES.—Conflict-free case management
3 services to develop a service plan, arrange for
4 services and supports, support the beneficiary
5 (and, if appropriate, the beneficiary's care-
6 givers) in directing the provision of services and
7 supports for the beneficiary, and conduct ongo-
8 ing monitoring to assure that services and sup-
9 ports are delivered to meet the beneficiary's
10 needs and achieve intended outcomes.
11 (C) CORE STANDARDIZED ASSESSMENT IN-
12 STRUMENTS.—Development of core standard-
13 ized assessment instruments for determining
14 eligibility for non-institutionally-based long-term
15 services and supports described in subsection
16 (f)(1)(B), which shall be used in a uniform
17 manner throughout the State, to determine a
18 beneficiary's needs for training, support serv-
19 ices, medical care, transportation, and other
20 services, and develop an individual service plan
21 to address such needs.
22 (6) DATA COLLECTION.—The State agrees to
23 collect from providers of services and through such
24 other means as the State determines appropriate the
25 following data:

1 (A) SERVICES DATA.—Services data from
2 providers of non-institutionally-based long-term
3 services and supports described in subsection
4 (f)(1)(B) on a per-beneficiary basis and in ac-
5 cordance with such standardized coding proce-
6 dures as the State shall establish in consulta-
7 tion with the Secretary.
8 (B) QUALITY DATA.—Quality data on a se-
9 lected set of core quality measures agreed upon
10 by the Secretary and the State that are linked
11 to population-specific outcomes measures and
12 accessible to providers.
13 (C) OUTCOMES MEASURES.—Outcomes
14 measures data on a selected set of core popu-
15 lation-specific outcomes measures agreed upon
16 by the Secretary and the State that are acces-
17 sible to providers and include—
18 (i) measures of beneficiary and family
19 caregiver experience with providers;
20 (ii) measures of beneficiary and family
21 caregiver satisfaction with services; and
22 (iii) measures for achieving desired
23 outcomes appropriate to a specific bene-
24 ficiary, including employment, participa-

1 tion in community life, health stability, and
2 prevention of loss in function.
3 (d) APPLICABLE PERCENTAGE POINTS INCREASE IN
4 FMAP.—The applicable percentage points increase is—
5 (1) in the case of a balancing incentive payment
6 State subject to the target spending percentage de-
7 scribed in subsection (c)(2)(A), 5 percentage points;
8 and
9 (2) in the case of any other balancing incentive
10 payment State, 2 percentage points.
11 (e) ELIGIBLE MEDICAL ASSISTANCE EXPENDI-
12 TURES.—
13 (1) IN GENERAL.—Subject to paragraph (2),
14 medical assistance described in this subsection is
15 medical assistance for non-institutionally-based long-
16 term services and supports described in subsection
17 (f)(1)(B) that is provided by a balancing incentive
18 payment State under its State Medicaid program
19 during the balancing incentive payment period.
20 (2) LIMITATION ON PAYMENTS.—In no case
21 may the aggregate amount of payments made by the
22 Secretary to balancing incentive payment States
23 under this section during the balancing incentive pe-
24 riod exceed $3,000,000,000.
25 (f) DEFINITIONS.—In this section:

1 (1) LONG-TERM SERVICES AND SUPPORTS DE-
2 FINED.—The term ‘‘long-term services and sup-
3 ports’’ has the meaning given that term by Secretary
4 and may include any of the following (as defined for
5 purposes of State Medicaid programs):
6 (A) INSTITUTIONALLY-BASED LONG-TERM
7 SERVICES AND SUPPORTS.—Services provided
8 in an institution, including the following:
9 (i) Nursing facility services.
10 (ii) Services in an intermediate care
11 facility for the mentally retarded described
12 in subsection (a)(15) of section 1905 of
13 such Act.
14 (B) NON-INSTITUTIONALLY-BASED LONG-
15 TERM SERVICES AND SUPPORTS.—Services not
16 provided in an institution, including the fol-
17 lowing:
18 (i) Home and community-based serv-
19 ices provided under subsection (c), (d), or
20 (i) of section 1915 of such Act or under a
21 waiver under section 1115 of such Act.
22 (ii) Home health care services.
23 (iii) Personal care services.

1 (iv) Services described in subsection
2 (a)(26) of section 1905 of such Act (relat-
3 ing to PACE program services).
4 (v) Self-directed personal assistance
5 services described in section 1915(j) of
6 such Act.
7 (2) BALANCING INCENTIVE PERIOD.—The term
8 ''balancing incentive period'' means the period that
9 begins on October 1, 2011, and ends on September
10 30, 2015.
11 (3) POVERTY LINE.—The term ''poverty line''
12 has the meaning given that term in section
13 2110(c)(5) of the Social Security Act (42 U.S.C.
14 1397jj(c)(5)).
15 (4) STATE MEDICAID PROGRAM.—The term
16 ''State Medicaid program'' means the State program
17 for medical assistance provided under a State plan
18 under title XIX of the Social Security Act and under
19 any waiver approved with respect to such State plan.

20 **SEC. 10203. EXTENSION OF FUNDING FOR CHIP THROUGH**
21 **FISCAL YEAR 2015 AND OTHER CHIP-RE-**
22 **LATED PROVISIONS.**

23 (a) Section 1311(c)(1) of this Act is amended by
24 striking ''and'' at the end of subparagraph (G), by striking

1 the period at the end of subparagraph (H) and inserting
2 ''; and'', and by adding at the end the following:
3 ''(I) report to the Secretary at least annu-
4 ally and in such manner as the Secretary shall
5 require, pediatric quality reporting measures
6 consistent with the pediatric quality reporting
7 measures established under section 1139A of
8 the Social Security Act.''.
9 (b) Effective as if included in the enactment of the
10 Children's Health Insurance Program Reauthorization
11 Act of 2009 (Public Law 111–3):
12 (1) Section 1906(e)(2) of the Social Security
13 Act (42 U.S.C. 1396e(e)(2)) is amended by striking
14 ''means'' and all that follows through the period and
15 inserting ''has the meaning given that term in sec-
16 tion 2105(c)(3)(A).''.
17 (2)(A) Section 1906A(a) of the Social Security
18 Act (42 U.S.C. 1396e–1(a)), is amended by insert-
19 ing before the period the following: ''and the offering
20 of such a subsidy is cost-effective, as defined for
21 purposes of section 2105(c)(3)(A)''.
22 (B) This Act shall be applied without regard to
23 subparagraph (A) of section 2003(a)(1) of this Act
24 and that subparagraph and the amendment made by

1 that subparagraph are hereby deemed null, void, and
2 of no effect.
3 (3) Section 2105(c)(10) of the Social Security
4 Act (42 U.S.C. 1397ee(c)(10)) is amended—
5 (A) in subparagraph (A), in the first sen-
6 tence, by inserting before the period the fol-
7 lowing: ‘‘if the offering of such a subsidy is
8 cost-effective, as defined for purposes of para-
9 graph (3)(A)’’;
10 (B) by striking subparagraph (M); and
11 (C) by redesignating subparagraph (N) as
12 subparagraph (M).
13 (4) Section 2105(c)(3)(A) of the Social Security
14 Act (42 U.S.C. 1397ee(c)(3)(A)) is amended—
15 (A) in the matter preceding clause (i), by
16 striking ‘‘to’’ and inserting ‘‘to—’’; and
17 (B) in clause (ii), by striking the period
18 and inserting a semicolon.
19 (c) Section 2105 of the Social Security Act (42
20 U.S.C. 1397ee), as amended by section 2101, is amend-
21 ed—
22 (1) in subsection (b), in the second sentence, by
23 striking ‘‘2013’’ and inserting ‘‘2015’’; and
24 (2) in subsection (d)(3)—
25 (A) in subparagraph (A)—

1 (i) in the first sentence, by inserting
2 "as a condition of receiving payments
3 under section 1903(a)," after "2019,";
4 (ii) in clause (i), by striking "or" at
5 the end;
6 (iii) by redesignating clause (ii) as
7 clause (iii); and
8 (iv) by inserting after clause (i), the
9 following:
10 "(ii) after September 30, 2015, enroll-
11 ing children eligible to be targeted low-in-
12 come children under the State child health
13 plan in a qualified health plan that has
14 been certified by the Secretary under sub-
15 paragraph (C); or";
16 (B) in subparagraph (B), by striking "pro-
17 vided coverage" and inserting "screened for eli-
18 gibility for medical assistance under the State
19 plan under title XIX or a waiver of that plan
20 and, if found eligible, enrolled in such plan or
21 a waiver. In the case of such children who, as
22 a result of such screening, are determined to
23 not be eligible for medical assistance under the
24 State plan or a waiver under title XIX, the
25 State shall establish procedures to ensure that

1 the children are enrolled in a qualified health
2 plan that has been certified by the Secretary
3 under subparagraph (C) and is offered''; and
4 (C) by adding at the end the following:
5 ''(C) CERTIFICATION OF COMPARABILITY
6 OF PEDIATRIC COVERAGE OFFERED BY QUALI-
7 FIED HEALTH PLANS.—With respect to each
8 State, the Secretary, not later than April 1,
9 2015, shall review the benefits offered for chil-
10 dren and the cost-sharing imposed with respect
11 to such benefits by qualified health plans of-
12 fered through an Exchange established by the
13 State under section 1311 of the Patient Protec-
14 tion and Affordable Care Act and shall certify
15 those plans that offer benefits for children and
16 impose cost-sharing with respect to such bene-
17 fits that the Secretary determines are at least
18 comparable to the benefits offered and cost-
19 sharing protections provided under the State
20 child health plan.''.
21 (d)(1) Section 2104(a) of such Act (42 U.S.C.
22 1397dd(a)) is amended—
23 (A) in paragraph (15), by striking ''and'' at the
24 end; and

1 (B) by striking paragraph (16) and inserting
2 the following:
3 "(16) for fiscal year 2013, $17,406,000,000;
4 "(17) for fiscal year 2014, $19,147,000,000;
5 and
6 "(18) for fiscal year 2015, for purposes of mak-
7 ing 2 semi-annual allotments—
8 "(A) $2,850,000,000 for the period begin-
9 ning on October 1, 2014, and ending on March
10 31, 2015, and
11 "(B) $2,850,000,000 for the period begin-
12 ning on April 1, 2015, and ending on Sep-
13 tember 30, 2015.".
14 (2)(A) Section 2104(m) of such Act (42 U.S.C.
15 1397dd(m)), as amended by section 2102(a)(1), is amend-
16 ed—
17 (i) in the subsection heading, by striking
18 "2013" and inserting "2015";
19 (ii) in paragraph (2)—
20 (I) in the paragraph heading, by striking
21 "2012" and inserting "2014"; and
22 (II) by adding at the end the following:
23 "(B) FISCAL YEARS 2013 AND 2014.—Sub-
24 ject to paragraphs (4) and (6), from the
25 amount made available under paragraphs (16)

1 and (17) of subsection (a) for fiscal years 2013
2 and 2014, respectively, the Secretary shall com-
3 pute a State allotment for each State (including
4 the District of Columbia and each common-
5 wealth and territory) for each such fiscal year
6 as follows:

7 "(i) REBASING IN FISCAL YEAR
8 2013.—For fiscal year 2013, the allotment
9 of the State is equal to the Federal pay-
10 ments to the State that are attributable to
11 (and countable towards) the total amount
12 of allotments available under this section
13 to the State in fiscal year 2012 (including
14 payments made to the State under sub-
15 section (n) for fiscal year 2012 as well as
16 amounts redistributed to the State in fiscal
17 year 2012), multiplied by the allotment in-
18 crease factor under paragraph (5) for fis-
19 cal year 2013.

20 "(ii) GROWTH FACTOR UPDATE FOR
21 FISCAL YEAR 2014.—For fiscal year 2014,
22 the allotment of the State is equal to the
23 sum of—

1 "(I) the amount of the State al-
2 lotment under clause (i) for fiscal year
3 2013; and
4 "(II) the amount of any pay-
5 ments made to the State under sub-
6 section (n) for fiscal year 2013,
7 multiplied by the allotment increase factor
8 under paragraph (5) for fiscal year 2014.";
9 (iii) in paragraph (3)—
10 (I) in the paragraph heading, by strik-
11 ing "2013" and inserting "2015";
12 (II) in subparagraphs (A) and (B), by
13 striking "paragraph (16)" each place it ap-
14 pears and inserting "paragraph (18)";
15 (III) in subparagraph (C)—
16 (aa) by striking "2012" each
17 place it appears and inserting "2014";
18 and
19 (bb) by striking "2013" and in-
20 serting "2015"; and
21 (IV) in subparagraph (D)—
22 (aa) in clause (i)(I), by striking
23 "subsection (a)(16)(A)" and inserting
24 "subsection (a)(18)(A)"; and

1 (bb) in clause (ii)(II), by striking
2 "subsection (a)(16)(B)" and inserting
3 "subsection (a)(18)(B)";
4 (iv) in paragraph (4), by striking "2013"
5 and inserting "2015";
6 (v) in paragraph (6)—
7 (I) in subparagraph (A), by striking
8 "2013" and inserting "2015"; and
9 (II) in the flush language after and
10 below subparagraph (B)(ii), by striking "or
11 fiscal year 2012" and inserting ", fiscal
12 year 2012, or fiscal year 2014"; and
13 (vi) in paragraph (8)—
14 (I) in the paragraph heading, by strik-
15 ing "2013" and inserting "2015"; and
16 (II) by striking "2013" and inserting
17 "2015".
18 (B) Section 2104(n) of such Act (42 U.S.C.
19 1397dd(n)) is amended—
20 (i) in paragraph (2)—
21 (I) in subparagraph (A)(ii)—
22 (aa) by striking "2012" and inserting
23 "2014"; and
24 (bb) by striking "2013" and inserting
25 "2015";

1 (II) in subparagraph (B)—
2 (aa) by striking "2012" and inserting
3 "2014"; and
4 (bb) by striking "2013" and inserting
5 "2015"; and
6 (ii) in paragraph (3)(A), by striking "or a semi-
7 annual allotment period for fiscal year 2013" and
8 inserting "fiscal year 2013, fiscal year 2014, or a
9 semi-annual allotment period for fiscal year 2015".
10 (C) Section 2105(g)(4) of such Act (42 U.S.C.
11 1397ee(g)(4)) is amended—
12 (i) in the paragraph heading, by striking "2013"
13 and inserting "2015"; and
14 (ii) in subparagraph (A), by striking "2013"
15 and inserting "2015".
16 (D) Section 2110(b) of such Act (42 U.S.C.
17 1397jj(b)) is amended—
18 (i) in paragraph (2)(B), by inserting "except as
19 provided in paragraph (6)," before "a child"; and
20 (ii) by adding at the end the following new
21 paragraph:
22 "(6) EXCEPTIONS TO EXCLUSION OF CHILDREN
23 OF EMPLOYEES OF A PUBLIC AGENCY IN THE
24 STATE.—

1 ‘‘(A) IN GENERAL.—A child shall not be
2 considered to be described in paragraph (2)(B)
3 if—
4 ‘‘(i) the public agency that employs a
5 member of the child’s family to which such
6 paragraph applies satisfies subparagraph
7 (B); or
8 ‘‘(ii) subparagraph (C) applies to such
9 child.
10 ‘‘(B) MAINTENANCE OF EFFORT WITH RE-
11 SPECT TO PER PERSON AGENCY CONTRIBUTION
12 FOR FAMILY COVERAGE.—For purposes of sub-
13 paragraph (A)(i), a public agency satisfies this
14 subparagraph if the amount of annual agency
15 expenditures made on behalf of each employee
16 enrolled in health coverage paid for by the
17 agency that includes dependent coverage for the
18 most recent State fiscal year is not less than
19 the amount of such expenditures made by the
20 agency for the 1997 State fiscal year, increased
21 by the percentage increase in the medical care
22 expenditure category of the Consumer Price
23 Index for All-Urban Consumers (all items: U.S.
24 City Average) for such preceding fiscal year.

1 "(C) HARDSHIP EXCEPTION.—For pur-
2 poses of subparagraph (A)(ii), this subpara-
3 graph applies to a child if the State determines,
4 on a case-by-case basis, that the annual aggre-
5 gate amount of premiums and cost-sharing im-
6 posed for coverage of the family of the child
7 would exceed 5 percent of such family's income
8 for the year involved.".
9 (E) Section 2113 of such Act (42 U.S.C. 1397mm)
10 is amended—
11 (i) in subsection (a)(1), by striking "2013" and
12 inserting "2015"; and
13 (ii) in subsection (g), by striking
14 "$100,000,000 for the period of fiscal years 2009
15 through 2013" and inserting "$140,000,000 for the
16 period of fiscal years 2009 through 2015".
17 (F) Section 108 of Public Law 111–3 is amended by
18 striking "$11,706,000,000" and all that follows through
19 the second sentence and inserting "$15,361,000,000 to
20 accompany the allotment made for the period beginning
21 on October 1, 2014, and ending on March 31, 2015, under
22 section 2104(a)(18)(A) of the Social Security Act (42
23 U.S.C. 1397dd(a)(18)(A)), to remain available until ex-
24 pended. Such amount shall be used to provide allotments
25 to States under paragraph (3) of section 2104(m) of the

1 Social Security Act (42 U.S.C. 1397dd(m)) for the first
2 6 months of fiscal year 2015 in the same manner as allot-
3 ments are provided under subsection (a)(18)(A) of such
4 section 2104 and subject to the same terms and conditions
5 as apply to the allotments provided from such subsection
6 (a)(18)(A).''.

7 **PART II—SUPPORT FOR PREGNANT AND**
8 **PARENTING TEENS AND WOMEN**

9 **SEC. 10211. DEFINITIONS.**

10 In this part:
11 (1) ACCOMPANIMENT.—The term ''accompani-
12 ment'' means assisting, representing, and accom-
13 panying a woman in seeking judicial relief for child
14 support, child custody, restraining orders, and res-
15 titution for harm to persons and property, and in fil-
16 ing criminal charges, and may include the payment
17 of court costs and reasonable attorney and witness
18 fees associated therewith.
19 (2) ELIGIBLE INSTITUTION OF HIGHER EDU-
20 CATION.—The term ''eligible institution of higher
21 education'' means an institution of higher education
22 (as such term is defined in section 101 of the High-
23 er Education Act of 1965 (20 U.S.C. 1001)) that
24 has established and operates, or agrees to establish
25 and operate upon the receipt of a grant under this

1 part, a pregnant and parenting student services of-
2 fice.
3 (3) COMMUNITY SERVICE CENTER.—The term
4 ''community service center'' means a non-profit or-
5 ganization that provides social services to residents
6 of a specific geographical area via direct service or
7 by contract with a local governmental agency.
8 (4) HIGH SCHOOL.—The term ''high school''
9 means any public or private school that operates
10 grades 10 through 12, inclusive, grades 9 through
11 12, inclusive or grades 7 through 12, inclusive.
12 (5) INTERVENTION SERVICES.—The term
13 ''intervention services'' means, with respect to do-
14 mestic violence, sexual violence, sexual assault, or
15 stalking, 24-hour telephone hotline services for police
16 protection and referral to shelters.
17 (6) SECRETARY.—The term ''Secretary'' means
18 the Secretary of Health and Human Services.
19 (7) STATE.—The term ''State'' includes the
20 District of Columbia, any commonwealth, possession,
21 or other territory of the United States, and any In-
22 dian tribe or reservation.
23 (8) SUPPORTIVE SOCIAL SERVICES.—The term
24 ''supportive social services'' means transitional and
25 permanent housing, vocational counseling, and indi-

1 vidual and group counseling aimed at preventing do-
2 mestic violence, sexual violence, sexual assault, or
3 stalking.
4 (9) VIOLENCE.—The term ''violence'' means ac-
5 tual violence and the risk or threat of violence.

6 **SEC. 10212. ESTABLISHMENT OF PREGNANCY ASSISTANCE**
7 **FUND.**

8 (a) IN GENERAL.—The Secretary, in collaboration
9 and coordination with the Secretary of Education (as ap-
10 propriate), shall establish a Pregnancy Assistance Fund
11 to be administered by the Secretary, for the purpose of
12 awarding competitive grants to States to assist pregnant
13 and parenting teens and women.
14 (b) USE OF FUND.—A State may apply for a grant
15 under subsection (a) to carry out any activities provided
16 for in section 10213.
17 (c) APPLICATIONS.—To be eligible to receive a grant
18 under subsection (a), a State shall submit to the Secretary
19 an application at such time, in such manner, and con-
20 taining such information as the Secretary may require, in-
21 cluding a description of the purposes for which the grant
22 is being requested and the designation of a State agency
23 for receipt and administration of funding received under
24 this part.

1 **SEC. 10213. PERMISSIBLE USES OF FUND.**

2 (a) IN GENERAL.—A State shall use amounts re-
3 ceived under a grant under section 10212 for the purposes
4 described in this section to assist pregnant and parenting
5 teens and women.

6 (b) INSTITUTIONS OF HIGHER EDUCATION.—

7 (1) IN GENERAL.—A State may use amounts
8 received under a grant under section 10212 to make
9 funding available to eligible institutions of higher
10 education to enable the eligible institutions to estab-
11 lish, maintain, or operate pregnant and parenting
12 student services. Such funding shall be used to sup-
13 plement, not supplant, existing funding for such
14 services.

15 (2) APPLICATION.—An eligible institution of
16 higher education that desires to receive funding
17 under this subsection shall submit an application to
18 the designated State agency at such time, in such
19 manner, and containing such information as the
20 State agency may require.

21 (3) MATCHING REQUIREMENT.—An eligible in-
22 stitution of higher education that receives funding
23 under this subsection shall contribute to the conduct
24 of the pregnant and parenting student services office
25 supported by the funding an amount from non-Fed-
26 eral funds equal to 25 percent of the amount of the

1 funding provided. The non-Federal share may be in
2 cash or in-kind, fairly evaluated, including services,
3 facilities, supplies, or equipment.
4 (4) USE OF FUNDS FOR ASSISTING PREGNANT
5 AND PARENTING COLLEGE STUDENTS.—An eligible
6 institution of higher education that receives funding
7 under this subsection shall use such funds to estab-
8 lish, maintain or operate pregnant and parenting
9 student services and may use such funding for the
10 following programs and activities:
11 (A) Conduct a needs assessment on cam-
12 pus and within the local community—
13 (i) to assess pregnancy and parenting
14 resources, located on the campus or within
15 the local community, that are available to
16 meet the needs described in subparagraph
17 (B); and
18 (ii) to set goals for—
19 (I) improving such resources for
20 pregnant, parenting, and prospective
21 parenting students; and
22 (II) improving access to such re-
23 sources.
24 (B) Annually assess the performance of
25 the eligible institution in meeting the following

1 needs of students enrolled in the eligible institu-
2 tion who are pregnant or are parents:
3 (i) The inclusion of maternity cov-
4 erage and the availability of riders for ad-
5 ditional family members in student health
6 care.
7 (ii) Family housing.
8 (iii) Child care.
9 (iv) Flexible or alternative academic
10 scheduling, such as telecommuting pro-
11 grams, to enable pregnant or parenting
12 students to continue their education or
13 stay in school.
14 (v) Education to improve parenting
15 skills for mothers and fathers and to
16 strengthen marriages.
17 (vi) Maternity and baby clothing, baby
18 food (including formula), baby furniture,
19 and similar items to assist parents and
20 prospective parents in meeting the material
21 needs of their children.
22 (vii) Post-partum counseling.
23 (C) Identify public and private service pro-
24 viders, located on the campus of the eligible in-
25 stitution or within the local community, that

1 are qualified to meet the needs described in
2 subparagraph (B), and establishes programs
3 with qualified providers to meet such needs.
4 (D) Assist pregnant and parenting stu-
5 dents, fathers or spouses in locating and obtain-
6 ing services that meet the needs described in
7 subparagraph (B).
8 (E) If appropriate, provide referrals for
9 prenatal care and delivery, infant or foster care,
10 or adoption, to a student who requests such in-
11 formation. An office shall make such referrals
12 only to service providers that serve the following
13 types of individuals:
14 (i) Parents.
15 (ii) Prospective parents awaiting
16 adoption.
17 (iii) Women who are pregnant and
18 plan on parenting or placing the child for
19 adoption.
20 (iv) Parenting or prospective par-
21 enting couples.
22 (5) REPORTING.—
23 (A) ANNUAL REPORT BY INSTITUTIONS.—
24 (i) IN GENERAL.—For each fiscal year
25 that an eligible institution of higher edu-

1 cation receives funds under this subsection,
2 the eligible institution shall prepare and
3 submit to the State, by the date deter-
4 mined by the State, a report that—
5 (I) itemizes the pregnant and
6 parenting student services office's ex-
7 penditures for the fiscal year;
8 (II) contains a review and evalua-
9 tion of the performance of the office
10 in fulfilling the requirements of this
11 section, using the specific performance
12 criteria or standards established
13 under subparagraph (B)(i); and
14 (III) describes the achievement of
15 the office in meeting the needs listed
16 in paragraph (4)(B) of the students
17 served by the eligible institution, and
18 the frequency of use of the office by
19 such students.
20 (ii) PERFORMANCE CRITERIA.—Not
21 later than 180 days before the date the an-
22 nual report described in clause (i) is sub-
23 mitted, the State—
24 (I) shall identify the specific per-
25 formance criteria or standards that

1 shall be used to prepare the report;
2 and
3 (II) may establish the form or
4 format of the report.
5 (B) REPORT BY STATE.—The State shall
6 annually prepare and submit a report on the
7 findings under this subsection, including the
8 number of eligible institutions of higher edu-
9 cation that were awarded funds and the number
10 of students served by each pregnant and par-
11 enting student services office receiving funds
12 under this section, to the Secretary.
13 (c) SUPPORT FOR PREGNANT AND PARENTING
14 TEENS.—A State may use amounts received under a
15 grant under section 10212 to make funding available to
16 eligible high schools and community service centers to es-
17 tablish, maintain or operate pregnant and parenting serv-
18 ices in the same general manner and in accordance with
19 all conditions and requirements described in subsection
20 (b), except that paragraph (3) of such subsection shall not
21 apply for purposes of this subsection.
22 (d) IMPROVING SERVICES FOR PREGNANT WOMEN
23 WHO ARE VICTIMS OF DOMESTIC VIOLENCE, SEXUAL VI-
24 OLENCE, SEXUAL ASSAULT, AND STALKING.—

1 (1) IN GENERAL.—A State may use amounts
2 received under a grant under section 10212 to make
3 funding available tp its State Attorney General to
4 assist Statewide offices in providing—
5 (A) intervention services, accompaniment,
6 and supportive social services for eligible preg-
7 nant women who are victims of domestic vio-
8 lence, sexual violence, sexual assault, or stalk-
9 ing.
10 (B) technical assistance and training (as
11 described in subsection (c)) relating to violence
12 against eligible pregnant women to be made
13 available to the following:
14 (i) Federal, State, tribal, territorial,
15 and local governments, law enforcement
16 agencies, and courts.
17 (ii) Professionals working in legal, so-
18 cial service, and health care settings.
19 (iii) Nonprofit organizations.
20 (iv) Faith-based organizations.
21 (2) ELIGIBILITY.—To be eligible for a grant
22 under paragraph (1), a State Attorney General shall
23 submit an application to the designated State agency
24 at such time, in such manner, and containing such
25 information, as specified by the State.

1 (3) TECHNICAL ASSISTANCE AND TRAINING DE-
2 SCRIBED.—For purposes of paragraph (1)(B), tech-
3 nical assistance and training is—
4 (A) the identification of eligible pregnant
5 women experiencing domestic violence, sexual
6 violence, sexual assault, or stalking;
7 (B) the assessment of the immediate and
8 short-term safety of such a pregnant woman,
9 the evaluation of the impact of the violence or
10 stalking on the pregnant woman's health, and
11 the assistance of the pregnant woman in devel-
12 oping a plan aimed at preventing further do-
13 mestic violence, sexual violence, sexual assault,
14 or stalking, as appropriate;
15 (C) the maintenance of complete medical
16 or forensic records that include the documenta-
17 tion of any examination, treatment given, and
18 referrals made, recording the location and na-
19 ture of the pregnant woman's injuries, and the
20 establishment of mechanisms to ensure the pri-
21 vacy and confidentiality of those medical
22 records; and
23 (D) the identification and referral of the
24 pregnant woman to appropriate public and pri-
25 vate nonprofit entities that provide intervention

1 services, accompaniment, and supportive social
2 services.
3 (4) ELIGIBLE PREGNANT WOMAN.—In this sub-
4 section, the term ''eligible pregnant woman'' means
5 any woman who is pregnant on the date on which
6 such woman becomes a victim of domestic violence,
7 sexual violence, sexual assault, or stalking or who
8 was pregnant during the one-year period before such
9 date.
10 (e) PUBLIC AWARENESS AND EDUCATION.—A State
11 may use amounts received under a grant under section
12 10212 to make funding available to increase public aware-
13 ness and education concerning any services available to
14 pregnant and parenting teens and women under this part,
15 or any other resources available to pregnant and parenting
16 women in keeping with the intent and purposes of this
17 part. The State shall be responsible for setting guidelines
18 or limits as to how much of funding may be utilized for
19 public awareness and education in any funding award.
20 **SEC. 10214. APPROPRIATIONS.**
21 There is authorized to be appropriated, and there are
22 appropriated, $25,000,000 for each of fiscal years 2010
23 through 2019, to carry out this part.

PART III—INDIAN HEALTH CARE IMPROVEMENT

SEC. 10221. INDIAN HEALTH CARE IMPROVEMENT.

(a) IN GENERAL.—Except as provided in subsection (b), S. 1790 entitled "A bill to amend the Indian Health Care Improvement Act to revise and extend that Act, and for other purposes.", as reported by the Committee on Indian Affairs of the Senate in December 2009, is enacted into law.

(b) AMENDMENTS.—

(1) Section 119 of the Indian Health Care Improvement Act (as amended by section 111 of the bill referred to in subsection (a)) is amended—

(A) in subsection (d)—

(i) in paragraph (2), by striking "In establishing" and inserting "Subject to paragraphs (3) and (4), in establishing"; and

(ii) by adding at the end the following:

"(3) ELECTION OF INDIAN TRIBE OR TRIBAL ORGANIZATION.—

"(A) IN GENERAL.—Subparagraph (B) of paragraph (2) shall not apply in the case of an election made by an Indian tribe or tribal organization located in a State (other than Alaska) in which the use of dental health aide therapist

1 services or midlevel dental health provider serv-
2 ices is authorized under State law to supply
3 such services in accordance with State law.
4 ‘‘(B) ACTION BY SECRETARY.—On an elec-
5 tion by an Indian tribe or tribal organization
6 under subparagraph (A), the Secretary, acting
7 through the Service, shall facilitate implementa-
8 tion of the services elected.
9 ‘‘(4) VACANCIES.—The Secretary shall not fill
10 any vacancy for a certified dentist in a program op-
11 erated by the Service with a dental health aide ther-
12 apist.’’; and
13 (B) by adding at the end the following:
14 ‘‘(e) EFFECT OF SECTION.—Nothing in this section
15 shall restrict the ability of the Service, an Indian tribe,
16 or a tribal organization to participate in any program or
17 to provide any service authorized by any other Federal
18 law.’’.
19 (2) The Indian Health Care Improvement Act
20 (as amended by section 134(b) of the bill referred to
21 in subsection (a)) is amended by striking section 125
22 (relating to treatment of scholarships for certain
23 purposes).
24 (3) Section 806 of the Indian Health Care Im-
25 provement Act (25 U.S.C. 1676) is amended—

1 (A) by striking ''Any limitation'' and in-
2 serting the following:
3 ''(a) HHS APPROPRIATIONS.—Any limitation''; and
4 (B) by adding at the end the following:
5 ''(b) LIMITATIONS PURSUANT TO OTHER FEDERAL
6 LAW.—Any limitation pursuant to other Federal laws on
7 the use of Federal funds appropriated to the Service shall
8 apply with respect to the performance or coverage of abor-
9 tions.''.
10 (4) The bill referred to in subsection (a) is
11 amended by striking section 201.

12 Subtitle C—Provisions Relating to
13 Title III

14 **SEC. 10301. PLANS FOR A VALUE-BASED PURCHASING PRO-**
15 **GRAM FOR AMBULATORY SURGICAL CEN-**
16 **TERS.**

17 (a) IN GENERAL.—Section 3006 is amended by add-
18 ing at the end the following new subsection:
19 ''(f) AMBULATORY SURGICAL CENTERS.—
20 ''(1) IN GENERAL.—The Secretary shall develop
21 a plan to implement a value-based purchasing pro-
22 gram for payments under the Medicare program
23 under title XVIII of the Social Security Act for am-
24 bulatory surgical centers (as described in section

1 1833(i) of the Social Security Act (42 U.S.C.
2 1395l(i))).
3 "(2) DETAILS.—In developing the plan under
4 paragraph (1), the Secretary shall consider the fol-
5 lowing issues:
6 "(A) The ongoing development, selection,
7 and modification process for measures (includ-
8 ing under section 1890 of the Social Security
9 Act (42 U.S.C. 1395aaa) and section 1890A of
10 such Act, as added by section 3014), to the ex-
11 tent feasible and practicable, of all dimensions
12 of quality and efficiency in ambulatory surgical
13 centers.
14 "(B) The reporting, collection, and valida-
15 tion of quality data.
16 "(C) The structure of value-based payment
17 adjustments, including the determination of
18 thresholds or improvements in quality that
19 would substantiate a payment adjustment, the
20 size of such payments, and the sources of fund-
21 ing for the value-based bonus payments.
22 "(D) Methods for the public disclosure of
23 information on the performance of ambulatory
24 surgical centers.

1 "(E) Any other issues determined appro-
2 priate by the Secretary.
3 "(3) CONSULTATION.—In developing the plan
4 under paragraph (1), the Secretary shall—
5 "(A) consult with relevant affected parties;
6 and
7 "(B) consider experience with such dem-
8 onstrations that the Secretary determines are
9 relevant to the value-based purchasing program
10 described in paragraph (1).
11 "(4) REPORT TO CONGRESS.—Not later than
12 January 1, 2011, the Secretary shall submit to Con-
13 gress a report containing the plan developed under
14 paragraph (1).".
15 (b) TECHNICAL.—Section 3006(a)(2)(A) is amended
16 by striking clauses (i) and (ii).

17 **SEC. 10302. REVISION TO NATIONAL STRATEGY FOR QUAL-**
18 **ITY IMPROVEMENT IN HEALTH CARE.**

19 Section 399HH(a)(2)(B)(iii) of the Public Health
20 Service Act, as added by section 3011, is amended by in-
21 serting "(taking into consideration the limitations set
22 forth in subsections (c) and (d) of section 1182 of the So-
23 cial Security Act)" after "information".

SEC. 10303. DEVELOPMENT OF OUTCOME MEASURES.

(a) DEVELOPMENT.—Section 931 of the Public Health Service Act, as added by section 3013(a), is amended by adding at the end the following new subsection:

"(f) DEVELOPMENT OF OUTCOME MEASURES.—

"(1) IN GENERAL.—The Secretary shall develop, and periodically update (not less than every 3 years), provider-level outcome measures for hospitals and physicians, as well as other providers as determined appropriate by the Secretary.

"(2) CATEGORIES OF MEASURES.—The measures developed under this subsection shall include, to the extent determined appropriate by the Secretary—

"(A) outcome measurement for acute and chronic diseases, including, to the extent feasible, the 5 most prevalent and resource-intensive acute and chronic medical conditions; and

"(B) outcome measurement for primary and preventative care, including, to the extent feasible, measurements that cover provision of such care for distinct patient populations (such as healthy children, chronically ill adults, or infirm elderly individuals).

1 "(3) GOALS.—In developing such measures, the
2 Secretary shall seek to—
3 "(A) address issues regarding risk adjust-
4 ment, accountability, and sample size;
5 "(B) include the full scope of services that
6 comprise a cycle of care; and
7 "(C) include multiple dimensions.
8 "(4) TIMEFRAME.—
9 "(A) ACUTE AND CHRONIC DISEASES.—
10 Not later than 24 months after the date of en-
11 actment of this Act, the Secretary shall develop
12 not less than 10 measures described in para-
13 graph (2)(A).
14 "(B) PRIMARY AND PREVENTIVE CARE.—
15 Not later than 36 months after the date of en-
16 actment of this Act, the Secretary shall develop
17 not less than 10 measures described in para-
18 graph (2)(B).".
19 (b) HOSPITAL-ACQUIRED CONDITIONS.—Section
20 1890A of the Social Security Act, as amended by section
21 3013(b), is amended by adding at the end the following
22 new subsection:
23 "(f) HOSPITAL ACQUIRED CONDITIONS.—The Sec-
24 retary shall, to the extent practicable, publicly report on
25 measures for hospital-acquired conditions that are cur-

1 rently utilized by the Centers for Medicare & Medicaid
2 Services for the adjustment of the amount of payment to
3 hospitals based on rates of hospital-acquired infections.''.
4 (c) CLINICAL PRACTICE GUIDELINES.—Section
5 304(b) of the Medicare Improvements for Patients and
6 Providers Act of 2008 (Public Law 110–275) is amended
7 by adding at the end the following new paragraph:
8 ''(4) IDENTIFICATION.—
9 ''(A) IN GENERAL.—Following receipt of
10 the report submitted under paragraph (2), and
11 not less than every 3 years thereafter, the Sec-
12 retary shall contract with the Institute to em-
13 ploy the results of the study performed under
14 paragraph (1) and the best methods identified
15 by the Institute for the purpose of identifying
16 existing and new clinical practice guidelines
17 that were developed using such best methods,
18 including guidelines listed in the National
19 Guideline Clearinghouse.
20 ''(B) CONSULTATION.—In carrying out the
21 identification process under subparagraph (A),
22 the Secretary shall allow for consultation with
23 professional societies, voluntary health care or-
24 ganizations, and expert panels.''.

1 **SEC. 10304. SELECTION OF EFFICIENCY MEASURES.**

2 Sections 1890(b)(7) and 1890A of the Social Security
3 Act, as added by section 3014, are amended by striking
4 "quality" each place it appears and inserting "quality and
5 efficiency".

6 **SEC. 10305. DATA COLLECTION; PUBLIC REPORTING.**

7 Section 399II(a) of the Public Health Service Act,
8 as added by section 3015, is amended to read as follows:

9 "(a) IN GENERAL.—

10 "(1) ESTABLISHMENT OF STRATEGIC FRAME-
11 WORK.—The Secretary shall establish and imple-
12 ment an overall strategic framework to carry out the
13 public reporting of performance information, as de-
14 scribed in section 399JJ. Such strategic framework
15 may include methods and related timelines for im-
16 plementing nationally consistent data collection, data
17 aggregation, and analysis methods.

18 "(2) COLLECTION AND AGGREGATION OF
19 DATA.—The Secretary shall collect and aggregate
20 consistent data on quality and resource use meas-
21 ures from information systems used to support
22 health care delivery, and may award grants or con-
23 tracts for this purpose. The Secretary shall align
24 such collection and aggregation efforts with the re-
25 quirements and assistance regarding the expansion
26 of health information technology systems, the inter-

1 operability of such technology systems, and related
2 standards that are in effect on the date of enact-
3 ment of the Patient Protection and Affordable Care
4 Act.
5 ''(3) SCOPE.—The Secretary shall ensure that
6 the data collection, data aggregation, and analysis
7 systems described in paragraph (1) involve an in-
8 creasingly broad range of patient populations, pro-
9 viders, and geographic areas over time.''.

10 **SEC. 10306. IMPROVEMENTS UNDER THE CENTER FOR**
11 **MEDICARE AND MEDICAID INNOVATION.**

12 Section 1115A of the Social Security Act, as added
13 by section 3021, is amended—
14 (1) in subsection (a), by inserting at the end
15 the following new paragraph:
16 ''(5) TESTING WITHIN CERTAIN GEOGRAPHIC
17 AREAS.—For purposes of testing payment and serv-
18 ice delivery models under this section, the Secretary
19 may elect to limit testing of a model to certain geo-
20 graphic areas.'';
21 (2) in subsection (b)(2)—
22 (A) in subparagraph (A)—
23 (i) in the second sentence, by striking
24 ''the preceding sentence may include'' and

1 inserting "this subparagraph may include,
2 but are not limited to,"; and
3 (ii) by inserting after the first sen-
4 tence the following new sentence: "The
5 Secretary shall focus on models expected to
6 reduce program costs under the applicable
7 title while preserving or enhancing the
8 quality of care received by individuals re-
9 ceiving benefits under such title.";
10 (B) in subparagraph (B), by adding at the
11 end the following new clauses:
12 "(xix) Utilizing, in particular in enti-
13 ties located in medically underserved areas
14 and facilities of the Indian Health Service
15 (whether operated by such Service or by an
16 Indian tribe or tribal organization (as
17 those terms are defined in section 4 of the
18 Indian Health Care Improvement Act)),
19 telehealth services—
20 "(I) in treating behavioral health
21 issues (such as post-traumatic stress
22 disorder) and stroke; and
23 "(II) to improve the capacity of
24 non-medical providers and non-spe-
25 cialized medical providers to provide

1 health services for patients with
2 chronic complex conditions.
3 "(xx) Utilizing a diverse network of
4 providers of services and suppliers to im-
5 prove care coordination for applicable indi-
6 viduals described in subsection (a)(4)(A)(i)
7 with 2 or more chronic conditions and a
8 history of prior-year hospitalization
9 through interventions developed under the
10 Medicare Coordinated Care Demonstration
11 Project under section 4016 of the Bal-
12 anced Budget Act of 1997 (42 U.S.C.
13 1395b–1 note)."; and
14 (C) in subparagraph (C), by adding at the
15 end the following new clause:
16 "(viii) Whether the model dem-
17 onstrates effective linkage with other pub-
18 lic sector or private sector payers.";
19 (3) in subsection (b)(4), by adding at the end
20 the following new subparagraph:
21 "(C) MEASURE SELECTION.—To the ex-
22 tent feasible, the Secretary shall select meas-
23 ures under this paragraph that reflect national
24 priorities for quality improvement and patient-

1 centered care consistent with the measures de-
2 scribed in 1890(b)(7)(B).''; and
3 (4) in subsection (c)—
4 (A) in paragraph (1)(B), by striking ''care
5 and reduce spending; and'' and inserting ''pa-
6 tient care without increasing spending;'';
7 (B) in paragraph (2), by striking ''reduce
8 program spending under applicable titles.'' and
9 inserting ''reduce (or would not result in any
10 increase in) net program spending under appli-
11 cable titles; and''; and
12 (C) by adding at the end the following:
13 ''(3) the Secretary determines that such expan-
14 sion would not deny or limit the coverage or provi-
15 sion of benefits under the applicable title for applica-
16 ble individuals.
17 In determining which models or demonstration projects to
18 expand under the preceding sentence, the Secretary shall
19 focus on models and demonstration projects that improve
20 the quality of patient care and reduce spending.''.
21 **SEC. 10307. IMPROVEMENTS TO THE MEDICARE SHARED**
22 **SAVINGS PROGRAM.**
23 Section 1899 of the Social Security Act, as added by
24 section 3022, is amended by adding at the end the fol-
25 lowing new subsections:

1 “(i) OPTION TO USE OTHER PAYMENT MODELS.—
2 “(1) IN GENERAL.—If the Secretary determines
3 appropriate, the Secretary may use any of the pay-
4 ment models described in paragraph (2) or (3) for
5 making payments under the program rather than
6 the payment model described in subsection (d).
7 “(2) PARTIAL CAPITATION MODEL.—
8 “(A) IN GENERAL.—Subject to subpara-
9 graph (B), a model described in this paragraph
10 is a partial capitation model in which an ACO
11 is at financial risk for some, but not all, of the
12 items and services covered under parts A and
13 B, such as at risk for some or all physicians’
14 services or all items and services under part B.
15 The Secretary may limit a partial capitation
16 model to ACOs that are highly integrated sys-
17 tems of care and to ACOs capable of bearing
18 risk, as determined to be appropriate by the
19 Secretary.
20 “(B) NO ADDITIONAL PROGRAM EXPENDI-
21 TURES.—Payments to an ACO for items and
22 services under this title for beneficiaries for a
23 year under the partial capitation model shall be
24 established in a manner that does not result in
25 spending more for such ACO for such bene-

1 ficiaries than would otherwise be expended for
2 such ACO for such beneficiaries for such year
3 if the model were not implemented, as esti-
4 mated by the Secretary.

5 ''(3) OTHER PAYMENT MODELS.—

6 ''(A) IN GENERAL.—Subject to subpara-
7 graph (B), a model described in this paragraph
8 is any payment model that the Secretary deter-
9 mines will improve the quality and efficiency of
10 items and services furnished under this title.

11 ''(B) NO ADDITIONAL PROGRAM EXPENDI-
12 TURES.—Subparagraph (B) of paragraph (2)
13 shall apply to a payment model under subpara-
14 graph (A) in a similar manner as such subpara-
15 graph (B) applies to the payment model under
16 paragraph (2).

17 ''(j) INVOLVEMENT IN PRIVATE PAYER AND OTHER
18 THIRD PARTY ARRANGEMENTS.—The Secretary may give
19 preference to ACOs who are participating in similar ar-
20 rangements with other payers.

21 ''(k) TREATMENT OF PHYSICIAN GROUP PRACTICE
22 DEMONSTRATION.—During the period beginning on the
23 date of the enactment of this section and ending on the
24 date the program is established, the Secretary may enter
25 into an agreement with an ACO under the demonstration

1 under section 1866A, subject to rebasing and other modi-
2 fications deemed appropriate by the Secretary.''.

3 **SEC. 10308. REVISIONS TO NATIONAL PILOT PROGRAM ON**
4 **PAYMENT BUNDLING.**

5 (a) IN GENERAL.—Section 1866D of the Social Secu-
6 rity Act, as added by section 3023, is amended—
7 (1) in paragraph (a)(2)(B), in the matter pre-
8 ceding clause (i), by striking ''8 conditions'' and in-
9 serting ''10 conditions'';
10 (2) by striking subsection (c)(1)(B) and insert-
11 ing the following:
12 ''(B) EXPANSION.—The Secretary may, at
13 any point after January 1, 2016, expand the
14 duration and scope of the pilot program, to the
15 extent determined appropriate by the Secretary,
16 if—
17 ''(i) the Secretary determines that
18 such expansion is expected to—
19 ''(I) reduce spending under title
20 XVIII of the Social Security Act with-
21 out reducing the quality of care; or
22 ''(II) improve the quality of care
23 and reduce spending;
24 ''(ii) the Chief Actuary of the Centers
25 for Medicare & Medicaid Services certifies

1 that such expansion would reduce program
2 spending under such title XVIII; and
3 ''(iii) the Secretary determines that
4 such expansion would not deny or limit the
5 coverage or provision of benefits under this
6 title for individuals.''; and
7 (3) by striking subsection (g) and inserting the
8 following new subsection:
9 ''(g) APPLICATION OF PILOT PROGRAM TO CON-
10 TINUING CARE HOSPITALS.—
11 ''(1) IN GENERAL.—In conducting the pilot pro-
12 gram, the Secretary shall apply the provisions of the
13 program so as to separately pilot test the continuing
14 care hospital model.
15 ''(2) SPECIAL RULES.—In pilot testing the con-
16 tinuing care hospital model under paragraph (1), the
17 following rules shall apply:
18 ''(A) Such model shall be tested without
19 the limitation to the conditions selected under
20 subsection (a)(2)(B).
21 ''(B) Notwithstanding subsection
22 (a)(2)(D), an episode of care shall be defined as
23 the full period that a patient stays in the con-
24 tinuing care hospital plus the first 30 days fol-
25 lowing discharge from such hospital.

1 "(3) CONTINUING CARE HOSPITAL DEFINED.—
2 In this subsection, the term 'continuing care hos-
3 pital' means an entity that has demonstrated the
4 ability to meet patient care and patient safety stand-
5 ards and that provides under common management
6 the medical and rehabilitation services provided in
7 inpatient rehabilitation hospitals and units (as de-
8 fined in section 1886(d)(1)(B)(ii)), long term care
9 hospitals (as defined in section1886(d)(1)(B)(iv)(I)),
10 and skilled nursing facilities (as defined in section
11 1819(a)) that are located in a hospital described in
12 section 1886(d).".
13 (b) TECHNICAL AMENDMENTS.—
14 (1) Section 3023 is amended by striking
15 "1886C" and inserting "1866C".
16 (2) Title XVIII of the Social Security Act is
17 amended by redesignating section 1866D, as added
18 by section 3024, as section 1866E.
19 **SEC. 10309. REVISIONS TO HOSPITAL READMISSIONS RE-**
20 **DUCTION PROGRAM.**
21 Section 1886(q)(1) of the Social Security Act, as
22 added by section 3025, in the matter preceding subpara-
23 graph (A), is amended by striking "the Secretary shall re-
24 duce the payments" and all that follows through "the
25 product of" and inserting "the Secretary shall make pay-

ments (in addition to the payments described in paragraph (2)(A)(ii)) for such a discharge to such hospital under subsection (d) (or section 1814(b)(3), as the case may be) in an amount equal to the product of''.

SEC. 10310. REPEAL OF PHYSICIAN PAYMENT UPDATE.

The provisions of, and the amendment made by, section 3101 are repealed

SEC. 10311. REVISIONS TO EXTENSION OF AMBULANCE ADD-ONS.

(a) GROUND AMBULANCE.—Section 1834(l)(13)(A) of the Social Security Act (42 U.S.C. 1395m(l)(13)(A)), as amended by section 3105(a), is further amended—

(1) in the matter preceding clause (i)—

(A) by striking ''2007, for'' and inserting ''2007, and for''; and

(B) by striking ''2010, and for such services furnished on or after April 1, 2010, and before January 1, 2011'' and inserting ''2011''; and

(2) in each of clauses (i) and (ii)—

(A) by striking '', and on or after April 1, 2010, and before January 1, 2011'' each place it appears; and

(B) by striking "January 1, 2010" and inserting "January 1, 2011" each place it appears.

(b) AIR AMBULANCE.—Section 146(b)(1) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110–275), as amended by section 3105(b), is further amended by striking "December 31, 2009, and during the period beginning on April 1, 2010, and ending on January 1, 2011" and inserting "December 31, 2010".

(c) SUPER RURAL AMBULANCE.—Section 1834(l)(12)(A) of the Social Security Act (42 U.S.C. 1395m(l)(12)(A)), as amended by section 3105(c), is further amended by striking "2010, and on or after April 1, 2010, and before January 1, 2011" and inserting "2011".

SEC. 10312. CERTAIN PAYMENT RULES FOR LONG-TERM CARE HOSPITAL SERVICES AND MORATORIUM ON THE ESTABLISHMENT OF CERTAIN HOSPITALS AND FACILITIES.

(a) CERTAIN PAYMENT RULES.—Section 114(c) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (42 U.S.C. 1395ww note), as amended by section 4302(a) of the American Recovery and Reinvestment Act (Public Law 111–5) and section 3106(a) of this Act, is

further amended by striking ''4-year period'' each place it appears and inserting ''5-year period''.

(b) MORATORIUM.—Section 114(d) of such Act (42 U.S.C. 1395ww note), as amended by section 3106(b) of this Act, in the matter preceding subparagraph (A), is amended by striking ''4-year period'' and inserting ''5-year period''.

SEC. 10313. REVISIONS TO THE EXTENSION FOR THE RURAL COMMUNITY HOSPITAL DEMONSTRATION PROGRAM.

(a) IN GENERAL.—Subsection (g) of section 410A of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108–173; 117 Stat. 2272), as added by section 3123(a) of this Act, is amended to read as follows:

''(g) FIVE-YEAR EXTENSION OF DEMONSTRATION PROGRAM.—

''(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the Secretary shall conduct the demonstration program under this section for an additional 5-year period (in this section referred to as the '5-year extension period') that begins on the date immediately following the last day of the initial 5-year period under subsection (a)(5).

1 "(2) EXPANSION OF DEMONSTRATION
2 STATES.—Notwithstanding subsection (a)(2), during
3 the 5-year extension period, the Secretary shall ex-
4 pand the number of States with low population den-
5 sities determined by the Secretary under such sub-
6 section to 20. In determining which States to include
7 in such expansion, the Secretary shall use the same
8 criteria and data that the Secretary used to deter-
9 mine the States under such subsection for purposes
10 of the initial 5-year period.

11 "(3) INCREASE IN MAXIMUM NUMBER OF HOS-
12 PITALS PARTICIPATING IN THE DEMONSTRATION
13 PROGRAM.—Notwithstanding subsection (a)(4), dur-
14 ing the 5-year extension period, not more than 30
15 rural community hospitals may participate in the
16 demonstration program under this section.

17 "(4) HOSPITALS IN DEMONSTRATION PROGRAM
18 ON DATE OF ENACTMENT.—In the case of a rural
19 community hospital that is participating in the dem-
20 onstration program under this section as of the last
21 day of the initial 5-year period, the Secretary—

22 "(A) shall provide for the continued par-
23 ticipation of such rural community hospital in
24 the demonstration program during the 5-year
25 extension period unless the rural community

1 hospital makes an election, in such form and
2 manner as the Secretary may specify, to dis-
3 continue such participation; and
4 ''(B) in calculating the amount of payment
5 under subsection (b) to the rural community
6 hospital for covered inpatient hospital services
7 furnished by the hospital during such 5-year ex-
8 tension period, shall substitute, under para-
9 graph (1)(A) of such subsection—
10 ''(i) the reasonable costs of providing
11 such services for discharges occurring in
12 the first cost reporting period beginning on
13 or after the first day of the 5-year exten-
14 sion period, for
15 ''(ii) the reasonable costs of providing
16 such services for discharges occurring in
17 the first cost reporting period beginning on
18 or after the implementation of the dem-
19 onstration program.''.
20 (b) CONFORMING AMENDMENTS.—Subsection (a)(5)
21 of section 410A of the Medicare Prescription Drug, Im-
22 provement, and Modernization Act of 2003 (Public Law
23 108–173; 117 Stat. 2272), as amended by section 3123(b)
24 of this Act, is amended by striking ''1-year extension'' and
25 inserting ''5-year extension''.

SEC. 10314. ADJUSTMENT TO LOW-VOLUME HOSPITAL PROVISION.

Section 1886(d)(12) of the Social Security Act (42 U.S.C. 1395ww(d)(12), as amended by section 3125, is amended—

(1) in subparagraph (C)(i), by striking "1,500 discharges" and inserting "1,600 discharges"; and

(2) in subparagraph (D), by striking "1,500 discharges" and inserting "1,600 discharges".

SEC. 10315. REVISIONS TO HOME HEALTH CARE PROVISIONS.

(a) REBASING.—Section 1895(b)(3)(A)(iii) of the Social Security Act, as added by section 3131, is amended—

(1) in the clause heading, by striking "2013" and inserting "2014";

(2) in subclause (I), by striking "2013" and inserting "2014"; and

(3) in subclause (II), by striking "2016" and inserting "2017".

(b) REVISION OF HOME HEALTH STUDY AND REPORT.—Section 3131(d) is amended to read as follows:

"(d) STUDY AND REPORT ON THE DEVELOPMENT OF HOME HEALTH PAYMENT REVISIONS IN ORDER TO ENSURE ACCESS TO CARE AND PAYMENT FOR SEVERITY OF ILLNESS.—

1 "(1) IN GENERAL.—The Secretary of Health
2 and Human Services (in this section referred to as
3 the 'Secretary') shall conduct a study on home
4 health agency costs involved with providing ongoing
5 access to care to low-income Medicare beneficiaries
6 or beneficiaries in medically underserved areas, and
7 in treating beneficiaries with varying levels of sever-
8 ity of illness. In conducting the study, the Secretary
9 may analyze items such as the following:
10 "(A) Methods to potentially revise the
11 home health prospective payment system under
12 section 1895 of the Social Security Act (42
13 U.S.C. 1395fff) to account for costs related to
14 patient severity of illness or to improving bene-
15 ficiary access to care, such as—
16 "(i) payment adjustments for services
17 that may involve additional or fewer re-
18 sources;
19 "(ii) changes to reflect resources in-
20 volved with providing home health services
21 to low-income Medicare beneficiaries or
22 Medicare beneficiaries residing in medically
23 underserved areas;
24 "(iii) ways outlier payments might be
25 revised to reflect costs of treating Medicare

1 beneficiaries with high levels of severity of
2 illness; and
3 ‘‘(iv) other issues determined appro-
4 priate by the Secretary.
5 ‘‘(B) Operational issues involved with po-
6 tential implementation of potential revisions to
7 the home health payment system, including im-
8 pacts for both home health agencies and admin-
9 istrative and systems issues for the Centers for
10 Medicare & Medicaid Services, and any possible
11 payment vulnerabilities associated with imple-
12 menting potential revisions.
13 ‘‘(C) Whether additional research might be
14 needed.
15 ‘‘(D) Other items determined appropriate
16 by the Secretary.
17 ‘‘(2) CONSIDERATIONS.—In conducting the
18 study under paragraph (1), the Secretary may con-
19 sider whether patient severity of illness and access
20 to care could be measured by factors, such as—
21 ‘‘(A) population density and relative pa-
22 tient access to care;
23 ‘‘(B) variations in service costs for pro-
24 viding care to individuals who are dually eligible
25 under the Medicare and Medicaid programs;

1 "(C) the presence of severe or chronic dis-
2 eases, which might be measured by multiple,
3 discontinuous home health episodes;
4 "(D) poverty status, such as evidenced by
5 the receipt of Supplemental Security Income
6 under title XVI of the Social Security Act; and
7 "(E) other factors determined appropriate
8 by the Secretary.
9 "(3) REPORT.—Not later than March 1, 2014,
10 the Secretary shall submit to Congress a report on
11 the study conducted under paragraph (1), together
12 with recommendations for such legislation and ad-
13 ministrative action as the Secretary determines ap-
14 propriate.
15 "(4) CONSULTATIONS.—In conducting the
16 study under paragraph (1), the Secretary shall con-
17 sult with appropriate stakeholders, such as groups
18 representing home health agencies and groups rep-
19 resenting Medicare beneficiaries.
20 "(5) MEDICARE DEMONSTRATION PROJECT
21 BASED ON THE RESULTS OF THE STUDY.—
22 "(A) IN GENERAL.—Subject to subpara-
23 graph (D), taking into account the results of
24 the study conducted under paragraph (1), the
25 Secretary may, as determined appropriate, pro-

1 vide for a demonstration project to test whether
2 making payment adjustments for home health
3 services under the Medicare program would
4 substantially improve access to care for patients
5 with high severity levels of illness or for low-in-
6 come or underserved Medicare beneficiaries.

7 ''(B) WAIVING BUDGET NEUTRALITY.—
8 The Secretary shall not reduce the standard
9 prospective payment amount (or amounts)
10 under section 1895 of the Social Security Act
11 (42 U.S.C. 1395fff) applicable to home health
12 services furnished during a period to offset any
13 increase in payments during such period result-
14 ing from the application of the payment adjust-
15 ments under subparagraph (A).

16 ''(C) NO EFFECT ON SUBSEQUENT PERI-
17 ODS.—A payment adjustment resulting from
18 the application of subparagraph (A) for a pe-
19 riod—

20 ''(i) shall not apply to payments for
21 home health services under title XVIII
22 after such period; and

23 ''(ii) shall not be taken into account in
24 calculating the payment amounts applica-
25 ble for such services after such period.

1 "(D) DURATION.—If the Secretary deter-
2 mines it appropriate to conduct the demonstra-
3 tion project under this subsection, the Secretary
4 shall conduct the project for a four year period
5 beginning not later than January 1, 2015.
6 "(E) FUNDING.—The Secretary shall pro-
7 vide for the transfer from the Federal Hospital
8 Insurance Trust Fund under section 1817 of
9 the Social Security Act (42 U.S.C. 1395i) and
10 the Federal Supplementary Medical Insurance
11 Trust Fund established under section 1841 of
12 such Act (42 U.S.C. 1395t), in such proportion
13 as the Secretary determines appropriate, of
14 $500,000,000 for the period of fiscal years
15 2015 through 2018. Such funds shall be made
16 available for the study described in paragraph
17 (1) and the design, implementation and evalua-
18 tion of the demonstration described in this
19 paragraph. Amounts available under this sub-
20 paragraph shall be available until expended.
21 "(F) EVALUATION AND REPORT.—If the
22 Secretary determines it appropriate to conduct
23 the demonstration project under this sub-
24 section, the Secretary shall—

1 "(i) provide for an evaluation of the
2 project; and
3 "(ii) submit to Congress, by a date
4 specified by the Secretary, a report on the
5 project.
6 "(G) ADMINISTRATION.—Chapter 35 of
7 title 44, United States Code, shall not apply
8 with respect to this subsection.".

9 **SEC. 10316. MEDICARE DSH.**

10 Section 1886(r)(2)(B) of the Social Security Act, as
11 added by section 3133, is amended—
12 (1) in clause (i)—
13 (A) in the matter preceding subclause (I),
14 by striking "(divided by 100)";
15 (B) in subclause (I), by striking "2012"
16 and inserting "2013";
17 (C) in subclause (II), by striking the pe-
18 riod at the end and inserting a comma; and
19 (D) by adding at the end the following
20 flush matter:
21 "minus 1.5 percentage points.".
22 (2) in clause (ii)—
23 (A) in the matter preceding subclause (I),
24 by striking "(divided by 100)";

1 (B) in subclause (I), by striking "2012"
2 and inserting "2013";
3 (C) in subclause (II), by striking the pe-
4 riod at the end and inserting a comma; and
5 (D) by adding at the end the following
6 flush matter:
7 "and, for each of 2018 and 2019, minus
8 1.5 percentage points.".

9 **SEC. 10317. REVISIONS TO EXTENSION OF SECTION 508**
10 **HOSPITAL PROVISIONS.**

11 Section 3137(a) is amended to read as follows:
12 "(a) EXTENSION.—
13 "(1) IN GENERAL.—Subsection (a) of section
14 106 of division B of the Tax Relief and Health Care
15 Act of 2006 (42 U.S.C. 1395 note), as amended by
16 section 117 of the Medicare, Medicaid, and SCHIP
17 Extension Act of 2007 (Public Law 110–173) and
18 section 124 of the Medicare Improvements for Pa-
19 tients and Providers Act of 2008 (Public Law 110–
20 275), is amended by striking 'September 30, 2009'
21 and inserting 'September 30, 2010'.
22 "(2) SPECIAL RULE FOR FISCAL YEAR 2010.—
23 "(A) IN GENERAL.—Subject to subpara-
24 graph (B), for purposes of implementation of
25 the amendment made by paragraph (1), includ-

1 ing (notwithstanding paragraph (3) of section
2 117(a) of the Medicare, Medicaid and SCHIP
3 Extension Act of 2007 (Public Law 110–173),
4 as amended by section 124(b) of the Medicare
5 Improvements for Patients and Providers Act of
6 2008 (Public Law 110–275)) for purposes of
7 the implementation of paragraph (2) of such
8 section 117(a), during fiscal year 2010, the
9 Secretary of Health and Human Services (in
10 this subsection referred to as the 'Secretary')
11 shall use the hospital wage index that was pro-
12 mulgated by the Secretary in the Federal Reg-
13 ister on August 27, 2009 (74 Fed. Reg.
14 43754), and any subsequent corrections.
15 ''(B) EXCEPTION.—Beginning on April 1,
16 2010, in determining the wage index applicable
17 to hospitals that qualify for wage index reclassi-
18 fication, the Secretary shall include the average
19 hourly wage data of hospitals whose reclassi-
20 fication was extended pursuant to the amend-
21 ment made by paragraph (1) only if including
22 such data results in a higher applicable reclassi-
23 fied wage index.
24 ''(3) ADJUSTMENT FOR CERTAIN HOSPITALS IN
25 FISCAL YEAR 2010.—

1 "(A) IN GENERAL.—In the case of a sub-
2 section (d) hospital (as defined in subsection
3 (d)(1)(B) of section 1886 of the Social Security
4 Act (42 U.S.C. 1395ww)) with respect to
5 which—
6 "(i) a reclassification of its wage
7 index for purposes of such section was ex-
8 tended pursuant to the amendment made
9 by paragraph (1); and
10 "(ii) the wage index applicable for
11 such hospital for the period beginning on
12 October 1, 2009, and ending on March 31,
13 2010, was lower than for the period begin-
14 ning on April 1, 2010, and ending on Sep-
15 tember 30, 2010, by reason of the applica-
16 tion of paragraph (2)(B);
17 the Secretary shall pay such hospital an addi-
18 tional payment that reflects the difference be-
19 tween the wage index for such periods.
20 "(B) TIMEFRAME FOR PAYMENTS.—The
21 Secretary shall make payments required under
22 subparagraph by not later than December 31,
23 2010.".

1 **SEC. 10318. REVISIONS TO TRANSITIONAL EXTRA BENEFITS**
2 **UNDER MEDICARE ADVANTAGE.**
3 Section 1853(p)(3)(A) of the Social Security Act, as
4 added by section 3201(h), is amended by inserting ''in
5 2009'' before the period at the end.
6 **SEC. 10319. REVISIONS TO MARKET BASKET ADJUSTMENTS.**
7 (a) INPATIENT ACUTE HOSPITALS.—Section
8 1886(b)(3)(B)(xii) of the Social Security Act, as added by
9 section 3401(a), is amended—
10 (1) in subclause (I), by striking ''and'' at the
11 end;
12 (2) by redesignating subclause (II) as subclause
13 (III);
14 (3) by inserting after subclause (II) the fol-
15 lowing new subclause:
16 ''(II) for each of fiscal years 2012 and 2013, by
17 0.1 percentage point; and''; and
18 (4) in subclause (III), as redesignated by para-
19 graph (2), by striking ''2012'' and inserting ''2014''.
20 (b) LONG-TERM CARE HOSPITALS.—Section
21 1886(m)(4) of the Social Security Act, as added by section
22 3401(c), is amended—
23 (1) in subparagraph (A)—
24 (A) in clause (i)—

1 (i) by striking ''each of rate years
2 2010 and 2011'' and inserting ''rate year
3 2010''; and
4 (ii) by striking ''and'' at the end;
5 (B) by redesignating clause (ii) as clause
6 (iv);
7 (C) by inserting after clause (i) the fol-
8 lowing new clauses:
9 ''(ii) for rate year 2011, 0.50 percent-
10 age point;
11 ''(iii) for each of the rate years begin-
12 ning in 2012 and 2013, 0.1 percentage
13 point; and''; and
14 (D) in clause (iv), as redesignated by sub-
15 paragraph (B), by striking ''2012'' and insert-
16 ing ''2014''; and
17 (2) in subparagraph (B), by striking ''(A)(ii)''
18 and inserting ''(A)(iv)''.
19 (c) INPATIENT REHABILITATION FACILITIES.—Sec-
20 tion 1886(j)(3)(D)(i) of the Social Security Act, as added
21 by section 3401(d), is amended—
22 (1) in subclause (I), by striking ''and'' at the
23 end;
24 (2) by redesignating subclause (II) as subclause
25 (III);

1 (3) by inserting after subclause (II) the fol-
2 lowing new subclause:
3 ‘‘(II) for each of fiscal years
4 2012 and 2013, 0.1 percentage point;
5 and’’; and
6 (4) in subclause (III), as redesignated by para-
7 graph (2), by striking ‘‘2012’’ and inserting ‘‘2014’’.
8 (d) HOME HEALTH AGENCIES.—Section
9 1895(b)(3)(B)(vi)(II) of such Act, as added by section
10 3401(e), is amended by striking ‘‘and 2012’’ and inserting
11 ‘‘, 2012, and 2013’’.
12 (e) PSYCHIATRIC HOSPITALS.—Section
13 1886(s)(3)(A) of the Social Security Act, as added by sec-
14 tion 3401(f), is amended—
15 (1) in clause (i), by striking ‘‘and’’ at the end;
16 (2) by redesignating clause (ii) as clause (iii);
17 (3) by inserting after clause (ii) the following
18 new clause:
19 ‘‘(ii) for each of the rate years begin-
20 ning in 2012 and 2013, 0.1 percentage
21 point; and’’; and
22 (4) in clause (iii), as redesignated by paragraph
23 (2), by striking ‘‘2012’’ and inserting ‘‘2014’’.

1 (f) HOSPICE CARE.—Section 1814(i)(1)(C) of the So-
2 cial Security Act (42 U.S.C. 1395f(i)(1)(C)), as amended
3 by section 3401(g), is amended—
4 (1) in clause (iv)(II), by striking ‘‘0.5’’ and in-
5 serting ‘‘0.3’’; and
6 (2) in clause (v), in the matter preceding sub-
7 clause (I), by striking ‘‘0.5’’ and inserting ‘‘0.3’’.
8 (g) OUTPATIENT HOSPITALS.—Section
9 1833(t)(3)(G)(i) of the Social Security Act, as added by
10 section 3401(i), is amended—
11 (1) in subclause (I), by striking ‘‘and’’ at the
12 end;
13 (2) by redesignating subclause (II) as subclause
14 (III);
15 (3) by inserting after subclause (II) the fol-
16 lowing new subclause:
17 ‘‘(II) for each of 2012 and 2013,
18 0.1 percentage point; and’’; and
19 (4) in subclause (III), as redesignated by para-
20 graph (2), by striking ‘‘2012’’ and inserting ‘‘2014’’.
21 **SEC. 10320. EXPANSION OF THE SCOPE OF, AND ADDI-**
22 **TIONAL IMPROVEMENTS TO, THE INDE-**
23 **PENDENT MEDICARE ADVISORY BOARD.**
24 (a) IN GENERAL.—Section 1899A of the Social Secu-
25 rity Act, as added by section 3403, is amended—

1 (1) in subsection (c)—
2 (A) in paragraph (1)(B), by adding at the
3 end the following new sentence: ''In any year
4 (beginning with 2014) that the Board is not re-
5 quired to submit a proposal under this section,
6 the Board shall submit to Congress an advisory
7 report on matters related to the Medicare pro-
8 gram.'';
9 (B) in paragraph (2)(A)—
10 (i) in clause (iv), by inserting ''or the
11 full premium subsidy under section
12 1860D–14(a)'' before the period at the end
13 of the last sentence; and
14 (ii) by adding at the end the following
15 new clause:
16 ''(vii) If the Chief Actuary of the Cen-
17 ters for Medicare & Medicaid Services has
18 made a determination described in sub-
19 section (e)(3)(B)(i)(II) in the determina-
20 tion year, the proposal shall be designed to
21 help reduce the growth rate described in
22 paragraph (8) while maintaining or en-
23 hancing beneficiary access to quality care
24 under this title.'';
25 (C) in paragraph (2)(B)—

1 (i) in clause (v), by striking ‘‘and’’ at
2 the end;
3 (ii) in clause (vi), by striking the pe-
4 riod at the end and inserting ‘‘; and’’; and
5 (iii) by adding at the end the fol-
6 lowing new clause:
7 ‘‘(vii) take into account the data and
8 findings contained in the annual reports
9 under subsection (n) in order to develop
10 proposals that can most effectively promote
11 the delivery of efficient, high quality care
12 to Medicare beneficiaries.’’;
13 (D) in paragraph (3)—
14 (i) in the heading, by striking
15 ‘‘TRANSMISSION OF BOARD PROPOSAL TO
16 PRESIDENT’’ and inserting ‘‘SUBMISSION
17 OF BOARD PROPOSAL TO CONGRESS AND
18 THE PRESIDENT’’;
19 (ii) in subparagraph (A)(i), by strik-
20 ing ‘‘transmit a proposal under this section
21 to the President’’ and insert ‘‘submit a
22 proposal under this section to Congress
23 and the President’’; and
24 (iii) in subparagraph (A)(ii)—

1 (I) in subclause (I), by inserting
2 ‘‘or’’ at the end;
3 (II) in subclause (II), by striking
4 ‘‘; or’’ and inserting a period; and
5 (III) by striking subclause (III);
6 (E) in paragraph (4)—
7 (i) by striking ‘‘the Board under para-
8 graph (3)(A)(i) or’’; and
9 (ii) by striking ‘‘immediately’’ and in-
10 serting ‘‘within 2 days’’;
11 (F) in paragraph (5)—
12 (i) by striking ‘‘to but’’ and inserting
13 ‘‘but’’; and
14 (ii) by inserting ‘‘Congress and’’ after
15 ‘‘submit a proposal to’’; and
16 (G) in paragraph (6)(B)(i), by striking
17 ‘‘per unduplicated enrollee’’ and inserting ‘‘(cal-
18 culated as the sum of per capita spending
19 under each of parts A, B, and D)’’;
20 (2) in subsection (d)—
21 (A) in paragraph (1)(A)—
22 (i) by inserting ‘‘the Board or’’ after
23 ‘‘a proposal is submitted by’’; and

1 (ii) by inserting "subsection
2 (c)(3)(A)(i) or" after "the Senate under";
3 and
4 (B) in paragraph (2)(A), by inserting "the
5 Board or" after "a proposal is submitted by";
6 (3) in subsection (e)—
7 (A) in paragraph (1), by inserting "the
8 Board or" after "a proposal submitted by"; and
9 (B) in paragraph (3)—
10 (i) by striking "EXCEPTION.—The
11 Secretary shall not be required to imple-
12 ment the recommendations contained in a
13 proposal submitted in a proposal year by"
14 and inserting "EXCEPTIONS.—
15 "(A) IN GENERAL.—The Secretary shall
16 not implement the recommendations contained
17 in a proposal submitted in a proposal year by
18 the Board or";
19 (ii) by redesignating subparagraphs
20 (A) and (B) as clauses (i) and (ii), respec-
21 tively, and indenting appropriately; and
22 (iii) by adding at the end the fol-
23 lowing new subparagraph:
24 "(B) LIMITED ADDITIONAL EXCEPTION.—

1 "(i) IN GENERAL.—Subject to clause
2 (ii), the Secretary shall not implement the
3 recommendations contained in a proposal
4 submitted by the Board or the President to
5 Congress pursuant to this section in a pro-
6 posal year (beginning with proposal year
7 2019) if—
8 "(I) the Board was required to
9 submit a proposal to Congress under
10 this section in the year preceding the
11 proposal year; and
12 "(II) the Chief Actuary of the
13 Centers for Medicare & Medicaid
14 Services makes a determination in the
15 determination year that the growth
16 rate described in subsection (c)(8) ex-
17 ceeds the growth rate described in
18 subsection (c)(6)(A)(i).
19 "(ii) LIMITED ADDITIONAL EXCEP-
20 TION MAY NOT BE APPLIED IN TWO CON-
21 SECUTIVE YEARS.—This subparagraph
22 shall not apply if the recommendations
23 contained in a proposal submitted by the
24 Board or the President to Congress pursu-
25 ant to this section in the year preceding

1 the proposal year were not required to be
2 implemented by reason of this subpara-
3 graph.
4 ''(iii) NO AFFECT ON REQUIREMENT
5 TO SUBMIT PROPOSALS OR FOR CONGRES-
6 SIONAL CONSIDERATION OF PROPOSALS.—
7 Clause (i) and (ii) shall not affect—
8 ''(I) the requirement of the
9 Board or the President to submit a
10 proposal to Congress in a proposal
11 year in accordance with the provisions
12 of this section; or
13 ''(II) Congressional consideration
14 of a legislative proposal (described in
15 subsection (c)(3)(B)(iv)) contained
16 such a proposal in accordance with
17 subsection (d).'';
18 (4) in subsection (f)(3)(B)—
19 (A) by striking ''or advisory reports to
20 Congress'' and inserting '', advisory reports, or
21 advisory recommendations''; and
22 (B) by inserting ''or produce the public re-
23 port under subsection (n)'' after ''this section'';
24 and

1 (5) by adding at the end the following new sub-
2 sections:
3 ''(n) ANNUAL PUBLIC REPORT.—
4 ''(1) IN GENERAL.—Not later than July 1,
5 2014, and annually thereafter, the Board shall
6 produce a public report containing standardized in-
7 formation on system-wide health care costs, patient
8 access to care, utilization, and quality-of-care that
9 allows for comparison by region, types of services,
10 types of providers, and both private payers and the
11 program under this title.
12 ''(2) REQUIREMENTS.—Each report produced
13 pursuant to paragraph (1) shall include information
14 with respect to the following areas:
15 ''(A) The quality and costs of care for the
16 population at the most local level determined
17 practical by the Board (with quality and costs
18 compared to national benchmarks and reflecting
19 rates of change, taking into account quality
20 measures described in section 1890(b)(7)(B)).
21 ''(B) Beneficiary and consumer access to
22 care, patient and caregiver experience of care,
23 and the cost-sharing or out-of-pocket burden on
24 patients.

1 "(C) Epidemiological shifts and demo-
2 graphic changes.
3 "(D) The proliferation, effectiveness, and
4 utilization of health care technologies, including
5 variation in provider practice patterns and
6 costs.
7 "(E) Any other areas that the Board de-
8 termines affect overall spending and quality of
9 care in the private sector.
10 "(o) ADVISORY RECOMMENDATIONS FOR NON-FED-
11 ERAL HEALTH CARE PROGRAMS.—
12 "(1) IN GENERAL.—Not later than January 15,
13 2015, and at least once every two years thereafter,
14 the Board shall submit to Congress and the Presi-
15 dent recommendations to slow the growth in na-
16 tional health expenditures (excluding expenditures
17 under this title and in other Federal health care pro-
18 grams) while preserving or enhancing quality of
19 care, such as recommendations—
20 "(A) that the Secretary or other Federal
21 agencies can implement administratively;
22 "(B) that may require legislation to be en-
23 acted by Congress in order to be implemented;

1 ''(C) that may require legislation to be en-
2 acted by State or local governments in order to
3 be implemented;
4 ''(D) that private sector entities can volun-
5 tarily implement; and
6 ''(E) with respect to other areas deter-
7 mined appropriate by the Board.
8 ''(2) COORDINATION.—In making recommenda-
9 tions under paragraph (1), the Board shall coordi-
10 nate such recommendations with recommendations
11 contained in proposals and advisory reports pro-
12 duced by the Board under subsection (c).
13 ''(3) AVAILABLE TO PUBLIC.—The Board shall
14 make recommendations submitted to Congress and
15 the President under this subsection available to the
16 public.''.
17 (b) NAME CHANGE.—Any reference in the provisions
18 of, or amendments made by, section 3403 to the ''Inde-
19 pendent Medicare Advisory Board'' shall be deemed to be
20 a reference to the ''Independent Payment Advisory
21 Board''.
22 (c) RULE OF CONSTRUCTION.—Nothing in the
23 amendments made by this section shall preclude the Inde-
24 pendent Medicare Advisory Board, as established under
25 section 1899A of the Social Security Act (as added by sec-

1 tion 3403), from solely using data from public or private
2 sources to carry out the amendments made by subsection
3 (a)(4).

4 **SEC. 10321. REVISION TO COMMUNITY HEALTH TEAMS.**

5 Section 3502(c)(2)(A) is amended by inserting ''or
6 other primary care providers'' after ''physicians''.

7 **SEC. 10322. QUALITY REPORTING FOR PSYCHIATRIC HOS-**
8 **PITALS.**

9 (a) IN GENERAL.—Section 1886(s) of the Social Se-
10 curity Act, as added by section 3401(f), is amended by
11 adding at the end the following new paragraph:

12 ''(4) QUALITY REPORTING.—
13 ''(A) REDUCTION IN UPDATE FOR FAILURE
14 TO REPORT.—
15 ''(i) IN GENERAL.—Under the system
16 described in paragraph (1), for rate year
17 2014 and each subsequent rate year, in the
18 case of a psychiatric hospital or psychiatric
19 unit that does not submit data to the Sec-
20 retary in accordance with subparagraph
21 (C) with respect to such a rate year, any
22 annual update to a standard Federal rate
23 for discharges for the hospital during the
24 rate year, and after application of para-

1 graph (2), shall be reduced by 2 percent-
2 age points.
3 “(ii) SPECIAL RULE.—The application
4 of this subparagraph may result in such
5 annual update being less than 0.0 for a
6 rate year, and may result in payment rates
7 under the system described in paragraph
8 (1) for a rate year being less than such
9 payment rates for the preceding rate year.
10 “(B) NONCUMULATIVE APPLICATION.—
11 Any reduction under subparagraph (A) shall
12 apply only with respect to the rate year involved
13 and the Secretary shall not take into account
14 such reduction in computing the payment
15 amount under the system described in para-
16 graph (1) for a subsequent rate year.
17 “(C) SUBMISSION OF QUALITY DATA.—For
18 rate year 2014 and each subsequent rate year,
19 each psychiatric hospital and psychiatric unit
20 shall submit to the Secretary data on quality
21 measures specified under subparagraph (D).
22 Such data shall be submitted in a form and
23 manner, and at a time, specified by the Sec-
24 retary for purposes of this subparagraph.
25 “(D) QUALITY MEASURES.—

1 "(i) IN GENERAL.—Subject to clause
2 (ii), any measure specified by the Secretary
3 under this subparagraph must have been
4 endorsed by the entity with a contract
5 under section 1890(a).
6 "(ii) EXCEPTION.—In the case of a
7 specified area or medical topic determined
8 appropriate by the Secretary for which a
9 feasible and practical measure has not
10 been endorsed by the entity with a contract
11 under section 1890(a), the Secretary may
12 specify a measure that is not so endorsed
13 as long as due consideration is given to
14 measures that have been endorsed or
15 adopted by a consensus organization iden-
16 tified by the Secretary.
17 "(iii) TIME FRAME.—Not later than
18 October 1, 2012, the Secretary shall pub-
19 lish the measures selected under this sub-
20 paragraph that will be applicable with re-
21 spect to rate year 2014.
22 "(E) PUBLIC AVAILABILITY OF DATA SUB-
23 MITTED.—The Secretary shall establish proce-
24 dures for making data submitted under sub-
25 paragraph (C) available to the public. Such pro-

1 cedures shall ensure that a psychiatric hospital
2 and a psychiatric unit has the opportunity to
3 review the data that is to be made public with
4 respect to the hospital or unit prior to such
5 data being made public. The Secretary shall re-
6 port quality measures that relate to services
7 furnished in inpatient settings in psychiatric
8 hospitals and psychiatric units on the Internet
9 website of the Centers for Medicare & Medicaid
10 Services.''.
11 (b) CONFORMING AMENDMENT.—Section
12 1890(b)(7)(B)(i)(I) of the Social Security Act, as added
13 by section 3014, is amended by inserting
14 ''1886(s)(4)(D),'' after ''1886(o)(2),''.

15 **SEC. 10323. MEDICARE COVERAGE FOR INDIVIDUALS EX-**
16 **POSED TO ENVIRONMENTAL HEALTH HAZ-**
17 **ARDS.**

18 (a) IN GENERAL.—Title XVIII of the Social Security
19 Act (42 U.S.C. 1395 et seq.) is amended by inserting after
20 section 1881 the following new section:

21 **''SEC. 1881A. MEDICARE COVERAGE FOR INDIVIDUALS EX-**
22 **POSED TO ENVIRONMENTAL HEALTH HAZ-**
23 **ARDS.**

24 ''(a) DEEMING OF INDIVIDUALS AS ELIGIBLE FOR
25 MEDICARE BENEFITS.—

1 “(1) IN GENERAL.—For purposes of eligibility
2 for benefits under this title, an individual deter-
3 mined under subsection (c) to be an environmental
4 exposure affected individual described in subsection
5 (e)(2) shall be deemed to meet the conditions speci-
6 fied in section 226(a).
7 “(2) DISCRETIONARY DEEMING.—For purposes
8 of eligibility for benefits under this title, the Sec-
9 retary may deem an individual determined under
10 subsection (c) to be an environmental exposure af-
11 fected individual described in subsection (e)(3) to
12 meet the conditions specified in section 226(a).
13 “(3) EFFECTIVE DATE OF COVERAGE.—An In-
14 dividual who is deemed eligible for benefits under
15 this title under paragraph (1) or (2) shall be—
16 “(A) entitled to benefits under the pro-
17 gram under Part A as of the date of such
18 deeming; and
19 “(B) eligible to enroll in the program
20 under Part B beginning with the month in
21 which such deeming occurs.
22 “(b) PILOT PROGRAM FOR CARE OF CERTAIN INDI-
23 VIDUALS RESIDING IN EMERGENCY DECLARATION
24 AREAS.—
25 “(1) PROGRAM; PURPOSE.—

1 “(A) PRIMARY PILOT PROGRAM.—The Sec-
2 retary shall establish a pilot program in accord-
3 ance with this subsection to provide innovative
4 approaches to furnishing comprehensive, coordi-
5 nated, and cost-effective care under this title to
6 individuals described in paragraph (2)(A).
7 “(B) OPTIONAL PILOT PROGRAMS.—The
8 Secretary may establish a separate pilot pro-
9 gram, in accordance with this subsection, with
10 respect to each geographic area subject to an
11 emergency declaration (other than the declara-
12 tion of June 17, 2009), in order to furnish such
13 comprehensive, coordinated and cost-effective
14 care to individuals described in subparagraph
15 (2)(B) who reside in each such area.
16 “(2) INDIVIDUAL DESCRIBED.—For purposes of
17 paragraph (1), an individual described in this para-
18 graph is an individual who enrolls in part B, submits
19 to the Secretary an application to participate in the
20 applicable pilot program under this subsection,
21 and—
22 “(A) is an environmental exposure affected
23 individual described in subsection (e)(2) who re-
24 sides in or around the geographic area subject

1 to an emergency declaration made as of June
2 17, 2009; or
3 "(B) is an environmental exposure affected
4 individual described in subsection (e)(3) who—
5 "(i) is deemed under subsection
6 (a)(2); and
7 "(ii) meets such other criteria or con-
8 ditions for participation in a pilot program
9 under paragraph (1)(B) as the Secretary
10 specifies.
11 "(3) FLEXIBLE BENEFITS AND SERVICES.—A
12 pilot program under this subsection may provide for
13 the furnishing of benefits, items, or services not oth-
14 erwise covered or authorized under this title, if the
15 Secretary determines that furnishing such benefits,
16 items, or services will further the purposes of such
17 pilot program (as described in paragraph (1)).
18 "(4) INNOVATIVE REIMBURSEMENT METH-
19 ODOLOGIES.—For purposes of the pilot program
20 under this subsection, the Secretary—
21 "(A) shall develop and implement appro-
22 priate methodologies to reimburse providers for
23 furnishing benefits, items, or services for which
24 payment is not otherwise covered or authorized
25 under this title, if such benefits, items, or serv-

1 ices are furnished pursuant to paragraph (3);
2 and

3 "(B) may develop and implement innova-
4 tive approaches to reimbursing providers for
5 any benefits, items, or services furnished under
6 this subsection.

7 "(5) LIMITATION.—Consistent with section
8 1862(b), no payment shall be made under the pilot
9 program under this subsection with respect to bene-
10 fits, items, or services furnished to an environmental
11 exposure affected individual (as defined in sub-
12 section (e)) to the extent that such individual is eli-
13 gible to receive such benefits, items, or services
14 through any other public or private benefits plan or
15 legal agreement.

16 "(6) WAIVER AUTHORITY.—The Secretary may
17 waive such provisions of this title and title XI as are
18 necessary to carry out pilot programs under this
19 subsection.

20 "(7) FUNDING.—For purposes of carrying out
21 pilot programs under this subsection, the Secretary
22 shall provide for the transfer, from the Federal Hos-
23 pital Insurance Trust Fund under section 1817 and
24 the Federal Supplementary Medical Insurance Trust
25 Fund under section 1841, in such proportion as the

1 Secretary determines appropriate, of such sums as
2 the Secretary determines necessary, to the Centers
3 for Medicare & Medicaid Services Program Manage-
4 ment Account.

5 ‘‘(8) WAIVER OF BUDGET NEUTRALITY.—The
6 Secretary shall not require that pilot programs
7 under this subsection be budget neutral with respect
8 to expenditures under this title.

9 ‘‘(c) DETERMINATIONS.—

10 ‘‘(1) BY THE COMMISSIONER OF SOCIAL SECU-
11 RITY.—For purposes of this section, the Commis-
12 sioner of Social Security, in consultation with the
13 Secretary, and using the cost allocation method pre-
14 scribed in section 201(g), shall determine whether
15 individuals are environmental exposure affected indi-
16 viduals.

17 ‘‘(2) BY THE SECRETARY.—The Secretary shall
18 determine eligibility for pilot programs under sub-
19 section (b).

20 ‘‘(d) EMERGENCY DECLARATION DEFINED.—For
21 purposes of this section, the term ‘emergency declaration’
22 means a declaration of a public health emergency under
23 section 104(a) of the Comprehensive Environmental Re-
24 sponse, Compensation, and Liability Act of 1980.

1 "(e) ENVIRONMENTAL EXPOSURE AFFECTED INDI-
2 VIDUAL DEFINED.—
3 "(1) IN GENERAL.—For purposes of this sec-
4 tion, the term 'environmental exposure affected indi-
5 vidual' means—
6 "(A) an individual described in paragraph
7 (2); and
8 "(B) an individual described in paragraph
9 (3).
10 "(2) INDIVIDUAL DESCRIBED.—
11 "(A) IN GENERAL.—An individual de-
12 scribed in this paragraph is any individual
13 who—
14 "(i) is diagnosed with 1 or more con-
15 ditions described in subparagraph (B);
16 "(ii) as demonstrated in such manner
17 as the Secretary determines appropriate,
18 has been present for an aggregate total of
19 6 months in the geographic area subject to
20 an emergency declaration specified in sub-
21 section (b)(2)(A), during a period ending—
22 "(I) not less than 10 years prior
23 to such diagnosis; and
24 "(II) prior to the implementation
25 of all the remedial and removal ac-

1 tions specified in the Record of Deci-
2 sion for Operating Unit 4 and the
3 Record of Decision for Operating Unit
4 7;
5 ''(iii) files an application for benefits
6 under this title (or has an application filed
7 on behalf of the individual), including pur-
8 suant to this section; and
9 ''(iv) is determined under this section
10 to meet the criteria in this subparagraph.
11 ''(B) CONDITIONS DESCRIBED.—For pur-
12 poses of subparagraph (A), the following condi-
13 tions are described in this subparagraph:
14 ''(i) Asbestosis, pleural thickening, or
15 pleural plaques as established by—
16 ''(I) interpretation by a 'B Read-
17 er' qualified physician of a plain chest
18 x-ray or interpretation of a computed
19 tomographic radiograph of the chest
20 by a qualified physician, as deter-
21 mined by the Secretary; or
22 ''(II) such other diagnostic stand-
23 ards as the Secretary specifies,
24 except that this clause shall not apply to
25 pleural thickening or pleural plaques unless

1 there are symptoms or conditions requiring
2 medical treatment as a result of these di-
3 agnoses.
4 "(ii) Mesothelioma, or malignancies of
5 the lung, colon, rectum, larynx, stomach,
6 esophagus, pharynx, or ovary, as estab-
7 lished by—
8 "(I) pathologic examination of bi-
9 opsy tissue;
10 "(II) cytology from
11 bronchioalveolar lavage; or
12 "(III) such other diagnostic
13 standards as the Secretary specifies.
14 "(iii) Any other diagnosis which the
15 Secretary, in consultation with the Com-
16 missioner of Social Security, determines is
17 an asbestos-related medical condition, as
18 established by such diagnostic standards as
19 the Secretary specifies.
20 "(3) OTHER INDIVIDUAL DESCRIBED.—An indi-
21 vidual described in this paragraph is any individual
22 who—
23 "(A) is not an individual described in para-
24 graph (2);

1 "(B) is diagnosed with a medical condition
2 caused by the exposure of the individual to a
3 public health hazard to which an emergency
4 declaration applies, based on such medical con-
5 ditions, diagnostic standards, and other criteria
6 as the Secretary specifies;
7 "(C) as demonstrated in such manner as
8 the Secretary determines appropriate, has been
9 present for an aggregate total of 6 months in
10 the geographic area subject to the emergency
11 declaration involved, during a period deter-
12 mined appropriate by the Secretary;
13 "(D) files an application for benefits under
14 this title (or has an application filed on behalf
15 of the individual), including pursuant to this
16 section; and
17 "(E) is determined under this section to
18 meet the criteria in this paragraph.".
19 (b) PROGRAM FOR EARLY DETECTION OF CERTAIN
20 MEDICAL CONDITIONS RELATED TO ENVIRONMENTAL
21 HEALTH HAZARDS.—Title XX of the Social Security Act
22 (42 U.S.C. 1397 et seq.), as amended by section 5507,
23 is amended by adding at the end the following:

1 **"SEC. 2009. PROGRAM FOR EARLY DETECTION OF CERTAIN**
2 **MEDICAL CONDITIONS RELATED TO ENVI-**
3 **RONMENTAL HEALTH HAZARDS.**

4 "(a) PROGRAM ESTABLISHMENT.—The Secretary
5 shall establish a program in accordance with this section
6 to make competitive grants to eligible entities specified in
7 subsection (b) for the purpose of—
8 "(1) screening at-risk individuals (as defined in
9 subsection (c)(1)) for environmental health condi-
10 tions (as defined in subsection (c)(3)); and
11 "(2) developing and disseminating public infor-
12 mation and education concerning—
13 "(A) the availability of screening under the
14 program under this section;
15 "(B) the detection, prevention, and treat-
16 ment of environmental health conditions; and
17 "(C) the availability of Medicare benefits
18 for certain individuals diagnosed with environ-
19 mental health conditions under section 1881A.
20 "(b) ELIGIBLE ENTITIES.—
21 "(1) IN GENERAL.—For purposes of this sec-
22 tion, an eligible entity is an entity described in para-
23 graph (2) which submits an application to the Sec-
24 retary in such form and manner, and containing
25 such information and assurances, as the Secretary
26 determines appropriate.

1 "(2) TYPES OF ELIGIBLE ENTITIES.—The enti-
2 ties described in this paragraph are the following:
3 "(A) A hospital or community health cen-
4 ter.
5 "(B) A Federally qualified health center.
6 "(C) A facility of the Indian Health Serv-
7 ice.
8 "(D) A National Cancer Institute-des-
9 ignated cancer center.
10 "(E) An agency of any State or local gov-
11 ernment.
12 "(F) A nonprofit organization.
13 "(G) Any other entity the Secretary deter-
14 mines appropriate.
15 "(c) DEFINITIONS.—In this section:
16 "(1) AT-RISK INDIVIDUAL.—The term 'at-risk
17 individual' means an individual who—
18 "(A)(i) as demonstrated in such manner as
19 the Secretary determines appropriate, has been
20 present for an aggregate total of 6 months in
21 the geographic area subject to an emergency
22 declaration specified under paragraph (2), dur-
23 ing a period ending—

1 "(I) not less than 10 years prior to
2 the date of such individual's application
3 under subparagraph (B); and
4 "(II) prior to the implementation of
5 all the remedial and removal actions speci-
6 fied in the Record of Decision for Oper-
7 ating Unit 4 and the Record of Decision
8 for Operating Unit 7; or
9 "(ii) meets such other criteria as the Sec-
10 retary determines appropriate considering the
11 type of environmental health condition at issue;
12 and
13 "(B) has submitted an application (or has
14 an application submitted on the individual's be-
15 half), to an eligible entity receiving a grant
16 under this section, for screening under the pro-
17 gram under this section.
18 "(2) EMERGENCY DECLARATION.—The term
19 'emergency declaration' means a declaration of a
20 public health emergency under section 104(a) of the
21 Comprehensive Environmental Response, Compensa-
22 tion, and Liability Act of 1980.
23 "(3) ENVIRONMENTAL HEALTH CONDITION.—
24 The term 'environmental health condition' means—

1 “(A) asbestosis, pleural thickening, or
2 pleural plaques, as established by—
3 “(i) interpretation by a ‘B Reader’
4 qualified physician of a plain chest x-ray or
5 interpretation of a computed tomographic
6 radiograph of the chest by a qualified phy-
7 sician, as determined by the Secretary; or
8 “(ii) such other diagnostic standards
9 as the Secretary specifies;
10 “(B) mesothelioma, or malignancies of the
11 lung, colon, rectum, larynx, stomach, esoph-
12 agus, pharynx, or ovary, as established by—-
13 “(i) pathologic examination of biopsy
14 tissue;
15 “(ii) cytology from bronchioalveolar
16 lavage; or
17 “(iii) such other diagnostic standards
18 as the Secretary specifies; and
19 “(C) any other medical condition which the
20 Secretary determines is caused by exposure to
21 a hazardous substance or pollutant or contami-
22 nant at a Superfund site to which an emergency
23 declaration applies, based on such criteria and
24 as established by such diagnostic standards as
25 the Secretary specifies.

1 "(4) HAZARDOUS SUBSTANCE; POLLUTANT;
2 CONTAMINANT.—The terms 'hazardous substance',
3 'pollutant', and 'contaminant' have the meanings
4 given those terms in section 101 of the Comprehen-
5 sive Environmental Response, Compensation, and
6 Liability Act of 1980 (42 U.S.C. 9601).
7 "(5) SUPERFUND SITE.—The term 'Superfund
8 site' means a site included on the National Priorities
9 List developed by the President in accordance with
10 section 105(a)(8)(B) of the Comprehensive Environ-
11 mental Response, Compensation, and Liability Act
12 of 1980 (42 U.S.C. 9605(a)(8)(B)).
13 "(d) HEALTH COVERAGE UNAFFECTED.—Nothing in
14 this section shall be construed to affect any coverage obli-
15 gation of a governmental or private health plan or pro-
16 gram relating to an at-risk individual.
17 "(e) FUNDING.—
18 "(1) IN GENERAL.—Out of any funds in the
19 Treasury not otherwise appropriated, there are ap-
20 propriated to the Secretary, to carry out the pro-
21 gram under this section—
22 "(A) $23,000,000 for the period of fiscal
23 years 2010 through 2014; and
24 "(B) $20,000,000 for each 5-fiscal year
25 period thereafter.

1 ‘‘(2) AVAILABILITY.—Funds appropriated
2 under paragraph (1) shall remain available until ex-
3 pended.
4 ‘‘(f) NONAPPLICATION.—
5 ‘‘(1) IN GENERAL.—Except as provided in para-
6 graph (2), the preceding sections of this title shall
7 not apply to grants awarded under this section.
8 ‘‘(2) LIMITATIONS ON USE OF GRANTS.—Sec-
9 tion 2005(a) shall apply to a grant awarded under
10 this section to the same extent and in the same
11 manner as such section applies to payments to
12 States under this title, except that paragraph (4) of
13 such section shall not be construed to prohibit grant-
14 ees from conducting screening for environmental
15 health conditions as authorized under this section.’’.
16 **SEC. 10324. PROTECTIONS FOR FRONTIER STATES.**
17 (a) FLOOR ON AREA WAGE INDEX FOR HOSPITALS
18 IN FRONTIER STATES.—
19 (1) IN GENERAL.—Section 1886(d)(3)(E) of
20 the Social Security Act (42 U.S.C.
21 1395ww(d)(3)(E)) is amended—
22 (A) in clause (i), by striking ‘‘clause (ii)’’
23 and inserting ‘‘clause (ii) or (iii)’’; and
24 (B) by adding at the end the following new
25 clause:

1 "(iii) FLOOR ON AREA WAGE INDEX
2 FOR HOSPITALS IN FRONTIER STATES.—
3 "(I) IN GENERAL.—Subject to
4 subclause (IV), for discharges occur-
5 ring on or after October 1, 2010, the
6 area wage index applicable under this
7 subparagraph to any hospital which is
8 located in a frontier State (as defined
9 in subclause (II)) may not be less
10 than 1.00.
11 "(II) FRONTIER STATE DE-
12 FINED.—In this clause, the term
13 'frontier State' means a State in
14 which at least 50 percent of the coun-
15 ties in the State are frontier counties.
16 "(III) FRONTIER COUNTY DE-
17 FINED.—In this clause, the term
18 'frontier county' means a county in
19 which the population per square mile
20 is less than 6.
21 "(IV) LIMITATION.—This clause
22 shall not apply to any hospital located
23 in a State that receives a non-labor
24 related share adjustment under para-
25 graph (5)(H).".

1 (2) WAIVING BUDGET NEUTRALITY.—Section
2 1886(d)(3)(E) of the Social Security Act (42 U.S.C.
3 1395ww(d)(3)(E)), as amended by subsection (a), is
4 amended in the third sentence by inserting ‘‘and the
5 amendments made by section 10324(a)(1) of the Pa-
6 tient Protection and Affordable Care Act’’ after
7 ‘‘2003’’.
8 (b) FLOOR ON AREA WAGE ADJUSTMENT FACTOR
9 FOR HOSPITAL OUTPATIENT DEPARTMENT SERVICES IN
10 FRONTIER STATES.—Section 1833(t) of the Social Secu-
11 rity Act (42 U.S.C. 1395l(t)), as amended by section
12 3138, is amended—
13 (1) in paragraph (2)(D), by striking ‘‘the Sec-
14 retary’’ and inserting ‘‘subject to paragraph (19),
15 the Secretary’’; and
16 (2) by adding at the end the following new
17 paragraph:
18 ‘‘(19) FLOOR ON AREA WAGE ADJUSTMENT
19 FACTOR FOR HOSPITAL OUTPATIENT DEPARTMENT
20 SERVICES IN FRONTIER STATES.—
21 ‘‘(A) IN GENERAL.—Subject to subpara-
22 graph (B), with respect to covered OPD serv-
23 ices furnished on or after January 1, 2011, the
24 area wage adjustment factor applicable under
25 the payment system established under this sub-

1 section to any hospital outpatient department
2 which is located in a frontier State (as defined
3 in section 1886(d)(3)(E)(iii)(II)) may not be
4 less than 1.00. The preceding sentence shall not
5 be applied in a budget neutral manner.
6 ''(B) LIMITATION.—This paragraph shall
7 not apply to any hospital outpatient department
8 located in a State that receives a non-labor re-
9 lated share adjustment under section
10 1886(d)(5)(H).''.
11 (c) FLOOR FOR PRACTICE EXPENSE INDEX FOR
12 PHYSICIANS' SERVICES FURNISHED IN FRONTIER
13 STATES.—Section 1848(e)(1) of the Social Security Act
14 (42 U.S.C. 1395w–4(e)(1)), as amended by section 3102,
15 is amended—
16 (1) in subparagraph (A), by striking ''and (H)''
17 and inserting ''(H), and (I)''; and
18 (2) by adding at the end the following new sub-
19 paragraph:
20 ''(I) FLOOR FOR PRACTICE EXPENSE
21 INDEX FOR SERVICES FURNISHED IN FRONTIER
22 STATES.—
23 ''(i) IN GENERAL.—Subject to clause
24 (ii), for purposes of payment for services
25 furnished in a frontier State (as defined in

1 section 1886(d)(3)(E)(iii)(II)) on or after
2 January 1, 2011, after calculating the
3 practice expense index in subparagraph
4 (A)(i), the Secretary shall increase any
5 such index to 1.00 if such index would oth-
6 erwise be less that 1.00. The preceding
7 sentence shall not be applied in a budget
8 neutral manner.
9 ‘‘(ii) LIMITATION.—This subpara-
10 graph shall not apply to services furnished
11 in a State that receives a non-labor related
12 share adjustment under section
13 1886(d)(5)(H).’’.

14 **SEC. 10325. REVISION TO SKILLED NURSING FACILITY PRO-**
15 **SPECTIVE PAYMENT SYSTEM.**

16 (a) TEMPORARY DELAY OF RUG-IV.—Notwith-
17 standing any other provision of law, the Secretary of
18 Health and Human Services shall not, prior to October
19 1, 2011, implement Version 4 of the Resource Utilization
20 Groups (in this subsection refereed to as ‘‘RUG-IV’’) pub-
21 lished in the Federal Register on August 11, 2009, enti-
22 tled ‘‘Prospective Payment System and Consolidated Bill-
23 ing for Skilled Nursing Facilities for FY 2010; Minimum
24 Data Set, Version 3.0 for Skilled Nursing Facilities and
25 Medicaid Nursing Facilities’’ (74 Fed. Reg. 40288). Be-

1 ginning on October 1, 2010, the Secretary of Health and
2 Human Services shall implement the change specific to
3 therapy furnished on a concurrent basis that is a compo-
4 nent of RUG-IV and changes to the lookback period to
5 ensure that only those services furnished after admission
6 to a skilled nursing facility are used as factors in deter-
7 mining a case mix classification under the skilled nursing
8 facility prospective payment system under section 1888(e)
9 of the Social Security Act (42 U.S.C. 1395yy(e)).

10 (b) CONSTRUCTION.—Nothing in this section shall be
11 interpreted as delaying the implementation of Version 3.0
12 of the Minimum Data Sets (MDS 3.0) beyond the planned
13 implementation date of October 1, 2010.

14 **SEC. 10326. PILOT TESTING PAY-FOR-PERFORMANCE PRO-**
15 **GRAMS FOR CERTAIN MEDICARE PROVIDERS.**

16 (a) IN GENERAL.—Not later than January 1, 2016,
17 the Secretary of Health and Human Services (in this sec-
18 tion referred to as the "Secretary") shall, for each pro-
19 vider described in subsection (b), conduct a separate pilot
20 program under title XVIII of the Social Security Act to
21 test the implementation of a value-based purchasing pro-
22 gram for payments under such title for the provider.

23 (b) PROVIDERS DESCRIBED.—The providers de-
24 scribed in this paragraph are the following:

1 (1) Psychiatric hospitals (as described in clause
2 (i) of section 1886(d)(1)(B) of such Act (42 U.S.C.
3 1395ww(d)(1)(B))) and psychiatric units (as de-
4 scribed in the matter following clause (v) of such
5 section).

6 (2) Long-term care hospitals (as described in
7 clause (iv) of such section).

8 (3) Rehabilitation hospitals (as described in
9 clause (ii) of such section).

10 (4) PPS-exempt cancer hospitals (as described
11 in clause (v) of such section).

12 (5) Hospice programs (as defined in section
13 1861(dd)(2) of such Act (42 U.S.C. 1395x(dd)(2))).

14 (c) WAIVER AUTHORITY.—The Secretary may waive
15 such requirements of titles XI and XVIII of the Social
16 Security Act as may be necessary solely for purposes of
17 carrying out the pilot programs under this section.

18 (d) NO ADDITIONAL PROGRAM EXPENDITURES.—
19 Payments under this section under the separate pilot pro-
20 gram for value based purchasing (as described in sub-
21 section (a)) for each provider type described in paragraphs
22 (1) through (5) of subsection (b) for applicable items and
23 services under title XVIII of the Social Security Act for
24 a year shall be established in a manner that does not re-
25 sult in spending more under each such value based pur-

1 chasing program for such year than would otherwise be
2 expended for such provider type for such year if the pilot
3 program were not implemented, as estimated by the Sec-
4 retary.

5 (e) EXPANSION OF PILOT PROGRAM.—The Secretary
6 may, at any point after January 1, 2018, expand the dura-
7 tion and scope of a pilot program conducted under this
8 subsection, to the extent determined appropriate by the
9 Secretary, if—

10 (1) the Secretary determines that such expan-
11 sion is expected to—

12 (A) reduce spending under title XVIII of
13 the Social Security Act without reducing the
14 quality of care; or

15 (B) improve the quality of care and reduce
16 spending;

17 (2) the Chief Actuary of the Centers for Medi-
18 care & Medicaid Services certifies that such expan-
19 sion would reduce program spending under such title
20 XVIII; and

21 (3) the Secretary determines that such expan-
22 sion would not deny or limit the coverage or provi-
23 sion of benefits under such title XIII for Medicare
24 beneficiaries.

SEC. 10327. IMPROVEMENTS TO THE PHYSICIAN QUALITY REPORTING SYSTEM.

(a) IN GENERAL.—Section 1848(m) of the Social Security Act (42 U.S.C. 1395w–4(m)) is amended by adding at the end the following new paragraph:

"(7) ADDITIONAL INCENTIVE PAYMENT.—

"(A) IN GENERAL.—For 2011 through 2014, if an eligible professional meets the requirements described in subparagraph (B), the applicable quality percent for such year, as described in clauses (iii) and (iv) of paragraph (1)(B), shall be increased by 0.5 percentage points.

"(B) REQUIREMENTS DESCRIBED.—In order to qualify for the additional incentive payment described in subparagraph (A), an eligible professional shall meet the following requirements:

"(i) The eligible professional shall—

"(I) satisfactorily submit data on quality measures for purposes of paragraph (1) for a year; and

"(II) have such data submitted on their behalf through a Maintenance of Certification Program (as defined in subparagraph (C)(i)) that meets—

1 "(aa) the criteria for a registry (as described in subsection (k)(4)); or

4 "(bb) an alternative form and manner determined appropriate by the Secretary.

7 "(ii) The eligible professional, more frequently than is required to qualify for or maintain board certification status—

10 "(I) participates in such a Maintenance of Certification program for a year; and

13 "(II) successfully completes a qualified Maintenance of Certification Program practice assessment (as defined in subparagraph (C)(ii)) for such year.

18 "(iii) A Maintenance of Certification program submits to the Secretary, on behalf of the eligible professional, information—

22 "(I) in a form and manner specified by the Secretary, that the eligible professional has successfully met the requirements of clause (ii) (which may

1 be in the form of a structural meas-
2 ure);
3 ''(II) if requested by the Sec-
4 retary, on the survey of patient expe-
5 rience with care (as described in sub-
6 paragraph (C)(ii)(II)); and
7 ''(III) as the Secretary may re-
8 quire, on the methods, measures, and
9 data used under the Maintenance of
10 Certification Program and the quali-
11 fied Maintenance of Certification Pro-
12 gram practice assessment.
13 ''(C) DEFINITIONS.—For purposes of this
14 paragraph:
15 ''(i) The term 'Maintenance of Certifi-
16 cation Program' means a continuous as-
17 sessment program, such as qualified Amer-
18 ican Board of Medical Specialties Mainte-
19 nance of Certification program or an
20 equivalent program (as determined by the
21 Secretary), that advances quality and the
22 lifelong learning and self-assessment of
23 board certified specialty physicians by fo-
24 cusing on the competencies of patient care,
25 medical knowledge, practice-based learning,

1 interpersonal and communication skills and
2 professionalism. Such a program shall in-
3 clude the following:
4 ‘‘(I) The program requires the
5 physician to maintain a valid, unre-
6 stricted medical license in the United
7 States.
8 ‘‘(II) The program requires a
9 physician to participate in educational
10 and self-assessment programs that re-
11 quire an assessment of what was
12 learned.
13 ‘‘(III) The program requires a
14 physician to demonstrate, through a
15 formalized, secure examination, that
16 the physician has the fundamental di-
17 agnostic skills, medical knowledge,
18 and clinical judgment to provide qual-
19 ity care in their respective specialty.
20 ‘‘(IV) The program requires suc-
21 cessful completion of a qualified Main-
22 tenance of Certification Program
23 practice assessment as described in
24 clause (ii).

1 "(ii) The term 'qualified Maintenance
2 of Certification Program practice assess-
3 ment' means an assessment of a physi-
4 cian's practice that—
5 "(I) includes an initial assess-
6 ment of an eligible professional's prac-
7 tice that is designed to demonstrate
8 the physician's use of evidence-based
9 medicine;
10 "(II) includes a survey of patient
11 experience with care; and
12 "(III) requires a physician to im-
13 plement a quality improvement inter-
14 vention to address a practice weak-
15 ness identified in the initial assess-
16 ment under subclause (I) and then to
17 remeasure to assess performance im-
18 provement after such intervention.".
19 (b) AUTHORITY.—Section 3002(c) of this Act is
20 amended by adding at the end the following new para-
21 graph:
22 "(3) AUTHORITY.—For years after 2014, if the
23 Secretary of Health and Human Services determines
24 it to be appropriate, the Secretary may incorporate
25 participation in a Maintenance of Certification Pro-

1 gram and successful completion of a qualified Main-
2 tenance of Certification Program practice assess-
3 ment into the composite of measures of quality of
4 care furnished pursuant to the physician fee sched-
5 ule payment modifier, as described in section
6 1848(p)(2) of the Social Security Act (42 U.S.C.
7 1395w–4(p)(2)).''.

8 (c) ELIMINATION OF MA REGIONAL PLAN STA-
9 BILIZATION FUND.—

10 (1) IN GENERAL.—Section 1858 of the Social
11 Security Act (42 U.S.C. 1395w–27a) is amended by
12 striking subsection (e).

13 (2) TRANSITION.—Any amount contained in the
14 MA Regional Plan Stabilization Fund as of the date
15 of the enactment of this Act shall be transferred to
16 the Federal Supplementary Medical Insurance Trust
17 Fund.

18 **SEC. 10328. IMPROVEMENT IN PART D MEDICATION THER-**
19 **APY MANAGEMENT (MTM) PROGRAMS.**

20 (a) IN GENERAL.—Section 1860D–4(c)(2) of the So-
21 cial Security Act (42 U.S.C. 1395w–104(c)(2)) is amend-
22 ed—

23 (1) by redesignating subparagraphs (C), (D),
24 and (E) as subparagraphs (E), (F), and (G), respec-
25 tively; and

1 (2) by inserting after subparagraph (B) the fol-
2 lowing new subparagraphs:
3 "(C) REQUIRED INTERVENTIONS.—For
4 plan years beginning on or after the date that
5 is 2 years after the date of the enactment of the
6 Patient Protection and Affordable Care Act,
7 prescription drug plan sponsors shall offer
8 medication therapy management services to tar-
9 geted beneficiaries described in subparagraph
10 (A)(ii) that include, at a minimum, the fol-
11 lowing to increase adherence to prescription
12 medications or other goals deemed necessary by
13 the Secretary:
14 "(i) An annual comprehensive medica-
15 tion review furnished person-to-person or
16 using telehealth technologies (as defined by
17 the Secretary) by a licensed pharmacist or
18 other qualified provider. The comprehen-
19 sive medication review—
20 "(I) shall include a review of the
21 individual's medications and may re-
22 sult in the creation of a recommended
23 medication action plan or other ac-
24 tions in consultation with the indi-
25 vidual and with input from the pre-

1 scriber to the extent necessary and
2 practicable; and
3 "(II) shall include providing the
4 individual with a written or printed
5 summary of the results of the review.
6 The Secretary, in consultation with rel-
7 evant stakeholders, shall develop a stand-
8 ardized format for the action plan under
9 subclause (I) and the summary under sub-
10 clause (II).
11 "(ii) Follow-up interventions as war-
12 ranted based on the findings of the annual
13 medication review or the targeted medica-
14 tion enrollment and which may be provided
15 person-to-person or using telehealth tech-
16 nologies (as defined by the Secretary).
17 "(D) ASSESSMENT.—The prescription
18 drug plan sponsor shall have in place a process
19 to assess, at least on a quarterly basis, the
20 medication use of individuals who are at risk
21 but not enrolled in the medication therapy man-
22 agement program, including individuals who
23 have experienced a transition in care, if the pre-
24 scription drug plan sponsor has access to that
25 information.

1 "(E) AUTOMATIC ENROLLMENT WITH
2 ABILITY TO OPT-OUT.—The prescription drug
3 plan sponsor shall have in place a process to—
4 "(i) subject to clause (ii), automati-
5 cally enroll targeted beneficiaries described
6 in subparagraph (A)(ii), including bene-
7 ficiaries identified under subparagraph
8 (D), in the medication therapy manage-
9 ment program required under this sub-
10 section; and
11 "(ii) permit such beneficiaries to opt-
12 out of enrollment in such program.".
13 (b) RULE OF CONSTRUCTION.—Nothing in this sec-
14 tion shall limit the authority of the Secretary of Health
15 and Human Services to modify or broaden requirements
16 for a medication therapy management program under part
17 D of title XVIII of the Social Security Act or to study
18 new models for medication therapy management through
19 the Center for Medicare and Medicaid Innovation under
20 section 1115A of such Act, as added by section 3021.

21 **SEC. 10329. DEVELOPING METHODOLOGY TO ASSESS**
22 **HEALTH PLAN VALUE.**

23 (a) DEVELOPMENT.—The Secretary of Health and
24 Human Services (referred to in this section as the "Sec-
25 retary"), in consultation with relevant stakeholders includ-

1 ing health insurance issuers, health care consumers, em-
2 ployers, health care providers, and other entities deter-
3 mined appropriate by the Secretary, shall develop a meth-
4 odology to measure health plan value. Such methodology
5 shall take into consideration, where applicable—

6 (1) the overall cost to enrollees under the plan;

7 (2) the quality of the care provided for under
8 the plan;

9 (3) the efficiency of the plan in providing care;

10 (4) the relative risk of the plan's enrollees as
11 compared to other plans;

12 (5) the actuarial value or other comparative
13 measure of the benefits covered under the plan; and

14 (6) other factors determined relevant by the
15 Secretary.

16 (b) REPORT.—Not later than 18 months after the
17 date of enactment of this Act, the Secretary shall submit
18 to Congress a report concerning the methodology devel-
19 oped under subsection (a).

20 **SEC. 10330. MODERNIZING COMPUTER AND DATA SYSTEMS**
21 **OF THE CENTERS FOR MEDICARE & MED-**
22 **ICAID SERVICES TO SUPPORT IMPROVE-**
23 **MENTS IN CARE DELIVERY.**

24 (a) IN GENERAL.—The Secretary of Health and
25 Human Services (in this section referred to as the "Sec-

1 retary'') shall develop a plan (and detailed budget for the
2 resources needed to implement such plan) to modernize
3 the computer and data systems of the Centers for Medi-
4 care & Medicaid Services (in this section referred to as
5 ''CMS'').
6 (b) CONSIDERATIONS.—In developing the plan, the
7 Secretary shall consider how such modernized computer
8 system could—
9 (1) in accordance with the regulations promul-
10 gated under section 264(c) of the Health Insurance
11 Portability and Accountability Act of 1996, make
12 available data in a reliable and timely manner to
13 providers of services and suppliers to support their
14 efforts to better manage and coordinate care fur-
15 nished to beneficiaries of CMS programs; and
16 (2) support consistent evaluations of payment
17 and delivery system reforms under CMS programs.
18 (c) POSTING OF PLAN.—By not later than 9 months
19 after the date of the enactment of this Act, the Secretary
20 shall post on the website of the Centers for Medicare &
21 Medicaid Services the plan described in subsection (a).
22 **SEC. 10331. PUBLIC REPORTING OF PERFORMANCE INFOR-**
23 **MATION.**
24 (a) IN GENERAL.—

1 (1) DEVELOPMENT.—Not later than January 1,
2 2011, the Secretary shall develop a Physician Com-
3 pare Internet website with information on physicians
4 enrolled in the Medicare program under section
5 1866(j) of the Social Security Act (42 U.S.C.
6 1395cc(j)) and other eligible professionals who par-
7 ticipate in the Physician Quality Reporting Initiative
8 under section 1848 of such Act (42 U.S.C. 1395w–
9 4).
10 (2) PLAN.—Not later than January 1, 2013,
11 and with respect to reporting periods that begin no
12 earlier than January 1, 2012, the Secretary shall
13 also implement a plan for making publicly available
14 through Physician Compare, consistent with sub-
15 section (c), information on physician performance
16 that provides comparable information for the public
17 on quality and patient experience measures with re-
18 spect to physicians enrolled in the Medicare program
19 under such section 1866(j). To the extent scientif-
20 ically sound measures that are developed consistent
21 with the requirements of this section are available,
22 such information, to the extent practicable, shall in-
23 clude—
24 (A) measures collected under the Physician
25 Quality Reporting Initiative;

1 (B) an assessment of patient health out-
2 comes and the functional status of patients;
3 (C) an assessment of the continuity and
4 coordination of care and care transitions, in-
5 cluding episodes of care and risk-adjusted re-
6 source use;
7 (D) an assessment of efficiency;
8 (E) an assessment of patient experience
9 and patient, caregiver, and family engagement;
10 (F) an assessment of the safety, effective-
11 ness, and timeliness of care; and
12 (G) other information as determined ap-
13 propriate by the Secretary.
14 (b) OTHER REQUIRED CONSIDERATIONS.—In devel-
15 oping and implementing the plan described in subsection
16 (a)(2), the Secretary shall, to the extent practicable, in-
17 clude—
18 (1) processes to assure that data made public,
19 either by the Centers for Medicare & Medicaid Serv-
20 ices or by other entities, is statistically valid and re-
21 liable, including risk adjustment mechanisms used
22 by the Secretary;
23 (2) processes by which a physician or other eli-
24 gible professional whose performance on measures is
25 being publicly reported has a reasonable opportunity,

1 as determined by the Secretary, to review his or her
2 individual results before they are made public;
3 (3) processes by the Secretary to assure that
4 the implementation of the plan and the data made
5 available on Physician Compare provide a robust
6 and accurate portrayal of a physician's performance;
7 (4) data that reflects the care provided to all
8 patients seen by physicians, under both the Medicare
9 program and, to the extent practicable, other payers,
10 to the extent such information would provide a more
11 accurate portrayal of physician performance;
12 (5) processes to ensure appropriate attribution
13 of care when multiple physicians and other providers
14 are involved in the care of a patient;
15 (6) processes to ensure timely statistical per-
16 formance feedback is provided to physicians con-
17 cerning the data reported under any program sub-
18 ject to public reporting under this section; and
19 (7) implementation of computer and data sys-
20 tems of the Centers for Medicare & Medicaid Serv-
21 ices that support valid, reliable, and accurate public
22 reporting activities authorized under this section.
23 (c) ENSURING PATIENT PRIVACY.—The Secretary
24 shall ensure that information on physician performance
25 and patient experience is not disclosed under this section

1 in a manner that violates sections 552 or 552a of title
2 5, United States Code, with regard to the privacy of indi-
3 vidually identifiable health information.

4 (d) FEEDBACK FROM MULTI-STAKEHOLDER
5 GROUPS.—The Secretary shall take into consideration
6 input provided by multi-stakeholder groups, consistent
7 with sections 1890(b)(7) and 1890A of the Social Security
8 Act, as added by section 3014 of this Act, in selecting
9 quality measures for use under this section.

10 (e) CONSIDERATION OF TRANSITION TO VALUE-
11 BASED PURCHASING.—In developing the plan under this
12 subsection (a)(2), the Secretary shall, as the Secretary de-
13 termines appropriate, consider the plan to transition to a
14 value-based purchasing program for physicians and other
15 practitioners developed under section 131 of the Medicare
16 Improvements for Patients and Providers Act of 2008
17 (Public Law 110–275).

18 (f) REPORT TO CONGRESS.—Not later than January
19 1, 2015, the Secretary shall submit to Congress a report
20 on the Physician Compare Internet website developed
21 under subsection (a)(1). Such report shall include infor-
22 mation on the efforts of and plans made by the Secretary
23 to collect and publish data on physician quality and effi-
24 ciency and on patient experience of care in support of
25 value-based purchasing and consumer choice, together

1 with recommendations for such legislation and administra-
2 tive action as the Secretary determines appropriate.

3 (g) EXPANSION.—At any time before the date on
4 which the report is submitted under subsection (f), the
5 Secretary may expand (including expansion to other pro-
6 viders of services and suppliers under title XVIII of the
7 Social Security Act) the information made available on
8 such website.

9 (h) FINANCIAL INCENTIVES TO ENCOURAGE CON-
10 SUMERS TO CHOOSE HIGH QUALITY PROVIDERS.—The
11 Secretary may establish a demonstration program, not
12 later than January 1, 2019, to provide financial incentives
13 to Medicare beneficiaries who are furnished services by
14 high quality physicians, as determined by the Secretary
15 based on factors in subparagraphs (A) through (G) of sub-
16 section (a)(2). In no case may Medicare beneficiaries be
17 required to pay increased premiums or cost sharing or be
18 subject to a reduction in benefits under title XVIII of the
19 Social Security Act as a result of such demonstration pro-
20 gram. The Secretary shall ensure that any such dem-
21 onstration program does not disadvantage those bene-
22 ficiaries without reasonable access to high performing phy-
23 sicians or create financial inequities under such title.

24 (i) DEFINITIONS.—In this section:

1 (1) ELIGIBLE PROFESSIONAL.—The term ''eli-
2 gible professional'' has the meaning given that term
3 for purposes of the Physician Quality Reporting Ini-
4 tiative under section 1848 of the Social Security Act
5 (42 U.S.C. 1395w–4)
6 (2) PHYSICIAN.—The term ''physician'' has the
7 meaning given that term in section 1861(r) of such
8 Act (42 U.S.C. 1395x(r)).
9 (3) PHYSICIAN COMPARE.—The term ''Physi-
10 cian Compare'' means the Internet website developed
11 under subsection (a)(1).
12 (4) SECRETARY.—The term ''Secretary'' means
13 the Secretary of Health and Human Services.

14 **SEC. 10332. AVAILABILITY OF MEDICARE DATA FOR PER-**
15 **FORMANCE MEASUREMENT.**

16 (a) IN GENERAL.—Section 1874 of the Social Secu-
17 rity Act (42 U.S.C. 1395kk) is amended by adding at the
18 end the following new subsection:
19 ''(e) AVAILABILITY OF MEDICARE DATA.—
20 ''(1) IN GENERAL.—Subject to paragraph (4),
21 the Secretary shall make available to qualified enti-
22 ties (as defined in paragraph (2)) data described in
23 paragraph (3) for the evaluation of the performance
24 of providers of services and suppliers.

1 "(2) QUALIFIED ENTITIES.—For purposes of
2 this subsection, the term 'qualified entity' means a
3 public or private entity that—
4 "(A) is qualified (as determined by the
5 Secretary) to use claims data to evaluate the
6 performance of providers of services and sup-
7 pliers on measures of quality, efficiency, effec-
8 tiveness, and resource use; and
9 "(B) agrees to meet the requirements de-
10 scribed in paragraph (4) and meets such other
11 requirements as the Secretary may specify, such
12 as ensuring security of data.
13 "(3) DATA DESCRIBED.—The data described in
14 this paragraph are standardized extracts (as deter-
15 mined by the Secretary) of claims data under parts
16 A, B, and D for items and services furnished under
17 such parts for one or more specified geographic
18 areas and time periods requested by a qualified enti-
19 ty. The Secretary shall take such actions as the Sec-
20 retary deems necessary to protect the identity of in-
21 dividuals entitled to or enrolled for benefits under
22 such parts.
23 "(4) REQUIREMENTS.—
24 "(A) FEE.—Data described in paragraph
25 (3) shall be made available to a qualified entity

1 under this subsection at a fee equal to the cost
2 of making such data available. Any fee collected
3 pursuant to the preceding sentence shall be de-
4 posited into the Federal Supplementary Medical
5 Insurance Trust Fund under section 1841.
6 "(B) SPECIFICATION OF USES AND METH-
7 ODOLOGIES.—A qualified entity requesting data
8 under this subsection shall—
9 "(i) submit to the Secretary a descrip-
10 tion of the methodologies that such quali-
11 fied entity will use to evaluate the perform-
12 ance of providers of services and suppliers
13 using such data;
14 "(ii)(I) except as provided in sub-
15 clause (II), if available, use standard meas-
16 ures, such as measures endorsed by the en-
17 tity with a contract under section 1890(a)
18 and measures developed pursuant to sec-
19 tion 931 of the Public Health Service Act;
20 or
21 "(II) use alternative measures if the
22 Secretary, in consultation with appropriate
23 stakeholders, determines that use of such
24 alternative measures would be more valid,
25 reliable, responsive to consumer pref-

1 erences, cost-effective, or relevant to di-
2 mensions of quality and resource use not
3 addressed by such standard measures;
4 "(iii) include data made available
5 under this subsection with claims data
6 from sources other than claims data under
7 this title in the evaluation of performance
8 of providers of services and suppliers;
9 "(iv) only include information on the
10 evaluation of performance of providers and
11 suppliers in reports described in subpara-
12 graph (C);
13 "(v) make available to providers of
14 services and suppliers, upon their request,
15 data made available under this subsection;
16 and
17 "(vi) prior to their release, submit to
18 the Secretary the format of reports under
19 subparagraph (C).
20 "(C) REPORTS.—Any report by a qualified
21 entity evaluating the performance of providers
22 of services and suppliers using data made avail-
23 able under this subsection shall—
24 "(i) include an understandable de-
25 scription of the measures, which shall in-

1 clude quality measures and the rationale
2 for use of other measures described in sub-
3 paragraph (B)(ii)(II), risk adjustment
4 methods, physician attribution methods,
5 other applicable methods, data specifica-
6 tions and limitations, and the sponsors, so
7 that consumers, providers of services and
8 suppliers, health plans, researchers, and
9 other stakeholders can assess such reports;
10 ''(ii) be made available confidentially,
11 to any provider of services or supplier to be
12 identified in such report, prior to the pub-
13 lic release of such report, and provide an
14 opportunity to appeal and correct errors;
15 ''(iii) only include information on a
16 provider of services or supplier in an ag-
17 gregate form as determined appropriate by
18 the Secretary; and
19 ''(iv) except as described in clause (ii),
20 be made available to the public.
21 ''(D) APPROVAL AND LIMITATION OF
22 USES.—The Secretary shall not make data de-
23 scribed in paragraph (3) available to a qualified
24 entity unless the qualified entity agrees to re-
25 lease the information on the evaluation of per-

1 formance of providers of services and suppliers.
2 Such entity shall only use such data, and infor-
3 mation derived from such evaluation, for the re-
4 ports under subparagraph (C). Data released to
5 a qualified entity under this subsection shall
6 not be subject to discovery or admission as evi-
7 dence in judicial or administrative proceedings
8 without consent of the applicable provider of
9 services or supplier.''.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) shall take effect on January 1, 2012.

12 **SEC. 10333. COMMUNITY-BASED COLLABORATIVE CARE**
13 **NETWORKS.**

14 Part D of title III of the Public Health Service Act
15 (42 U.S.C. 254b et seq.) is amended by adding at the end
16 the following new subpart:

17 **"Subpart XI—Community-Based Collaborative Care**
18 **Network Program**

19 **"SEC. 340H. COMMUNITY-BASED COLLABORATIVE CARE**
20 **NETWORK PROGRAM.**

21 ''(a) IN GENERAL.—The Secretary may award grants
22 to eligible entities to support community-based collabo-
23 rative care networks that meet the requirements of sub-
24 section (b).

1 "(b) COMMUNITY-BASED COLLABORATIVE CARE
2 NETWORKS.—
3 "(1) DESCRIPTION.—A community-based col-
4 laborative care network (referred to in this section
5 as a 'network') shall be a consortium of health care
6 providers with a joint governance structure (includ-
7 ing providers within a single entity) that provides
8 comprehensive coordinated and integrated health
9 care services (as defined by the Secretary) for low-
10 income populations.
11 "(2) REQUIRED INCLUSION.—A network shall
12 include the following providers (unless such provider
13 does not exist within the community, declines or re-
14 fuses to participate, or places unreasonable condi-
15 tions on their participation):
16 "(A) A hospital that meets the criteria in
17 section 1923(b)(1) of the Social Security Act;
18 and
19 "(B) All Federally qualified health centers
20 (as defined in section 1861(aa) of the Social
21 Security Act located in the community.
22 "(3) PRIORITY.—In awarding grants, the Sec-
23 retary shall give priority to networks that include—
24 "(A) the capability to provide the broadest
25 range of services to low-income individuals;

1 "(B) the broadest range of providers that
2 currently serve a high volume of low-income in-
3 dividuals; and
4 "(C) a county or municipal department of
5 health.
6 "(c) APPLICATION.—
7 "(1) APPLICATION.—A network described in
8 subsection (b) shall submit an application to the
9 Secretary.
10 "(2) RENEWAL.—In subsequent years, based on
11 the performance of grantees, the Secretary may pro-
12 vide renewal grants to prior year grant recipients.
13 "(d) USE OF FUNDS.—
14 "(1) USE BY GRANTEES.—Grant funds may be
15 used for the following activities:
16 "(A) Assist low-income individuals to—
17 "(i) access and appropriately use
18 health services;
19 "(ii) enroll in health coverage pro-
20 grams; and
21 "(iii) obtain a regular primary care
22 provider or a medical home.
23 "(B) Provide case management and care
24 management.

1 "(C) Perform health outreach using neigh-
2 borhood health workers or through other
3 means.
4 "(D) Provide transportation.
5 "(E) Expand capacity, including through
6 telehealth, after-hours services or urgent care.
7 "(F) Provide direct patient care services.
8 "(2) GRANT FUNDS TO HRSA GRANTEES.—The
9 Secretary may limit the percent of grant funding
10 that may be spent on direct care services provided
11 by grantees of programs administered by the Health
12 Resources and Services Administration or impose
13 other requirements on such grantees deemed nec-
14 essary.
15 "(e) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to carry out this section
17 such sums as may be necessary for each of fiscal years
18 2011 through 2015.".
19 **SEC. 10334. MINORITY HEALTH.**
20 (a) OFFICE OF MINORITY HEALTH.—
21 (1) IN GENERAL.—Section 1707 of the Public
22 Health Service Act (42 U.S.C. 300u–6) is amend-
23 ed—
24 (A) in subsection (a), by striking "within
25 the Office of Public Health and Science" and

1 all that follows through the end and inserting ''.
2 The Office of Minority Health as existing on
3 the date of enactment of the Patient Protection
4 and Affordable Care Act shall be transferred to
5 the Office of the Secretary in such manner that
6 there is established in the Office of the Sec-
7 retary, the Office of Minority Health, which
8 shall be headed by the Deputy Assistant Sec-
9 retary for Minority Health who shall report di-
10 rectly to the Secretary, and shall retain and
11 strengthen authorities (as in existence on such
12 date of enactment) for the purpose of improving
13 minority health and the quality of health care
14 minorities receive, and eliminating racial and
15 ethnic disparities. In carrying out this sub-
16 section, the Secretary, acting through the Dep-
17 uty Assistant Secretary, shall award grants,
18 contracts, enter into memoranda of under-
19 standing, cooperative, interagency, intra-agency
20 and other agreements with public and nonprofit
21 private entities, agencies, as well as Depart-
22 mental and Cabinet agencies and organizations,
23 and with organizations that are indigenous
24 human resource providers in communities of
25 color to assure improved health status of racial

1 and ethnic minorities, and shall develop meas-
2 ures to evaluate the effectiveness of activities
3 aimed at reducing health disparities and sup-
4 porting the local community. Such measures
5 shall evaluate community outreach activities,
6 language services, workforce cultural com-
7 petence, and other areas as determined by the
8 Secretary.''; and
9 (B) by striking subsection (h) and insert-
10 ing the following:
11 ''(h) AUTHORIZATION OF APPROPRIATIONS.—For the
12 purpose of carrying out this section, there are authorized
13 to be appropriated such sums as may be necessary for
14 each of fiscal years 2011 through 2016.''.
15 (2) TRANSFER OF FUNCTIONS.—There are
16 transferred to the Office of Minority Health in the
17 office of the Secretary of Health and Human Serv-
18 ices, all duties, responsibilities, authorities, account-
19 abilities, functions, staff, funds, award mechanisms,
20 and other entities under the authority of the Office
21 of Minority Health of the Public Health Service as
22 in effect on the date before the date of enactment
23 of this Act, which shall continue in effect according
24 to the terms in effect on the date before such date
25 of enactment, until modified, terminated, super-

1 seded, set aside, or revoked in accordance with law
2 by the President, the Secretary, a court of com-
3 petent jurisdiction, or by operation of law.
4 (3) REPORTS.—Not later than 1 year after the
5 date of enactment of this section, and biennially
6 thereafter, the Secretary of Health and Human
7 Services shall prepare and submit to the appropriate
8 committees of Congress a report describing the ac-
9 tivities carried out under section 1707 of the Public
10 Health Service Act (as amended by this subsection)
11 during the period for which the report is being pre-
12 pared. Not later than 1 year after the date of enact-
13 ment of this section, and biennially thereafter, the
14 heads of each of the agencies of the Department of
15 Health and Human Services shall submit to the
16 Deputy Assistant Secretary for Minority Health a
17 report summarizing the minority health activities of
18 each of the respective agencies.
19 (b) ESTABLISHMENT OF INDIVIDUAL OFFICES OF
20 MINORITY HEALTH WITHIN THE DEPARTMENT OF
21 HEALTH AND HUMAN SERVICES.—
22 (1) IN GENERAL.—Title XVII of the Public
23 Health Service Act (42 U.S.C. 300u et seq.) is
24 amended by inserting after section 1707 the fol-
25 lowing section:

1 **"SEC. 1707A. INDIVIDUAL OFFICES OF MINORITY HEALTH**
2 **WITHIN THE DEPARTMENT.**

3 "(a) IN GENERAL.—The head of each agency speci-
4 fied in subsection (b)(1) shall establish within the agency
5 an office to be known as the Office of Minority Health.
6 The head of each such Office shall be appointed by the
7 head of the agency within which the Office is established,
8 and shall report directly to the head of the agency. The
9 head of such agency shall carry out this section (as this
10 section relates to the agency) acting through such Direc-
11 tor.

12 "(b) SPECIFIED AGENCIES.—The agencies referred
13 to in subsection (a) are the Centers for Disease Control
14 and Prevention, the Health Resources and Services Ad-
15 ministration, the Substance Abuse and Mental Health
16 Services Administration, the Agency for Healthcare Re-
17 search and Quality, the Food and Drug Administration,
18 and the Centers for Medicare & Medicaid Services.

19 "(c) DIRECTOR; APPOINTMENT.—Each Office of Mi-
20 nority Health established in an agency listed in subsection
21 (a) shall be headed by a director, with documented experi-
22 ence and expertise in minority health services research and
23 health disparities elimination.

24 "(d) REFERENCES.—Except as otherwise specified,
25 any reference in Federal law to an Office of Minority
26 Health (in the Department of Health and Human Serv-

1 ices) is deemed to be a reference to the Office of Minority
2 Health in the Office of the Secretary.
3 "(e) FUNDING.—
4 "(1) ALLOCATIONS.—Of the amounts appro-
5 priated for a specified agency for a fiscal year, the
6 Secretary must designate an appropriate amount of
7 funds for the purpose of carrying out activities
8 under this section through the minority health office
9 of the agency. In reserving an amount under the
10 preceding sentence for a minority health office for a
11 fiscal year, the Secretary shall reduce, by substan-
12 tially the same percentage, the amount that other-
13 wise would be available for each of the programs of
14 the designated agency involved.
15 "(2) AVAILABILITY OF FUNDS FOR STAFF-
16 ING.—The purposes for which amounts made avail-
17 able under paragraph may be expended by a minor-
18 ity health office include the costs of employing staff
19 for such office.".
20 (2) NO NEW REGULATORY AUTHORITY.—Noth-
21 ing in this subsection and the amendments made by
22 this subsection may be construed as establishing reg-
23 ulatory authority or modifying any existing regu-
24 latory authority.

1 (3) LIMITATION ON TERMINATION.—Notwith-
2 standing any other provision of law, a Federal office
3 of minority health or Federal appointive position
4 with primary responsibility over minority health
5 issues that is in existence in an office of agency of
6 the Department of Health and Human Services on
7 the date of enactment of this section shall not be
8 terminated, reorganized, or have any of its power or
9 duties transferred unless such termination, reorga-
10 nization, or transfer is approved by an Act of Con-
11 gress.
12 (c) REDESIGNATION OF NATIONAL CENTER ON MI-
13 NORITY HEALTH AND HEALTH DISPARITIES.—
14 (1) REDESIGNATION.—Title IV of the Public
15 Health Service Act (42 U.S.C. 281 et seq.) is
16 amended—
17 (A) by redesignating subpart 6 of part E
18 as subpart 20;
19 (B) by transferring subpart 20, as so re-
20 designated, to part C of such title IV;
21 (C) by inserting subpart 20, as so redesig-
22 nated, after subpart 19 of such part C; and
23 (D) in subpart 20, as so redesignated—

1 (i) by redesignating sections 485E
2 through 485H as sections 464z–3 through
3 464z–6, respectively;
4 (ii) by striking "National Center on
5 Minority Health and Health Disparities"
6 each place such term appears and inserting
7 "National Institute on Minority Health
8 and Health Disparities"; and
9 (iii) by striking "Center" each place
10 such term appears and inserting "Insti-
11 tute".
12 (2) PURPOSE OF INSTITUTE; DUTIES.—Section
13 464z–3 of the Public Health Service Act, as so re-
14 designated, is amended—
15 (A) in subsection (h)(1), by striking "re-
16 search endowments at centers of excellence
17 under section 736." and inserting the following:
18 "research endowments—
19 "(1) at centers of excellence under section 736;
20 and
21 "(2) at centers of excellence under section
22 464z-4.";
23 (B) in subsection (h)(2)(A), by striking
24 "average" and inserting "median"; and
25 (C) by adding at the end the following:

1 "(h) INTERAGENCY COORDINATION.—The Director
2 of the Institute, as the primary Federal officials with re-
3 sponsibility for coordinating all research and activities
4 conducted or supported by the National Institutes of
5 Health on minority health and health disparities, shall
6 plan, coordinate, review and evaluate research and other
7 activities conducted or supported by the Institutes and
8 Centers of the National Institutes of Health.".
9 (3) TECHNICAL AND CONFORMING AMEND-
10 MENTS.—
11 (A) Section 401(b)(24) of the Public
12 Health Service Act (42 U.S.C. 281(b)(24)) is
13 amended by striking "Center" and inserting
14 "Institute".
15 (B) Subsection (d)(1) of section 903 of the
16 Public Health Service Act (42 U.S.C. 299a-
17 1(d)(1)) is amended by striking "section 485E"
18 and inserting "section 464z–3".
19 **SEC. 10335. TECHNICAL CORRECTION TO THE HOSPITAL**
20 **VALUE-BASED PURCHASING PROGRAM.**
21 Section 1886(o)(2)A) of the Social Security Act, as
22 added by section 3001, is amended, in the first sentence,
23 by inserting ", other than measures of readmissions,"
24 after "shall select measures".

1 **SEC. 10336. GAO STUDY AND REPORT ON MEDICARE BENE-**
2 **FICIARY ACCESS TO HIGH-QUALITY DIALYSIS**
3 **SERVICES.**
4 (a) STUDY.—
5 (1) IN GENERAL.—The Comptroller General of
6 the United States shall conduct a study on the im-
7 pact on Medicare beneficiary access to high-quality
8 dialysis services of including specified oral drugs
9 that are furnished to such beneficiaries for the treat-
10 ment of end stage renal disease in the bundled pro-
11 spective payment system under section 1881(b)(14)
12 of the Social Security Act (42 U.S.C. 1395rr(b)(14))
13 (pursuant to the proposed rule published by the Sec-
14 retary of Health and Human Services in the Federal
15 Register on September 29, 2009 (74 Fed. Reg.
16 49922 et seq.)). Such study shall include an analysis
17 of—
18 (A) the ability of providers of services and
19 renal dialysis facilities to furnish specified oral
20 drugs or arrange for the provision of such
21 drugs;
22 (B) the ability of providers of services and
23 renal dialysis facilities to comply, if necessary,
24 with applicable State laws (such as State phar-
25 macy licensure requirements) in order to fur-
26 nish specified oral drugs;

(C) whether appropriate quality measures exist to safeguard care for Medicare beneficiaries being furnished specified oral drugs by providers of services and renal dialysis facilities; and

(D) other areas determined appropriate by the Comptroller General.

(2) SPECIFIED ORAL DRUG DEFINED.—For purposes of paragraph (1), the term ''specified oral drug'' means a drug or biological for which there is no injectable equivalent (or other non-oral form of administration).

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to Congress a report containing the results of the study conducted under subsection (a), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

Subtitle D—Provisions Relating to Title IV

SEC. 10401. AMENDMENTS TO SUBTITLE A.

(a) Section 4001(h)(4) and (5) of this Act is amended by striking ''2010'' each place such appears and inserting ''2020''.

1 (b) Section 4002(c) of this Act is amended—
2 (1) by striking ''research and health
3 screenings'' and inserting ''research, health
4 screenings, and initiatives''; and
5 (2) by striking ''for Preventive'' and inserting
6 ''Regarding Preventive''.
7 (c) Section 4004(a)(4) of this Act is amended by
8 striking ''a Gateway'' and inserting ''an Exchange''.

9 **SEC. 10402. AMENDMENTS TO SUBTITLE B.**

10 (a) Section 399Z-1(a)(1(A) of the Public Health
11 Service Act, as added by section 4101(b) of this Act, is
12 amended by inserting ''and vision'' after ''oral''.
13 (b) Section 1861(hhh)(4)(G) of the Social Security
14 Act, as added by section 4103(b), is amended to read as
15 follows:
16 ''(G) A beneficiary shall be eligible to re-
17 ceive only an initial preventive physical exam-
18 ination (as defined under subsection (ww)(1))
19 during the 12-month period after the date that
20 the beneficiary's coverage begins under part B
21 and shall be eligible to receive personalized pre-
22 vention plan services under this subsection each
23 year thereafter provided that the beneficiary
24 has not received either an initial preventive
25 physical examination or personalized prevention

plan services within the preceding 12-month period.''.

SEC. 10403. AMENDMENTS TO SUBTITLE C.

Section 4201 of this Act is amended—

(1) in subsection (a), by adding before the period the following: '', with not less than 20 percent of such grants being awarded to rural and frontier areas'';

(2) in subsection (c)(2)(B)(vii), by striking ''both urban and rural areas'' and inserting ''urban, rural, and frontier areas''; and

(3) in subsection (f), by striking ''each fiscal years'' and inserting ''each of fiscal year''.

SEC. 10404. AMENDMENTS TO SUBTITLE D.

Section 399MM(2) of the Public Health Service Act, as added by section 4303 of this Act, is amended by striking ''by ensuring'' and inserting ''and ensuring''.

SEC. 10405. AMENDMENTS TO SUBTITLE E.

Subtitle E of title IV of this Act is amended by striking section 4401.

SEC. 10406. AMENDMENT RELATING TO WAIVING COINSURANCE FOR PREVENTIVE SERVICES.

Section 4104(b) of this Act is amended to read as follows:

1 "(b) PAYMENT AND ELIMINATION OF COINSURANCE
2 IN ALL SETTINGS.—Section 1833(a)(1) of the Social Se-
3 curity Act (42 U.S.C. 1395l(a)(1)), as amended by section
4 4103(c)(1), is amended—
5 "(1) in subparagraph (T), by inserting '(or 100
6 percent if such services are recommended with a
7 grade of A or B by the United States Preventive
8 Services Task Force for any indication or population
9 and are appropriate for the individual)' after '80
10 percent';
11 "(2) in subparagraph (W)—
12 "(A) in clause (i), by inserting '(if such
13 subparagraph were applied, by substituting
14 "100 percent" for "80 percent")' after 'sub-
15 paragraph (D)'; and
16 "(B) in clause (ii), by striking '80 percent'
17 and inserting '100 percent';
18 "(3) by striking 'and' before '(X)'; and
19 "(4) by inserting before the semicolon at the
20 end the following: ', and (Y) with respect to preven-
21 tive services described in subparagraphs (A) and (B)
22 of section 1861(ddd)(3) that are appropriate for the
23 individual and, in the case of such services described
24 in subparagraph (A), are recommended with a grade
25 of A or B by the United States Preventive Services

1 Task Force for any indication or population, the
2 amount paid shall be 100 percent of (i) except as
3 provided in clause (ii), the lesser of the actual
4 charge for the services or the amount determined
5 under the fee schedule that applies to such services
6 under this part, and (ii) in the case of such services
7 that are covered OPD services (as defined in sub-
8 section (t)(1)(B)), the amount determined under
9 subsection (t)'.''.

10 **SEC. 10407. BETTER DIABETES CARE.**

11 (a) SHORT TITLE.—This section may be cited as the
12 ''Catalyst to Better Diabetes Care Act of 2009''.

13 (b) NATIONAL DIABETES REPORT CARD.—

14 (1) IN GENERAL.—The Secretary, in collabora-
15 tion with the Director of the Centers for Disease
16 Control and Prevention (referred to in this section
17 as the ''Director''), shall prepare on a biennial basis
18 a national diabetes report card (referred to in this
19 section as a ''Report Card'') and, to the extent pos-
20 sible, for each State.

21 (2) CONTENTS.—

22 (A) IN GENERAL.—Each Report Card shall
23 include aggregate health outcomes related to in-
24 dividuals diagnosed with diabetes and
25 prediabetes including—

1 (i) preventative care practices and
2 quality of care;
3 (ii) risk factors; and
4 (iii) outcomes.
5 (B) UPDATED REPORTS.—Each Report
6 Card that is prepared after the initial Report
7 Card shall include trend analysis for the Nation
8 and, to the extent possible, for each State, for
9 the purpose of—
10 (i) tracking progress in meeting estab-
11 lished national goals and objectives for im-
12 proving diabetes care, costs, and preva-
13 lence (including Healthy People 2010); and
14 (ii) informing policy and program de-
15 velopment.
16 (3) AVAILABILITY.—The Secretary, in collabo-
17 ration with the Director, shall make each Report
18 Card publicly available, including by posting the Re-
19 port Card on the Internet.
20 (c) IMPROVEMENT OF VITAL STATISTICS COLLEC-
21 TION.—
22 (1) IN GENERAL.—The Secretary, acting
23 through the Director of the Centers for Disease
24 Control and Prevention and in collaboration with ap-
25 propriate agencies and States, shall—

1 (A) promote the education and training of
2 physicians on the importance of birth and death
3 certificate data and how to properly complete
4 these documents, including the collection of
5 such data for diabetes and other chronic dis-
6 eases;
7 (B) encourage State adoption of the latest
8 standard revisions of birth and death certifi-
9 cates; and
10 (C) work with States to re-engineer their
11 vital statistics systems in order to provide cost-
12 effective, timely, and accurate vital systems
13 data.
14 (2) DEATH CERTIFICATE ADDITIONAL LAN-
15 GUAGE.—In carrying out this subsection, the Sec-
16 retary may promote improvements to the collection
17 of diabetes mortality data, including the addition of
18 a question for the individual certifying the cause of
19 death regarding whether the deceased had diabetes.
20 (d) STUDY ON APPROPRIATE LEVEL OF DIABETES
21 MEDICAL EDUCATION.—
22 (1) IN GENERAL.—The Secretary shall, in col-
23 laboration with the Institute of Medicine and appro-
24 priate associations and councils, conduct a study of
25 the impact of diabetes on the practice of medicine in

the United States and the appropriateness of the level of diabetes medical education that should be required prior to licensure, board certification, and board recertification.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall submit a report on the study under paragraph (1) to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committees on Finance and Health, Education, Labor, and Pensions of the Senate.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary.

SEC. 10408. GRANTS FOR SMALL BUSINESSES TO PROVIDE COMPREHENSIVE WORKPLACE WELLNESS PROGRAMS.

(a) ESTABLISHMENT.—The Secretary shall award grants to eligible employers to provide their employees with access to comprehensive workplace wellness programs (as described under subsection (c)).

(b) SCOPE.—

(1) DURATION.—The grant program established under this section shall be conducted for a 5-year period.

1 (2) ELIGIBLE EMPLOYER.—The term "eligible
2 employer" means an employer (including a non-prof-
3 it employer) that—
4 (A) employs less than 100 employees who
5 work 25 hours or greater per week; and
6 (B) does not provide a workplace wellness
7 program as of the date of enactment of this
8 Act.
9 (c) COMPREHENSIVE WORKPLACE WELLNESS PRO-
10 GRAMS.—
11 (1) CRITERIA.—The Secretary shall develop
12 program criteria for comprehensive workplace
13 wellness programs under this section that are based
14 on and consistent with evidence-based research and
15 best practices, including research and practices as
16 provided in the Guide to Community Preventive
17 Services, the Guide to Clinical Preventive Services,
18 and the National Registry for Effective Programs.
19 (2) REQUIREMENTS.—A comprehensive work-
20 place wellness program shall be made available by an
21 eligible employer to all employees and include the
22 following components:
23 (A) Health awareness initiatives (including
24 health education, preventive screenings, and
25 health risk assessments).

1 (B) Efforts to maximize employee engage-
2 ment (including mechanisms to encourage em-
3 ployee participation).
4 (C) Initiatives to change unhealthy behav-
5 iors and lifestyle choices (including counseling,
6 seminars, online programs, and self-help mate-
7 rials).
8 (D) Supportive environment efforts (in-
9 cluding workplace policies to encourage healthy
10 lifestyles, healthy eating, increased physical ac-
11 tivity, and improved mental health).
12 (d) APPLICATION.—An eligible employer desiring to
13 participate in the grant program under this section shall
14 submit an application to the Secretary, in such manner
15 and containing such information as the Secretary may re-
16 quire, which shall include a proposal for a comprehensive
17 workplace wellness program that meet the criteria and re-
18 quirements described under subsection (c).
19 (e) AUTHORIZATION OF APPROPRIATION.—For pur-
20 poses of carrying out the grant program under this sec-
21 tion, there is authorized to be appropriated $200,000,000
22 for the period of fiscal years 2011 through 2015. Amounts
23 appropriated pursuant to this subsection shall remain
24 available until expended.

1 **SEC. 10409. CURES ACCELERATION NETWORK.**

2 (a) SHORT TITLE.—This section may be cited as the
3 ‘‘Cures Acceleration Network Act of 2009’’.

4 (b) REQUIREMENT FOR THE DIRECTOR OF NIH TO
5 ESTABLISH A CURES ACCELERATION NETWORK.—Sec-
6 tion 402(b) of the Public Health Service Act (42 U.S.C.
7 282(b)) is amended—

8 (1) in paragraph (22), by striking ‘‘and’’ at the
9 end;

10 (2) in paragraph (23), by striking the period
11 and inserting ‘‘; and’’; and

12 (3) by inserting after paragraph (23), the fol-
13 lowing:

14 ‘‘(24) implement the Cures Acceleration Net-
15 work described in section 402C.’’.

16 (c) ACCEPTING GIFTS TO SUPPORT THE CURES AC-
17 CELERATION NETWORK.—Section 499(c)(1) of the Public
18 Health Service Act (42 U.S.C. 290b(c)(1)) is amended by
19 adding at the end the following:

20 ‘‘(E) The Cures Acceleration Network de-
21 scribed in section 402C.’’.

22 (d) ESTABLISHMENT OF THE CURES ACCELERATION
23 NETWORK.—Part A of title IV of the Public Health Serv-
24 ice Act is amended by inserting after section 402B (42
25 U.S.C. 282b) the following:

1 **"SEC. 402C. CURES ACCELERATION NETWORK.**

2 "(a) DEFINITIONS.—In this section:

3 "(1) BIOLOGICAL PRODUCT.—The term 'bio-
4 logical product' has the meaning given such term in
5 section 351 of the Public Health Service Act.

6 "(2) DRUG; DEVICE.—The terms 'drug' and
7 'device' have the meanings given such terms in sec-
8 tion 201 of the Federal Food, Drug, and Cosmetic
9 Act.

10 "(3) HIGH NEED CURE.—The term 'high need
11 cure' means a drug (as that term is defined by sec-
12 tion 201(g)(1) of the Federal Food, Drug, and Cos-
13 metic Act, biological product (as that term is defined
14 by section 262(i)), or device (as that term is defined
15 by section 201(h) of the Federal Food, Drug, and
16 Cosmetic Act) that, in the determination of the Di-
17 rector of NIH—

18 "(A) is a priority to diagnose, mitigate,
19 prevent, or treat harm from any disease or con-
20 dition; and

21 "(B) for which the incentives of the com-
22 mercial market are unlikely to result in its ade-
23 quate or timely development.

24 "(4) MEDICAL PRODUCT.—The term 'medical
25 product' means a drug, device, biological product, or

1 product that is a combination of drugs, devices, and
2 biological products.
3 ''(b) ESTABLISHMENT OF THE CURES ACCELERA-
4 TION NETWORK.—Subject to the appropriation of funds
5 as described in subsection (g), there is established within
6 the Office of the Director of NIH a program to be known
7 as the Cures Acceleration Network (referred to in this sec-
8 tion as 'CAN'), which shall—
9 ''(1) be under the direction of the Director of
10 NIH, taking into account the recommendations of a
11 CAN Review Board (referred to in this section as
12 the 'Board'), described in subsection (d); and
13 ''(2) award grants and contracts to eligible enti-
14 ties, as described in subsection (e), to accelerate the
15 development of high need cures, including through
16 the development of medical products and behavioral
17 therapies.
18 ''(c) FUNCTIONS.—The functions of the CAN are
19 to—
20 ''(1) conduct and support revolutionary ad-
21 vances in basic research, translating scientific dis-
22 coveries from bench to bedside;
23 ''(2) award grants and contracts to eligible enti-
24 ties to accelerate the development of high need
25 cures;

1 "(3) provide the resources necessary for govern-
2 ment agencies, independent investigators, research
3 organizations, biotechnology companies, academic re-
4 search institutions, and other entities to develop
5 high need cures;
6 "(4) reduce the barriers between laboratory dis-
7 coveries and clinical trials for new therapies; and
8 "(5) facilitate review in the Food and Drug Ad-
9 ministration for the high need cures funded by the
10 CAN, through activities that may include—
11 "(A) the facilitation of regular and ongoing
12 communication with the Food and Drug Ad-
13 ministration regarding the status of activities
14 conducted under this section;
15 "(B) ensuring that such activities are co-
16 ordinated with the approval requirements of the
17 Food and Drug Administration, with the goal
18 of expediting the development and approval of
19 countermeasures and products; and
20 "(C) connecting interested persons with
21 additional technical assistance made available
22 under section 565 of the Federal Food, Drug,
23 and Cosmetic Act.
24 "(d) CAN BOARD.—

1 "(1) ESTABLISHMENT.—There is established a
2 Cures Acceleration Network Review Board (referred
3 to in this section as the 'Board'), which shall advise
4 the Director of NIH on the conduct of the activities
5 of the Cures Acceleration Network.
6 "(2) MEMBERSHIP.—
7 "(A) IN GENERAL.—
8 "(i) APPOINTMENT.—The Board shall
9 be comprised of 24 members who are ap-
10 pointed by the Secretary and who serve at
11 the pleasure of the Secretary.
12 "(ii) CHAIRPERSON AND VICE CHAIR-
13 PERSON.—The Secretary shall designate,
14 from among the 24 members appointed
15 under clause (i), one Chairperson of the
16 Board (referred to in this section as the
17 'Chairperson') and one Vice Chairperson.
18 "(B) TERMS.—
19 "(i) IN GENERAL.—Each member
20 shall be appointed to serve a 4-year term,
21 except that any member appointed to fill a
22 vacancy occurring prior to the expiration
23 of the term for which the member's prede-
24 cessor was appointed shall be appointed for
25 the remainder of such term.

1 "(ii) CONSECUTIVE APPOINTMENTS;
2 MAXIMUM TERMS.—A member may be ap-
3 pointed to serve not more than 3 terms on
4 the Board, and may not serve more than
5 2 such terms consecutively.
6 "(C) QUALIFICATIONS.—
7 "(i) IN GENERAL.—The Secretary
8 shall appoint individuals to the Board
9 based solely upon the individual's estab-
10 lished record of distinguished service in
11 one of the areas of expertise described in
12 clause (ii). Each individual appointed to
13 the Board shall be of distinguished
14 achievement and have a broad range of
15 disciplinary interests.
16 "(ii) EXPERTISE.—The Secretary
17 shall select individuals based upon the fol-
18 lowing requirements:
19 "(I) For each of the fields of—
20 "(aa) basic research;
21 "(bb) medicine;
22 "(cc) biopharmaceuticals;
23 "(dd) discovery and delivery
24 of medical products;

1 "(ee) bioinformatics and
2 gene therapy;
3 "(ff) medical instrumenta-
4 tion; and
5 "(gg) regulatory review and
6 approval of medical products,
7 the Secretary shall select at least 1 in-
8 dividual who is eminent in such fields.
9 "(II) At least 4 individuals shall
10 be recognized leaders in professional
11 venture capital or private equity orga-
12 nizations and have demonstrated ex-
13 perience in private equity investing.
14 "(III) At least 8 individuals shall
15 represent disease advocacy organiza-
16 tions.
17 "(3) EX-OFFICIO MEMBERS.—
18 "(A) APPOINTMENT.—In addition to the
19 24 Board members described in paragraph (2),
20 the Secretary shall appoint as ex-officio mem-
21 bers of the Board—
22 "(i) a representative of the National
23 Institutes of Health, recommended by the
24 Secretary of the Department of Health and
25 Human Services;

1 "(ii) a representative of the Office of
2 the Assistant Secretary of Defense for
3 Health Affairs, recommended by the Sec-
4 retary of Defense;
5 "(iii) a representative of the Office of
6 the Under Secretary for Health for the
7 Veterans Health Administration, rec-
8 ommended by the Secretary of Veterans
9 Affairs;
10 "(iv) a representative of the National
11 Science Foundation, recommended by the
12 Chair of the National Science Board; and
13 "(v) a representative of the Food and
14 Drug Administration, recommended by the
15 Commissioner of Food and Drugs.
16 "(B) TERMS.—Each ex-officio member
17 shall serve a 3-year term on the Board, except
18 that the Chairperson may adjust the terms of
19 the initial ex-officio members in order to pro-
20 vide for a staggered term of appointment for all
21 such members.
22 "(4) RESPONSIBILITIES OF THE BOARD AND
23 THE DIRECTOR OF NIH.—
24 "(A) RESPONSIBILITIES OF THE BOARD.—

1 "(i) IN GENERAL.—The Board shall
2 advise, and provide recommendations to,
3 the Director of NIH with respect to—
4 "(I) policies, programs, and pro-
5 cedures for carrying out the duties of
6 the Director of NIH under this sec-
7 tion; and
8 "(II) significant barriers to suc-
9 cessful translation of basic science
10 into clinical application (including
11 issues under the purview of other
12 agencies and departments).
13 "(ii) REPORT.—In the case that the
14 Board identifies a significant barrier, as
15 described in clause (i)(II), the Board shall
16 submit to the Secretary a report regarding
17 such barrier.
18 "(B) RESPONSIBILITIES OF THE DIRECTOR
19 OF NIH.—With respect to each recommendation
20 provided by the Board under subparagraph
21 (A)(i), the Director of NIH shall respond in
22 writing to the Board, indicating whether such
23 Director will implement such recommendation.
24 In the case that the Director of NIH indicates
25 a recommendation of the Board will not be im-

1 plemented, such Director shall provide an expla-
2 nation of the reasons for not implementing such
3 recommendation.
4 "(5) MEETINGS.—
5 "(A) IN GENERAL.—The Board shall meet
6 4 times per calendar year, at the call of the
7 Chairperson.
8 "(B) QUORUM; REQUIREMENTS; LIMITA-
9 TIONS.—
10 "(i) QUORUM.—A quorum shall con-
11 sist of a total of 13 members of the Board,
12 excluding ex-officio members, with diverse
13 representation as described in clause (iii).
14 "(ii) CHAIRPERSON OR VICE CHAIR-
15 PERSON.—Each meeting of the Board shall
16 be attended by either the Chairperson or
17 the Vice Chairperson.
18 "(iii) DIVERSE REPRESENTATION.—
19 At each meeting of the Board, there shall
20 be not less than one scientist, one rep-
21 resentative of a disease advocacy organiza-
22 tion, and one representative of a profes-
23 sional venture capital or private equity or-
24 ganization.

1 "(6) COMPENSATION AND TRAVEL EX-
2 PENSES.—
3 "(A) COMPENSATION.—Members shall re-
4 ceive compensation at a rate to be fixed by the
5 Chairperson but not to exceed a rate equal to
6 the daily equivalent of the annual rate of basic
7 pay prescribed for level IV of the Executive
8 Schedule under section 5315 of title 5, United
9 States Code, for each day (including travel
10 time) during which the member is engaged in
11 the performance of the duties of the Board. All
12 members of the Board who are officers or em-
13 ployees of the Untied States shall serve without
14 compensation in addition to that received for
15 their services as officers or employees of the
16 United States.
17 "(B) TRAVEL EXPENSES.—Members of the
18 Board shall be allowed travel expenses, includ-
19 ing per diem in lieu of subsistence, at rates au-
20 thorized for persons employed intermittently by
21 the Federal Government under section 5703(b)
22 of title 5, United States Code, while away from
23 their homes or regular places of business in the
24 performance of services for the Board.
25 "(e) GRANT PROGRAM.—

1 "(1) SUPPORTING INNOVATION.—To carry out
2 the purposes described in this section, the Director
3 of NIH shall award contracts, grants, or cooperative
4 agreements to the entities described in paragraph
5 (2), to—
6 "(A) promote innovation in technologies
7 supporting the advanced research and develop-
8 ment and production of high need cures, includ-
9 ing through the development of medical prod-
10 ucts and behavioral therapies.
11 "(B) accelerate the development of high
12 need cures, including through the development
13 of medical products, behavioral therapies, and
14 biomarkers that demonstrate the safety or ef-
15 fectiveness of medical products; or
16 "(C) help the award recipient establish
17 protocols that comply with Food and Drug Ad-
18 ministration standards and otherwise permit
19 the recipient to meet regulatory requirements at
20 all stages of development, manufacturing, re-
21 view, approval, and safety surveillance of a
22 medical product.
23 "(2) ELIGIBLE ENTITIES.—To receive assist-
24 ance under paragraph (1), an entity shall—

1 "(A) be a public or private entity, which
2 may include a private or public research institu-
3 tion, an institution of higher education, a med-
4 ical center, a biotechnology company, a pharma-
5 ceutical company, a disease advocacy organiza-
6 tion, a patient advocacy organization, or an
7 academic research institution;
8 "(B) submit an application containing—
9 "(i) a detailed description of the
10 project for which the entity seeks such
11 grant or contract;
12 "(ii) a timetable for such project;
13 "(iii) an assurance that the entity will
14 submit—
15 "(I) interim reports describing
16 the entity's—
17 "(aa) progress in carrying
18 out the project; and
19 "(bb) compliance with all
20 provisions of this section and
21 conditions of receipt of such
22 grant or contract; and
23 "(II) a final report at the conclu-
24 sion of the grant period, describing
25 the outcomes of the project; and

1 "(iv) a description of the protocols the
2 entity will follow to comply with Food and
3 Drug Administration standards and regu-
4 latory requirements at all stages of devel-
5 opment, manufacturing, review, approval,
6 and safety surveillance of a medical prod-
7 uct; and
8 "(C) provide such additional information
9 as the Director of NIH may require.
10 "(3) AWARDS.—
11 "(A) THE CURES ACCELERATION PART-
12 NERSHIP AWARDS.—
13 "(i) INITIAL AWARD AMOUNT.—Each
14 award under this subparagraph shall be
15 not more than $15,000,000 per project for
16 the first fiscal year for which the project is
17 funded, which shall be payable in one pay-
18 ment.
19 "(ii) FUNDING IN SUBSEQUENT FIS-
20 CAL YEARS.—An eligible entity receiving
21 an award under clause (i) may apply for
22 additional funding for such project by sub-
23 mitting to the Director of NIH the infor-
24 mation required under subparagraphs (B)
25 and (C) of paragraph (2). The Director

1 may fund a project of such eligible entity
2 in an amount not to exceed $15,000,000
3 for a fiscal year subsequent to the initial
4 award under clause (i).
5 ''(iii) MATCHING FUNDS.—As a condi-
6 tion for receiving an award under this sub-
7 section, an eligible entity shall contribute
8 to the project non-Federal funds in the
9 amount of $1 for every $3 awarded under
10 clauses (i) and (ii), except that the Direc-
11 tor of NIH may waive or modify such
12 matching requirement in any case where
13 the Director determines that the goals and
14 objectives of this section cannot adequately
15 be carried out unless such requirement is
16 waived.
17 ''(B) THE CURES ACCELERATION GRANT
18 AWARDS.—
19 ''(i) INITIAL AWARD AMOUNT.—Each
20 award under this subparagraph shall be
21 not more than $15,000,000 per project for
22 the first fiscal year for which the project is
23 funded, which shall be payable in one pay-
24 ment.

1 "(ii) FUNDING IN SUBSEQUENT FIS-
2 CAL YEARS.—An eligible entity receiving
3 an award under clause (i) may apply for
4 additional funding for such project by sub-
5 mitting to the Board the information re-
6 quired under subparagraphs (B) and (C)
7 of paragraph (2). The Director of NIH
8 may fund a project of such eligible entity
9 in an amount not to exceed $15,000,000
10 for a fiscal year subsequent to the initial
11 award under clause (i).
12 "(C) THE CURES ACCELERATION FLEXI-
13 BLE RESEARCH AWARDS.—If the Director of
14 NIH determines that the goals and objectives of
15 this section cannot adequately be carried out
16 through a contract, grant, or cooperative agree-
17 ment, the Director of NIH shall have flexible
18 research authority to use other transactions to
19 fund projects in accordance with the terms and
20 conditions of this section. Awards made under
21 such flexible research authority for a fiscal year
22 shall not exceed 20 percent of the total funds
23 appropriated under subsection (g)(1) for such
24 fiscal year.

1 "(4) SUSPENSION OF AWARDS FOR DEFAULTS,
2 NONCOMPLIANCE WITH PROVISIONS AND PLANS,
3 AND DIVERSION OF FUNDS; REPAYMENT OF
4 FUNDS.—The Director of NIH may suspend the
5 award to any entity upon noncompliance by such en-
6 tity with provisions and plans under this section or
7 diversion of funds.
8 "(5) AUDITS.—The Director of NIH may enter
9 into agreements with other entities to conduct peri-
10 odic audits of the projects funded by grants or con-
11 tracts awarded under this subsection.
12 "(6) CLOSEOUT PROCEDURES.—At the end of a
13 grant or contract period, a recipient shall follow the
14 closeout procedures under section 74.71 of title 45,
15 Code of Federal Regulations (or any successor regu-
16 lation).
17 "(7) REVIEW.—A determination by the Direc-
18 tor of NIH as to whether a drug, device, or biologi-
19 cal product is a high need cure (for purposes of sub-
20 section (a)(3)) shall not be subject to judicial review.
21 "(f) COMPETITIVE BASIS OF AWARDS.—Any grant,
22 cooperative agreement, or contract awarded under this
23 section shall be awarded on a competitive basis.
24 "(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—For purposes of carrying out this section, there are authorized to be appropriated $500,000,000 for fiscal year 2010, and such sums as may be necessary for subsequent fiscal years. Funds appropriated under this section shall be available until expended.

"(2) LIMITATION ON USE OF FUNDS OTHERWISE APPROPRIATED.—No funds appropriated under this Act, other than funds appropriated under paragraph (1), may be allocated to the Cures Acceleration Network.".

SEC. 10410. CENTERS OF EXCELLENCE FOR DEPRESSION.

(a) SHORT TITLE.—This section may be cited as the "Establishing a Network of Health-Advancing National Centers of Excellence for Depression Act of 2009" or the "ENHANCED Act of 2009".

(b) CENTERS OF EXCELLENCE FOR DEPRESSION.—Subpart 3 of part B of title V of the Public Health Service Act (42 U.S.C. 290bb et seq.) is amended by inserting after section 520A the following:

"SEC. 520B. NATIONAL CENTERS OF EXCELLENCE FOR DEPRESSION.

"(a) DEPRESSIVE DISORDER DEFINED.—In this section, the term 'depressive disorder' means a mental or

1 brain disorder relating to depression, including major de-
2 pression, bipolar disorder, and related mood disorders.
3 ‘‘(b) GRANT PROGRAM.—
4 ‘‘(1) IN GENERAL.—The Secretary, acting
5 through the Administrator, shall award grants on a
6 competitive basis to eligible entities to establish na-
7 tional centers of excellence for depression (referred
8 to in this section as ‘Centers’), which shall engage
9 in activities related to the treatment of depressive
10 disorders.
11 ‘‘(2) ALLOCATION OF AWARDS.—If the funds
12 authorized under subsection (f) are appropriated in
13 the amounts provided for under such subsection, the
14 Secretary shall allocate such amounts so that—
15 ‘‘(A) not later than 1 year after the date
16 of enactment of the ENHANCED Act of 2009,
17 not more than 20 Centers may be established;
18 and
19 ‘‘(B) not later than September 30, 2016,
20 not more than 30 Centers may be established.
21 ‘‘(3) GRANT PERIOD.—
22 ‘‘(A) IN GENERAL.—A grant awarded
23 under this section shall be for a period of 5
24 years.

1 "(B) RENEWAL.—A grant awarded under
2 subparagraph (A) may be renewed, on a com-
3 petitive basis, for 1 additional 5-year period, at
4 the discretion of the Secretary. In determining
5 whether to renew a grant, the Secretary shall
6 consider the report cards issued under sub-
7 section (e)(2).
8 "(4) USE OF FUNDS.—Grant funds awarded
9 under this subsection shall be used for the establish-
10 ment and ongoing activities of the recipient of such
11 funds.
12 "(5) ELIGIBLE ENTITIES.—
13 "(A) REQUIREMENTS.—To be eligible to
14 receive a grant under this section, an entity
15 shall—
16 "(i) be an institution of higher edu-
17 cation or a public or private nonprofit re-
18 search institution; and
19 "(ii) submit an application to the Sec-
20 retary at such time and in such manner as
21 the Secretary may require, as described in
22 subparagraph (B).
23 "(B) APPLICATION.—An application de-
24 scribed in subparagraph (A)(ii) shall include—
25 "(i) evidence that such entity—

1 "(I) provides, or is capable of co-
2 ordinating with other entities to pro-
3 vide, comprehensive health services
4 with a focus on mental health services
5 and subspecialty expertise for depres-
6 sive disorders;
7 "(II) collaborates with other
8 mental health providers, as necessary,
9 to address co-occurring mental ill-
10 nesses;
11 "(III) is capable of training
12 health professionals about mental
13 health; and
14 "(ii) such other information, as the
15 Secretary may require.
16 "(C) PRIORITIES.—In awarding grants
17 under this section, the Secretary shall give pri-
18 ority to eligible entities that meet 1 or more of
19 the following criteria:
20 "(i) Demonstrated capacity and exper-
21 tise to serve the targeted population.
22 "(ii) Existing infrastructure or exper-
23 tise to provide appropriate, evidence-based
24 and culturally and linguistically competent
25 services.

1 "(iii) A location in a geographic area
2 with disproportionate numbers of under-
3 served and at-risk populations in medically
4 underserved areas and health professional
5 shortage areas.
6 "(iv) Proposed innovative approaches
7 for outreach to initiate or expand services.
8 "(v) Use of the most up-to-date
9 science, practices, and interventions avail-
10 able.
11 "(vi) Demonstrated capacity to estab-
12 lish cooperative and collaborative agree-
13 ments with community mental health cen-
14 ters and other community entities to pro-
15 vide mental health, social, and human serv-
16 ices to individuals with depressive dis-
17 orders.
18 "(6) NATIONAL COORDINATING CENTER.—
19 "(A) IN GENERAL.—The Secretary, acting
20 through the Administrator, shall designate 1 re-
21 cipient of a grant under this section to be the
22 coordinating center of excellence for depression
23 (referred to in this section as the 'coordinating
24 center'). The Secretary shall select such coordi-
25 nating center on a competitive basis, based

1 upon the demonstrated capacity of such center
2 to perform the duties described in subpara-
3 graph (C).
4 "(B) APPLICATION.—A Center that has
5 been awarded a grant under paragraph (1) may
6 apply for designation as the coordinating center
7 by submitting an application to the Secretary at
8 such time, in such manner, and containing such
9 information as the Secretary may require.
10 "(C) DUTIES.—The coordinating center
11 shall—
12 "(i) develop, administer, and coordi-
13 nate the network of Centers under this sec-
14 tion;
15 "(ii) oversee and coordinate the na-
16 tional database described in subsection (d);
17 "(iii) lead a strategy to disseminate
18 the findings and activities of the Centers
19 through such database; and
20 "(iv) serve as a liaison with the Ad-
21 ministration, the National Registry of Evi-
22 dence-based Programs and Practices of the
23 Administration, and any Federal inter-
24 agency or interagency forum on mental
25 health.

1 “(7) MATCHING FUNDS.—The Secretary may
2 not award a grant or contract under this section to
3 an entity unless the entity agrees that it will make
4 available (directly or through contributions from
5 other public or private entities) non-Federal con-
6 tributions toward the activities to be carried out
7 under the grant or contract in an amount equal to
8 $1 for each $5 of Federal funds provided under the
9 grant or contract. Such non-Federal matching funds
10 may be provided directly or through donations from
11 public or private entities and may be in cash or in-
12 kind, fairly evaluated, including plant, equipment, or
13 services.
14 “(c) ACTIVITIES OF THE CENTERS.—Each Center
15 shall carry out the following activities:
16 “(1) GENERAL ACTIVITIES.—Each Center
17 shall—
18 “(A) integrate basic, clinical, or health
19 services interdisciplinary research and practice
20 in the development, implementation, and dis-
21 semination of evidence-based interventions;
22 “(B) involve a broad cross-section of stake-
23 holders, such as researchers, clinicians, con-
24 sumers, families of consumers, and voluntary
25 health organizations, to develop a research

1 agenda and disseminate findings, and to pro-
2 vide support in the implementation of evidence-
3 based practices;
4 "(C) provide training and technical assist-
5 ance to mental health professionals, and engage
6 in and disseminate translational research with a
7 focus on meeting the needs of individuals with
8 depressive disorders; and
9 "(D) educate policy makers, employers,
10 community leaders, and the public about de-
11 pressive disorders to reduce stigma and raise
12 awareness of treatments.
13 "(2) IMPROVED TREATMENT STANDARDS, CLIN-
14 ICAL GUIDELINES, DIAGNOSTIC PROTOCOLS, AND
15 CARE COORDINATION PRACTICE.—Each Center shall
16 collaborate with other Centers in the network to—
17 "(A) develop and implement treatment
18 standards, clinical guidelines, and protocols that
19 emphasize primary prevention, early interven-
20 tion, treatment for, and recovery from, depres-
21 sive disorders;
22 "(B) foster communication with other pro-
23 viders attending to co-occurring physical health
24 conditions such as cardiovascular, diabetes, can-
25 cer, and substance abuse disorders;

1 "(C) leverage available community re-
2 sources, develop and implement improved self-
3 management programs, and, when appropriate,
4 involve family and other providers of social sup-
5 port in the development and implementation of
6 care plans; and
7 "(D) use electronic health records and tele-
8 health technology to better coordinate and man-
9 age, and improve access to, care, as determined
10 by the coordinating center.
11 "(3) TRANSLATIONAL RESEARCH THROUGH
12 COLLABORATION OF CENTERS AND COMMUNITY-
13 BASED ORGANIZATIONS.—Each Center shall—
14 "(A) demonstrate effective use of a public-
15 private partnership to foster collaborations
16 among members of the network and commu-
17 nity-based organizations such as community
18 mental health centers and other social and
19 human services providers;
20 "(B) expand interdisciplinary,
21 translational, and patient-oriented research and
22 treatment; and
23 "(C) coordinate with accredited academic
24 programs to provide ongoing opportunities for

1 the professional and continuing education of
2 mental health providers.
3 ''(d) NATIONAL DATABASE.—
4 ''(1) IN GENERAL.—The coordinating center
5 shall establish and maintain a national, publicly
6 available database to improve prevention programs,
7 evidence-based interventions, and disease manage-
8 ment programs for depressive disorders, using data
9 collected from the Centers, as described in para-
10 graph (2).
11 ''(2) DATA COLLECTION.—Each Center shall
12 submit data gathered at such center, as appropriate,
13 to the coordinating center regarding—
14 ''(A) the prevalence and incidence of de-
15 pressive disorders;
16 ''(B) the health and social outcomes of in-
17 dividuals with depressive disorders;
18 ''(C) the effectiveness of interventions de-
19 signed, tested, and evaluated;
20 ''(D) other information, as the Secretary
21 may require.
22 ''(3) SUBMISSION OF DATA TO THE ADMINIS-
23 TRATOR.—The coordinating center shall submit to
24 the Administrator the data and financial information
25 gathered under paragraph (2).

1 "(4) PUBLICATION USING DATA FROM THE
2 DATABASE.—A Center, or an individual affiliated
3 with a Center, may publish findings using the data
4 described in paragraph (2) only if such center sub-
5 mits such data to the coordinating center, as re-
6 quired under such paragraph.
7 "(e) ESTABLISHMENT OF STANDARDS; REPORT
8 CARDS AND RECOMMENDATIONS; THIRD PARTY RE-
9 VIEW.—
10 "(1) ESTABLISHMENT OF STANDARDS.—The
11 Secretary, acting through the Administrator, shall
12 establish performance standards for—
13 "(A) each Center; and
14 "(B) the network of Centers as a whole.
15 "(2) REPORT CARDS.—The Secretary, acting
16 through the Administrator, shall—
17 "(A) for each Center, not later than 3
18 years after the date on which such center of ex-
19 cellence is established and annually thereafter,
20 issue a report card to the coordinating center to
21 rate the performance of such Center; and
22 "(B) not later than 3 years after the date
23 on which the first grant is awarded under sub-
24 section (b)(1) and annually thereafter, issue a
25 report card to Congress to rate the performance

1 of the network of centers of excellence as a
2 whole.
3 "(3) RECOMMENDATIONS.—Based upon the re-
4 port cards described in paragraph (2), the Secretary
5 shall, not later than September 30, 2015—
6 "(A) make recommendations to the Cen-
7 ters regarding improvements such centers shall
8 make; and
9 "(B) make recommendations to Congress
10 for expanding the Centers to serve individuals
11 with other types of mental disorders.
12 "(4) THIRD PARTY REVIEW.—Not later than 3
13 years after the date on which the first grant is
14 awarded under subsection (b)(1) and annually there-
15 after, the Secretary shall arrange for an independent
16 third party to conduct an evaluation of the network
17 of Centers to ensure that such centers are meeting
18 the goals of this section.
19 "(f) AUTHORIZATION OF APPROPRIATIONS.—
20 "(1) IN GENERAL.—To carry out this section,
21 there are authorized to be appropriated—
22 "(A) $100,000,000 for each of the fiscal
23 years 2011 through 2015; and
24 "(B) $150,000,000 for each of the fiscal
25 years 2016 through 2020.

1 "(2) ALLOCATION OF FUNDS AUTHORIZED.—Of
2 the amount appropriated under paragraph (1) for a
3 fiscal year, the Secretary shall determine the alloca-
4 tion of each Center receiving a grant under this sec-
5 tion, but in no case may the allocation be more than
6 $5,000,000, except that the Secretary may allocate
7 not more than $10,000,000 to the coordinating cen-
8 ter.".

9 **SEC. 10411. PROGRAMS RELATING TO CONGENITAL HEART**
10 **DISEASE.**

11 (a) SHORT TITLE.—This subtitle may be cited as the
12 "Congenital Heart Futures Act".

13 (b) PROGRAMS RELATING TO CONGENITAL HEART
14 DISEASE.—

15 (1) NATIONAL CONGENITAL HEART DISEASE
16 SURVEILLANCE SYSTEM.—Part P of title III of the
17 Public Health Service Act (42 U.S.C. 280g et seq.),
18 as amended by section 5405, is further amended by
19 adding at the end the following:

20 **"SEC. 399V-2. NATIONAL CONGENITAL HEART DISEASE SUR-**
21 **VEILLANCE SYSTEM.**

22 "(a) IN GENERAL.—The Secretary, acting through
23 the Director of the Centers for Disease Control and Pre-
24 vention, may—

1 "(1) enhance and expand infrastructure to
2 track the epidemiology of congenital heart disease
3 and to organize such information into a nationally-
4 representative, population-based surveillance system
5 that compiles data concerning actual occurrences of
6 congenital heart disease, to be known as the 'Na-
7 tional Congenital Heart Disease Surveillance Sys-
8 tem'; or
9 "(2) award a grant to one eligible entity to un-
10 dertake the activities described in paragraph (1).
11 "(b) PURPOSE.—The purpose of the Congenital
12 Heart Disease Surveillance System shall be to facilitate
13 further research into the types of health services patients
14 use and to identify possible areas for educational outreach
15 and prevention in accordance with standard practices of
16 the Centers for Disease Control and Prevention.
17 "(c) CONTENT.—The Congenital Heart Disease Sur-
18 veillance System—
19 "(1) may include information concerning the in-
20 cidence and prevalence of congenital heart disease in
21 the United States;
22 "(2) may be used to collect and store data on
23 congenital heart disease, including data con-
24 cerning—

1 "(A) demographic factors associated with
2 congenital heart disease, such as age, race, eth-
3 nicity, sex, and family history of individuals
4 who are diagnosed with the disease;
5 "(B) risk factors associated with the dis-
6 ease;
7 "(C) causation of the disease;
8 "(D) treatment approaches; and
9 "(E) outcome measures, such that analysis
10 of the outcome measures will allow derivation of
11 evidence-based best practices and guidelines for
12 congenital heart disease patients; and
13 "(3) may ensure the collection and analysis of
14 longitudinal data related to individuals of all ages
15 with congenital heart disease, including infants,
16 young children, adolescents, and adults of all ages.
17 "(d) PUBLIC ACCESS.—The Congenital Heart Dis-
18 ease Surveillance System shall be made available to the
19 public, as appropriate, including congenital heart disease
20 researchers.
21 "(e) PATIENT PRIVACY.—The Secretary shall ensure
22 that the Congenital Heart Disease Surveillance System is
23 maintained in a manner that complies with the regulations
24 promulgated under section 264 of the Health Insurance
25 Portability and Accountability Act of 1996.

1 ‘‘(f) ELIGIBILITY FOR GRANT.—To be eligible to re-
2 ceive a grant under subsection (a)(2), an entity shall—
3 ‘‘(1) be a public or private nonprofit entity with
4 specialized experience in congenital heart disease;
5 and
6 ‘‘(2) submit to the Secretary an application at
7 such time, in such manner, and containing such in-
8 formation as the Secretary may require.’’.
9 (2) CONGENITAL HEART DISEASE RESEARCH.—
10 Subpart 2 of part C of title IV of the Public Health
11 Service Act (42 U.S.C. 285b et seq.) is amended by
12 adding at the end the following:
13 **‘‘SEC. 425. CONGENITAL HEART DISEASE.**
14 ‘‘(a) IN GENERAL.—The Director of the Institute
15 may expand, intensify, and coordinate research and re-
16 lated activities of the Institute with respect to congenital
17 heart disease, which may include congenital heart disease
18 research with respect to—
19 ‘‘(1) causation of congenital heart disease, in-
20 cluding genetic causes;
21 ‘‘(2) long-term outcomes in individuals with
22 congenital heart disease, including infants, children,
23 teenagers, adults, and elderly individuals;
24 ‘‘(3) diagnosis, treatment, and prevention;

1 "(4) studies using longitudinal data and retro-
2 spective analysis to identify effective treatments and
3 outcomes for individuals with congenital heart dis-
4 ease; and
5 "(5) identifying barriers to life-long care for in-
6 dividuals with congenital heart disease.
7 "(b) COORDINATION OF RESEARCH ACTIVITIES.—
8 The Director of the Institute may coordinate research ef-
9 forts related to congenital heart disease among multiple
10 research institutions and may develop research networks.
11 "(c) MINORITY AND MEDICALLY UNDERSERVED
12 COMMUNITIES.—In carrying out the activities described in
13 this section, the Director of the Institute shall consider
14 the application of such research and other activities to mi-
15 nority and medically underserved communities.".
16 (c) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated to carry out the amend-
18 ments made by this section such sums as may be necessary
19 for each of fiscal years 2011 through 2015.
20 **SEC. 10412. AUTOMATED DEFIBRILLATION IN ADAM'S MEM-**
21 **ORY ACT.**
22 Section 312 of the Public Health Service Act (42
23 U.S.C. 244) is amended—
24 (1) in subsection (c)(6), after "clearinghouse"
25 insert ", that shall be administered by an organiza-

1 tion that has substantial expertise in pediatric edu-
2 cation, pediatric medicine, and electrophysiology and
3 sudden death,''; and
4 (2) in the first sentence of subsection (e), by
5 striking ''fiscal year 2003'' and all that follows
6 through ''2006'' and inserting ''for each of fiscal
7 years 2003 through 2014''.

8 **SEC. 10413. YOUNG WOMEN'S BREAST HEALTH AWARENESS**
9 **AND SUPPORT OF YOUNG WOMEN DIAG-**
10 **NOSED WITH BREAST CANCER.**

11 (a) SHORT TITLE.—This section may be cited as the
12 ''Young Women's Breast Health Education and Aware-
13 ness Requires Learning Young Act of 2009'' or the
14 ''EARLY Act''.
15 (b) AMENDMENT.—Title III of the Public Health
16 Service Act (42 U.S.C. 241 et seq.), as amended by this
17 Act, is further amended by adding at the end the fol-
18 lowing:

19 **''PART V—PROGRAMS RELATING TO BREAST**
20 **HEALTH AND CANCER**

21 **''SEC. 399NN. YOUNG WOMEN'S BREAST HEALTH AWARE-**
22 **NESS AND SUPPORT OF YOUNG WOMEN DIAG-**
23 **NOSED WITH BREAST CANCER.**

24 ''(a) PUBLIC EDUCATION CAMPAIGN.—

1 "(1) IN GENERAL.—The Secretary, acting
2 through the Director of the Centers for Disease
3 Control and Prevention, shall conduct a national evi-
4 dence-based education campaign to increase aware-
5 ness of young women's knowledge regarding—
6 "(A) breast health in young women of all
7 racial, ethnic, and cultural backgrounds;
8 "(B) breast awareness and good breast
9 health habits;
10 "(C) the occurrence of breast cancer and
11 the general and specific risk factors in women
12 who may be at high risk for breast cancer based
13 on familial, racial, ethnic, and cultural back-
14 grounds such as Ashkenazi Jewish populations;
15 "(D) evidence-based information that
16 would encourage young women and their health
17 care professional to increase early detection of
18 breast cancers; and
19 "(E) the availability of health information
20 and other resources for young women diagnosed
21 with breast cancer.
22 "(2) EVIDENCE-BASED, AGE APPROPRIATE MES-
23 SAGES.—The campaign shall provide evidence-based,
24 age-appropriate messages and materials as developed
25 by the Centers for Disease Control and Prevention

1 and the Advisory Committee established under para-
2 graph (4).
3 "(3) MEDIA CAMPAIGN.—In conducting the
4 education campaign under paragraph (1), the Sec-
5 retary shall award grants to entities to establish na-
6 tional multimedia campaigns oriented to young
7 women that may include advertising through tele-
8 vision, radio, print media, billboards, posters, all
9 forms of existing and especially emerging social net-
10 working media, other Internet media, and any other
11 medium determined appropriate by the Secretary.
12 "(4) ADVISORY COMMITTEE.—
13 "(A) ESTABLISHMENT.—Not later than 60
14 days after the date of the enactment of this sec-
15 tion, the Secretary, acting through the Director
16 of the Centers for Disease Control and Preven-
17 tion, shall establish an advisory committee to
18 assist in creating and conducting the education
19 campaigns under paragraph (1) and subsection
20 (b)(1).
21 "(B) MEMBERSHIP.—The Secretary, act-
22 ing through the Director of the Centers for Dis-
23 ease Control and Prevention, shall appoint to
24 the advisory committee under subparagraph (A)
25 such members as deemed necessary to properly

1 advise the Secretary, and shall include organi-
2 zations and individuals with expertise in breast
3 cancer, disease prevention, early detection, diag-
4 nosis, public health, social marketing, genetic
5 screening and counseling, treatment, rehabilita-
6 tion, palliative care, and survivorship in young
7 women.

8 ''(b) HEALTH CARE PROFESSIONAL EDUCATION
9 CAMPAIGN.—The Secretary, acting through the Director
10 of the Centers for Disease Control and Prevention, and
11 in consultation with the Administrator of the Health Re-
12 sources and Services Administration, shall conduct an
13 education campaign among physicians and other health
14 care professionals to increase awareness—

15 ''(1) of breast health, symptoms, and early di-
16 agnosis and treatment of breast cancer in young
17 women, including specific risk factors such as family
18 history of cancer and women that may be at high
19 risk for breast cancer, such as Ashkenazi Jewish
20 population;

21 ''(2) on how to provide counseling to young
22 women about their breast health, including knowl-
23 edge of their family cancer history and importance
24 of providing regular clinical breast examinations;

1 "(3) concerning the importance of discussing
2 healthy behaviors, and increasing awareness of serv-
3 ices and programs available to address overall health
4 and wellness, and making patient referrals to ad-
5 dress tobacco cessation, good nutrition, and physical
6 activity;
7 "(4) on when to refer patients to a health care
8 provider with genetics expertise;
9 "(5) on how to provide counseling that address-
10 es long-term survivorship and health concerns of
11 young women diagnosed with breast cancer; and
12 "(6) on when to provide referrals to organiza-
13 tions and institutions that provide credible health in-
14 formation and substantive assistance and support to
15 young women diagnosed with breast cancer.
16 "(c) PREVENTION RESEARCH ACTIVITIES.—The Sec-
17 retary, acting through—
18 "(1) the Director of the Centers for Disease
19 Control and Prevention, shall conduct prevention re-
20 search on breast cancer in younger women, includ-
21 ing—
22 "(A) behavioral, survivorship studies, and
23 other research on the impact of breast cancer
24 diagnosis on young women;

1 "(B) formative research to assist with the
2 development of educational messages and infor-
3 mation for the public, targeted populations, and
4 their families about breast health, breast can-
5 cer, and healthy lifestyles;
6 "(C) testing and evaluating existing and
7 new social marketing strategies targeted at
8 young women; and
9 "(D) surveys of health care providers and
10 the public regarding knowledge, attitudes, and
11 practices related to breast health and breast
12 cancer prevention and control in high-risk popu-
13 lations; and
14 "(2) the Director of the National Institutes of
15 Health, shall conduct research to develop and vali-
16 date new screening tests and methods for prevention
17 and early detection of breast cancer in young
18 women.
19 "(d) SUPPORT FOR YOUNG WOMEN DIAGNOSED
20 WITH BREAST CANCER.—
21 "(1) IN GENERAL.—The Secretary shall award
22 grants to organizations and institutions to provide
23 health information from credible sources and sub-
24 stantive assistance directed to young women diag-

1 nosed with breast cancer and pre-neoplastic breast
2 diseases.
3 ‘‘(2) PRIORITY.—In making grants under para-
4 graph (1), the Secretary shall give priority to appli-
5 cants that deal specifically with young women diag-
6 nosed with breast cancer and pre-neoplastic breast
7 disease.
8 ‘‘(e) NO DUPLICATION OF EFFORT.—In conducting
9 an education campaign or other program under sub-
10 sections (a), (b), (c), or (d), the Secretary shall avoid du-
11 plicating other existing Federal breast cancer education
12 efforts.
13 ‘‘(f) MEASUREMENT; REPORTING.—The Secretary,
14 acting through the Director of the Centers for Disease
15 Control and Prevention, shall—
16 ‘‘(1) measure—
17 ‘‘(A) young women’s awareness regarding
18 breast health, including knowledge of family
19 cancer history, specific risk factors and early
20 warning signs, and young women’s proactive ef-
21 forts at early detection;
22 ‘‘(B) the number or percentage of young
23 women utilizing information regarding lifestyle
24 interventions that foster healthy behaviors;

"(C) the number or percentage of young women receiving regular clinical breast exams; and

"(D) the number or percentage of young women who perform breast self exams, and the frequency of such exams, before the implementation of this section;

"(2) not less than every 3 years, measure the impact of such activities; and

"(3) submit reports to the Congress on the results of such measurements.

"(g) DEFINITION.—In this section, the term 'young women' means women 15 to 44 years of age.

"(h) AUTHORIZATION OF APPROPRIATIONS.—To carry out subsections (a), (b), (c)(1), and (d), there are authorized to be appropriated $9,000,000 for each of the fiscal years 2010 through 2014.".

Subtitle E—Provisions Relating to Title V

SEC. 10501. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT, THE SOCIAL SECURITY ACT, AND TITLE V OF THIS ACT.

(a) Section 5101 of this Act is amended—

1 (1) in subsection (c)(2)(B)(i)(II), by inserting
2 '', including representatives of small business and
3 self-employed individuals'' after ''employers'';
4 (2) in subsection (d)(4)(A)—
5 (A) by redesignating clause (iv) as clause
6 (v); and
7 (B) by inserting after clause (iii) the fol-
8 lowing:
9 ''(iv) An analysis of, and rec-
10 ommendations for, eliminating the barriers
11 to entering and staying in primary care,
12 including provider compensation.''; and
13 (3) in subsection (i)(2)(B), by inserting ''op-
14 tometrists, ophthalmologists,'' after ''occupational
15 therapists,''.
16 (b) Subtitle B of title V of this Act is amended by
17 adding at the end the following:
18 **''SEC. 5104. INTERAGENCY TASK FORCE TO ASSESS AND IM-**
19 **PROVE ACCESS TO HEALTH CARE IN THE**
20 **STATE OF ALASKA.**
21 ''(a) ESTABLISHMENT.—There is established a task
22 force to be known as the 'Interagency Access to Health
23 Care in Alaska Task Force' (referred to in this section
24 as the 'Task Force').
25 ''(b) DUTIES.—The Task Force shall—

1 ‘‘(1) assess access to health care for bene-
2 ficiaries of Federal health care systems in Alaska;
3 and
4 ‘‘(2) develop a strategy for the Federal Govern-
5 ment to improve delivery of health care to Federal
6 beneficiaries in the State of Alaska.
7 ‘‘(c) MEMBERSHIP.—The Task Force shall be com-
8 prised of Federal members who shall be appointed, not
9 later than 45 days after the date of enactment of this Act,
10 as follows:
11 ‘‘(1) The Secretary of Health and Human Serv-
12 ices shall appoint one representative of each of the
13 following:
14 ‘‘(A) The Department of Health and
15 Human Services.
16 ‘‘(B) The Centers for Medicare and Med-
17 icaid Services.
18 ‘‘(C) The Indian Health Service.
19 ‘‘(2) The Secretary of Defense shall appoint one
20 representative of the TRICARE Management Activ-
21 ity.
22 ‘‘(3) The Secretary of the Army shall appoint
23 one representative of the Army Medical Department.
24 ‘‘(4) The Secretary of the Air Force shall ap-
25 point one representative of the Air Force, from

1 among officers at the Air Force performing medical
2 service functions.
3 "(5) The Secretary of Veterans Affairs shall ap-
4 point one representative of each of the following:
5 "(A) The Department of Veterans Affairs.
6 "(B) The Veterans Health Administration.
7 "(6) The Secretary of Homeland Security shall
8 appoint one representative of the United States
9 Coast Guard.
10 "(d) CHAIRPERSON.—One chairperson of the Task
11 Force shall be appointed by the Secretary at the time of
12 appointment of members under subsection (c), selected
13 from among the members appointed under paragraph (1).
14 "(e) MEETINGS.—The Task Force shall meet at the
15 call of the chairperson.
16 "(f) REPORT.—Not later than 180 days after the
17 date of enactment of this Act, the Task Force shall submit
18 to Congress a report detailing the activities of the Task
19 Force and containing the findings, strategies, rec-
20 ommendations, policies, and initiatives developed pursuant
21 to the duty described in subsection (b)(2). In preparing
22 such report, the Task Force shall consider completed and
23 ongoing efforts by Federal agencies to improve access to
24 health care in the State of Alaska.

1 ''(g) TERMINATION.—The Task Force shall be termi-
2 nated on the date of submission of the report described
3 in subsection (f).''.
4 (c) Section 399V of the Public Health Service Act,
5 as added by section 5313, is amended—
6 (1) in subsection (b)(4), by striking ''identify,
7 educate, refer, and enroll'' and inserting ''identify
8 and refer''; and
9 (2) in subsection (k)(1), by striking '', as de-
10 fined by the Department of Labor as Standard Oc-
11 cupational Classification [21–1094]''.
12 (d) Section 738(a)(3) of the Public Health Service
13 Act (42 U.S.C. 293b(a)(3)) is amended by inserting
14 ''schools offering physician assistant education programs,''
15 after ''public health,''.
16 (e) Subtitle D of title V of this Act is amended by
17 adding at the end the following:
18 **''SEC. 5316. DEMONSTRATION GRANTS FOR FAMILY NURSE**
19 **PRACTITIONER TRAINING PROGRAMS.**
20 ''(a) ESTABLISHMENT OF PROGRAM.—The Secretary
21 of Health and Human Services (referred to in this section
22 as the 'Secretary') shall establish a training demonstration
23 program for family nurse practitioners (referred to in this
24 section as the 'program') to employ and provide 1-year
25 training for nurse practitioners who have graduated from

1 a nurse practitioner program for careers as primary care
2 providers in Federally qualified health centers (referred to
3 in this section as 'FQHCs') and nurse-managed health
4 clinics (referred to in this section as 'NMHCs').

5 ''(b) PURPOSE.—The purpose of the program is to
6 enable each grant recipient to—

7 ''(1) provide new nurse practitioners with clin-
8 ical training to enable them to serve as primary care
9 providers in FQHCs and NMHCs;

10 ''(2) train new nurse practitioners to work
11 under a model of primary care that is consistent
12 with the principles set forth by the Institute of Med-
13 icine and the needs of vulnerable populations; and

14 ''(3) create a model of FQHC and NMHC
15 training for nurse practitioners that may be rep-
16 licated nationwide.

17 ''(c) GRANTS.—The Secretary shall award 3-year
18 grants to eligible entities that meet the requirements es-
19 tablished by the Secretary, for the purpose of operating
20 the nurse practitioner primary care programs described in
21 subsection (a) in such entities.

22 ''(d) ELIGIBLE ENTITIES.—To be eligible to receive
23 a grant under this section, an entity shall—

1 "(1)(A) be a FQHC as defined in section
2 1861(aa) of the Social Security Act (42 U.S.C.
3 1395x(aa)); or
4 "(B) be a nurse-managed health clinic, as de-
5 fined in section 330A-1 of the Public Health Service
6 Act (as added by section 5208 of this Act); and
7 "(2) submit to the Secretary an application at
8 such time, in such manner, and containing such in-
9 formation as the Secretary may require.
10 "(e) PRIORITY IN AWARDING GRANTS.—In awarding
11 grants under this section, the Secretary shall give priority
12 to eligible entities that—
13 "(1) demonstrate sufficient infrastructure in
14 size, scope, and capacity to undertake the requisite
15 training of a minimum of 3 nurse practitioners per
16 year, and to provide to each awardee 12 full months
17 of full-time, paid employment and benefits consistent
18 with the benefits offered to other full-time employees
19 of such entity;
20 "(2) will assign not less than 1 staff nurse
21 practitioner or physician to each of 4 precepted clin-
22 ics;
23 "(3) will provide to each awardee specialty rota-
24 tions, including specialty training in prenatal care
25 and women's health, adult and child psychiatry, or-

1 thopedics, geriatrics, and at least 3 other high-vol-
2 ume, high-burden specialty areas;
3 ''(4) provide sessions on high-volume, high-risk
4 health problems and have a record of training health
5 care professionals in the care of children, older
6 adults, and underserved populations; and
7 ''(5) collaborate with other safety net providers,
8 schools, colleges, and universities that provide health
9 professions training.
10 ''(f) ELIGIBILITY OF NURSE PRACTITIONERS.—
11 ''(1) IN GENERAL.—To be eligible for accept-
12 ance to a program funded through a grant awarded
13 under this section, an individual shall—
14 ''(A) be licensed or eligible for licensure in
15 the State in which the program is located as an
16 advanced practice registered nurse or advanced
17 practice nurse and be eligible or board-certified
18 as a family nurse practitioner; and
19 ''(B) demonstrate commitment to a career
20 as a primary care provider in a FQHC or in a
21 NMHC.
22 ''(2) PREFERENCE.—In selecting awardees
23 under the program, each grant recipient shall give
24 preference to bilingual candidates that meet the re-
25 quirements described in paragraph (1).

1 "(3) DEFERRAL OF CERTAIN SERVICE.—The
2 starting date of required service of individuals in the
3 National Health Service Corps Service program
4 under title II of the Public Health Service Act (42
5 U.S.C. 202 et seq.) who receive training under this
6 section shall be deferred until the date that is 22
7 days after the date of completion of the program.

8 "(g) GRANT AMOUNT.—Each grant awarded under
9 this section shall be in an amount not to exceed $600,000
10 per year. A grant recipient may carry over funds from 1
11 fiscal year to another without obtaining approval from the
12 Secretary.

13 "(h) TECHNICAL ASSISTANCE GRANTS.—The Sec-
14 retary may award technical assistance grants to 1 or more
15 FQHCs or NMHCs that have demonstrated expertise in
16 establishing a nurse practitioner residency training pro-
17 gram. Such technical assistance grants shall be for the
18 purpose of providing technical assistance to other recipi-
19 ents of grants under subsection (c).

20 "(i) AUTHORIZATION OF APPROPRIATIONS.—To
21 carry out this section, there is authorized to be appro-
22 priated such sums as may be necessary for each of fiscal
23 years 2011 through 2014.".

1 (f)(1) Section 399W of the Public Health Service Act,
2 as added by section 5405, is redesignated as section
3 399V–1.
4 (2) Section 399V–1 of the Public Health Service Act,
5 as so redesignated, is amended in subsection (b)(2)(A) by
6 striking "and the departments of 1 or more health profes-
7 sions schools in the State that train providers in primary
8 care" and inserting "and the departments that train pro-
9 viders in primary care in 1 or more health professions
10 schools in the State".
11 (3) Section 934 of the Public Health Service Act, as
12 added by section 3501, is amended by striking "399W"
13 each place such term appears and inserting "399V–1".
14 (4) Section 935(b) of the Public Health Service Act,
15 as added by section 3503, is amended by striking "399W"
16 and inserting "399V–1".
17 (g) Part P of title III of the Public Health Service
18 Act 42 U.S.C. 280g et seq.), as amended by section
19 10411, is amended by adding at the end the following:
20 **"SEC. 399V-3. NATIONAL DIABETES PREVENTION PROGRAM.**
21 "(a) IN GENERAL.—The Secretary, acting through
22 the Director of the Centers for Disease Control and Pre-
23 vention, shall establish a national diabetes prevention pro-
24 gram (referred to in this section as the 'program') tar-

geted at adults at high risk for diabetes in order to eliminate the preventable burden of diabetes.

“(b) PROGRAM ACTIVITIES.—The program described in subsection (a) shall include—

“(1) a grant program for community-based diabetes prevention program model sites;

“(2) a program within the Centers for Disease Control and Prevention to determine eligibility of entities to deliver community-based diabetes prevention services;

“(3) a training and outreach program for lifestyle intervention instructors; and

“(4) evaluation, monitoring and technical assistance, and applied research carried out by the Centers for Disease Control and Prevention.

“(c) ELIGIBLE ENTITIES.—To be eligible for a grant under subsection (b)(1), an entity shall be a State or local health department, a tribal organization, a national network of community-based non-profits focused on health and wellbeing, an academic institution, or other entity, as the Secretary determines.

“(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2010 through 2014.”.

1 (h) The provisions of, and amendment made by, sec-
2 tion 5501(c) of this Act are repealed.
3 (i)(1) The provisions of, and amendments made by,
4 section 5502 of this Act are repealed.
5 (2)(A) Section 1861(aa)(3)(A) of the Social Security
6 Act (42 U.S.C. 1395w(aa)(3)(A)) is amended to read as
7 follows:
8 ''(A) services of the type described in subpara-
9 graphs (A) through (C) of paragraph (1) and pre-
10 ventive services (as defined in section 1861(ddd)(3));
11 and''.
12 (B) The amendment made by subparagraph (A) shall
13 apply to services furnished on or after January 1, 2011.
14 (3)(A) Section 1834 of the Social Security Act (42
15 U.S.C. 1395m), as amended by section 4105, is amended
16 by adding at the end the following new subsection:
17 ''(o) DEVELOPMENT AND IMPLEMENTATION OF PRO-
18 SPECTIVE PAYMENT SYSTEM.—
19 ''(1) DEVELOPMENT.—
20 ''(A) IN GENERAL.—The Secretary shall
21 develop a prospective payment system for pay-
22 ment for Federally qualified health center serv-
23 ices furnished by Federally qualified health cen-
24 ters under this title. Such system shall include
25 a process for appropriately describing the serv-

1 ices furnished by Federally qualified health cen-
2 ters and shall establish payment rates for spe-
3 cific payment codes based on such appropriate
4 descriptions of services. Such system shall be
5 established to take into account the type, inten-
6 sity, and duration of services furnished by Fed-
7 erally qualified health centers. Such system may
8 include adjustments, including geographic ad-
9 justments, determined appropriate by the Sec-
10 retary.
11 ''(B) COLLECTION OF DATA AND EVALUA-
12 TION.—By not later than January 1, 2011, the
13 Secretary shall require Federally qualified
14 health centers to submit to the Secretary such
15 information as the Secretary may require in
16 order to develop and implement the prospective
17 payment system under this subsection, includ-
18 ing the reporting of services using HCPCS
19 codes.
20 ''(2) IMPLEMENTATION.—
21 ''(A) IN GENERAL.—Notwithstanding sec-
22 tion 1833(a)(3)(A), the Secretary shall provide,
23 for cost reporting periods beginning on or after
24 October 1, 2014, for payments of prospective
25 payment rates for Federally qualified health

1 center services furnished by Federally qualified
2 health centers under this title in accordance
3 with the prospective payment system developed
4 by the Secretary under paragraph (1).
5 "(B) PAYMENTS.—
6 "(i) INITIAL PAYMENTS.—The Sec-
7 retary shall implement such prospective
8 payment system so that the estimated ag-
9 gregate amount of prospective payment
10 rates (determined prior to the application
11 of section 1833(a)(1)(Z)) under this title
12 for Federally qualified health center serv-
13 ices in the first year that such system is
14 implemented is equal to 100 percent of the
15 estimated amount of reasonable costs (de-
16 termined without the application of a per
17 visit payment limit or productivity screen
18 and prior to the application of section
19 1866(a)(2)(A)(ii)) that would have oc-
20 curred for such services under this title in
21 such year if the system had not been im-
22 plemented.
23 "(ii) PAYMENTS IN SUBSEQUENT
24 YEARS.—Payment rates in years after the
25 year of implementation of such system

1 shall be the payment rates in the previous
2 year increased—
3 ''(I) in the first year after imple-
4 mentation of such system, by the per-
5 centage increase in the MEI (as de-
6 fined in section 1842(i)(3)) for the
7 year involved; and
8 ''(II) in subsequent years, by the
9 percentage increase in a market bas-
10 ket of Federally qualified health cen-
11 ter goods and services as promulgated
12 through regulations, or if such an
13 index is not available, by the percent-
14 age increase in the MEI (as defined in
15 section 1842(i)(3)) for the year in-
16 volved.
17 ''(C) PREPARATION FOR PPS IMPLEMENTA-
18 TION.—Notwithstanding any other provision of
19 law, the Secretary may establish and implement
20 by program instruction or otherwise the pay-
21 ment codes to be used under the prospective
22 payment system under this section.''.
23 (B) Section 1833(a)(1) of the Social Security Act (42
24 U.S.C. 1395l(a)(1)), as amended by section 4104, is
25 amended—

1 (i) by striking ‘‘and’’ before ‘‘(Y)’’; and
2 (ii) by inserting before the semicolon at the end
3 the following: ‘‘, and (Z) with respect to Federally
4 qualified health center services for which payment is
5 made under section 1834(o), the amounts paid shall
6 be 80 percent of the lesser of the actual charge or
7 the amount determined under such section’’.
8 (C) Section 1833(a) of the Social Security Act (42
9 U.S.C. 1395l(a)) is amended—
10 (i) in paragraph (3)(B)(i)—
11 (I) by inserting ‘‘(I)’’ after ‘‘otherwise been
12 provided’’; and
13 (II) by inserting ‘‘, or (II) in the case of
14 such services furnished on or after the imple-
15 mentation date of the prospective payment sys-
16 tem under section 1834(o), under such section
17 (calculated as if ‘100 percent’ were substituted
18 for ‘80 percent’ in such section) for such serv-
19 ices if the individual had not been so enrolled’’
20 after ‘‘been so enrolled’’; and
21 (ii) by adding at the end the following flush
22 sentence:
23 ‘‘Paragraph (3)(A) shall not apply to Federally
24 qualified health center services furnished on or after

1 the implementation date of the prospective payment
2 system under section 1834(0).''.
3 (j) Section 5505 is amended by adding at the end
4 the following new subsection:
5 ''(d) APPLICATION.—The amendments made by this
6 section shall not be applied in a manner that requires re-
7 opening of any settled cost reports as to which there is
8 not a jurisdictionally proper appeal pending as of the date
9 of the enactment of this Act on the issue of payment for
10 indirect costs of medical education under section
11 1886(d)(5)(B) of the Social Security Act (42 U.S.C.
12 1395ww(d)(5)(B)) or for direct graduate medical edu-
13 cation costs under section 1886(h) of such Act (42 U.S.C.
14 1395ww(h)).''.
15 (k) Subtitle G of title V of this Act is amended by
16 adding at the end the following:
17 **''SEC. 5606. STATE GRANTS TO HEALTH CARE PROVIDERS**
18 **WHO PROVIDE SERVICES TO A HIGH PER-**
19 **CENTAGE OF MEDICALLY UNDERSERVED**
20 **POPULATIONS OR OTHER SPECIAL POPU-**
21 **LATIONS.**
22 ''(a) IN GENERAL.—A State may award grants to
23 health care providers who treat a high percentage, as de-
24 termined by such State, of medically underserved popu-
25 lations or other special populations in such State.

1 "(b) SOURCE OF FUNDS.—A grant program estab-
2 lished by a State under subsection (a) may not be estab-
3 lished within a department, agency, or other entity of such
4 State that administers the Medicaid program under title
5 XIX of the Social Security Act (42 U.S.C. 1396 et seq.),
6 and no Federal or State funds allocated to such Medicaid
7 program, the Medicare program under title XVIII of the
8 Social Security Act (42 U.S.C. 1395 et seq.), or the
9 TRICARE program under chapter 55 of title 10, United
10 States Code, may be used to award grants or to pay ad-
11 ministrative costs associated with a grant program estab-
12 lished under subsection (a).".
13 (l) Part C of title VII of the Public Health Service
14 Act (42 U.S.C. 293k et seq.) is amended—
15 (1) after the part heading, by inserting the fol-
16 lowing:
17 **"Subpart I—Medical Training Generally";**
18 and
19 (2) by inserting at the end the following:
20 **"Subpart II—Training in Underserved Communities**
21 **"SEC. 749B. RURAL PHYSICIAN TRAINING GRANTS.**
22 "(a) IN GENERAL.—The Secretary, acting through
23 the Administrator of the Health Resources and Services
24 Administration, shall establish a grant program for the
25 purposes of assisting eligible entities in recruiting students

1 most likely to practice medicine in underserved rural com-
2 munities, providing rural-focused training and experience,
3 and increasing the number of recent allopathic and osteo-
4 pathic medical school graduates who practice in under-
5 served rural communities.

6 ''(b) ELIGIBLE ENTITIES.—In order to be eligible to
7 receive a grant under this section, an entity shall—

8 ''(1) be a school of allopathic or osteopathic
9 medicine accredited by a nationally recognized ac-
10 crediting agency or association approved by the Sec-
11 retary for this purpose, or any combination or con-
12 sortium of such schools; and

13 ''(2) submit an application to the Secretary that
14 includes a certification that such entity will use
15 amounts provided to the institution as described in
16 subsection (d)(1).

17 ''(c) PRIORITY.—In awarding grant funds under this
18 section, the Secretary shall give priority to eligible entities
19 that—

20 ''(1) demonstrate a record of successfully train-
21 ing students, as determined by the Secretary, who
22 practice medicine in underserved rural communities;

23 ''(2) demonstrate that an existing academic
24 program of the eligible entity produces a high per-
25 centage, as determined by the Secretary, of grad-

1 uates from such program who practice medicine in
2 underserved rural communities;
3 “(3) demonstrate rural community institutional
4 partnerships, through such mechanisms as matching
5 or contributory funding, documented in-kind services
6 for implementation, or existence of training partners
7 with interprofessional expertise in community health
8 center training locations or other similar facilities; or
9 “(4) submit, as part of the application of the
10 entity under subsection (b), a plan for the long-term
11 tracking of where the graduates of such entity prac-
12 tice medicine.
13 “(d) USE OF FUNDS.—
14 “(1) ESTABLISHMENT.—An eligible entity re-
15 ceiving a grant under this section shall use the funds
16 made available under such grant to establish, im-
17 prove, or expand a rural-focused training program
18 (referred to in this section as the ‘Program’) meet-
19 ing the requirements described in this subsection
20 and to carry out such program.
21 “(2) STRUCTURE OF PROGRAM.—An eligible en-
22 tity shall—
23 “(A) enroll no fewer than 10 students per
24 class year into the Program; and

1 "(B) develop criteria for admission to the
2 Program that gives priority to students—
3 "(i) who have originated from or lived
4 for a period of 2 or more years in an un-
5 derserved rural community; and
6 "(ii) who express a commitment to
7 practice medicine in an underserved rural
8 community.
9 "(3) CURRICULA.—The Program shall require
10 students to enroll in didactic coursework and clinical
11 experience particularly applicable to medical practice
12 in underserved rural communities, including—
13 "(A) clinical rotations in underserved rural
14 communities, and in applicable specialties, or
15 other coursework or clinical experience deemed
16 appropriate by the Secretary; and
17 "(B) in addition to core school curricula,
18 additional coursework or training experiences
19 focused on medical issues prevalent in under-
20 served rural communities.
21 "(4) RESIDENCY PLACEMENT ASSISTANCE.—
22 Where available, the Program shall assist all stu-
23 dents of the Program in obtaining clinical training
24 experiences in locations with postgraduate programs
25 offering residency training opportunities in under-

1 served rural communities, or in local residency train-
2 ing programs that support and train physicians to
3 practice in underserved rural communities.

4 "(5) PROGRAM STUDENT COHORT SUPPORT.—
5 The Program shall provide and require all students
6 of the Program to participate in group activities de-
7 signed to further develop, maintain, and reinforce
8 the original commitment of such students to practice
9 in an underserved rural community.

10 "(e) ANNUAL REPORTING.—An eligible entity receiv-
11 ing a grant under this section shall submit an annual re-
12 port to the Secretary on the success of the Program, based
13 on criteria the Secretary determines appropriate, including
14 the residency program selection of graduating students
15 who participated in the Program.

16 "(f) REGULATIONS.—Not later than 60 days after
17 the date of enactment of this section, the Secretary shall
18 by regulation define 'underserved rural community' for
19 purposes of this section.

20 "(g) SUPPLEMENT NOT SUPPLANT.—Any eligible en-
21 tity receiving funds under this section shall use such funds
22 to supplement, not supplant, any other Federal, State, and
23 local funds that would otherwise be expended by such enti-
24 ty to carry out the activities described in this section.

1 ‘‘(h) MAINTENANCE OF EFFORT.—With respect to
2 activities for which funds awarded under this section are
3 to be expended, the entity shall agree to maintain expendi-
4 tures of non-Federal amounts for such activities at a level
5 that is not less than the level of such expenditures main-
6 tained by the entity for the fiscal year preceding the fiscal
7 year for which the entity receives a grant under this sec-
8 tion.

9 ‘‘(i) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated $4,000,000 for each of
11 the fiscal years 2010 through 2013.’’.

12 (m)(1) Section 768 of the Public Health Service Act
13 (42 U.S.C. 295c) is amended to read as follows:

14 **‘‘SEC. 768. PREVENTIVE MEDICINE AND PUBLIC HEALTH**
15 **TRAINING GRANT PROGRAM.**

16 ‘‘(a) GRANTS.—The Secretary, acting through the
17 Administrator of the Health Resources and Services Ad-
18 ministration and in consultation with the Director of the
19 Centers for Disease Control and Prevention, shall award
20 grants to, or enter into contracts with, eligible entities to
21 provide training to graduate medical residents in preven-
22 tive medicine specialties.

23 ‘‘(b) ELIGIBILITY.—To be eligible for a grant or con-
24 tract under subsection (a), an entity shall be—

1 "(1) an accredited school of public health or
2 school of medicine or osteopathic medicine;
3 "(2) an accredited public or private nonprofit
4 hospital;
5 "(3) a State, local, or tribal health department;
6 or
7 "(4) a consortium of 2 or more entities de-
8 scribed in paragraphs (1) through (3).
9 "(c) USE OF FUNDS.—Amounts received under a
10 grant or contract under this section shall be used to—
11 "(1) plan, develop (including the development of
12 curricula), operate, or participate in an accredited
13 residency or internship program in preventive medi-
14 cine or public health;
15 "(2) defray the costs of practicum experiences,
16 as required in such a program; and
17 "(3) establish, maintain, or improve—
18 "(A) academic administrative units (in-
19 cluding departments, divisions, or other appro-
20 priate units) in preventive medicine and public
21 health; or
22 "(B) programs that improve clinical teach-
23 ing in preventive medicine and public health.

1 "(d) REPORT.—The Secretary shall submit to the
2 Congress an annual report on the program carried out
3 under this section.".

4 (2) Section 770(a) of the Public Health Service
5 Act (42 U.S.C. 295e(a)) is amended to read as fol-
6 lows:

7 "(a) IN GENERAL.—For the purpose of carrying out
8 this subpart, there is authorized to be appropriated
9 $43,000,000 for fiscal year 2011, and such sums as may
10 be necessary for each of the fiscal years 2012 through
11 2015.".

12 (n)(1) Subsection (i) of section 331 of the Public
13 Health Service Act (42 U.S.C. 254d) of the Public Health
14 Service Act is amended—

15 (A) in paragraph (1), by striking "In carrying
16 out subpart III" and all that follows through the pe-
17 riod and inserting "In carrying out subpart III, the
18 Secretary may, in accordance with this subsection,
19 issue waivers to individuals who have entered into a
20 contract for obligated service under the Scholarship
21 Program or the Loan Repayment Program under
22 which the individuals are authorized to satisfy the
23 requirement of obligated service through providing
24 clinical practice that is half time.";

25 (B) in paragraph (2)—

1 (i) in subparagraphs (A)(ii) and (B), by
2 striking ‘‘less than full time’’ each place it ap-
3 pears and inserting ‘‘half time’’;
4 (ii) in subparagraphs (C) and (F), by
5 striking ‘‘less than full-time service’’ each place
6 it appears and inserting ‘‘half-time service’’;
7 and
8 (iii) by amending subparagraphs (D) and
9 (E) to read as follows:
10 ‘‘(D) the entity and the Corps member agree in
11 writing that the Corps member will perform half-
12 time clinical practice;
13 ‘‘(E) the Corps member agrees in writing to
14 fulfill all of the service obligations under section
15 338C through half-time clinical practice and ei-
16 ther—
17 ‘‘(i) double the period of obligated service
18 that would otherwise be required; or
19 ‘‘(ii) in the case of contracts entered into
20 under section 338B, accept a minimum service
21 obligation of 2 years with an award amount
22 equal to 50 percent of the amount that would
23 otherwise be payable for full-time service; and’’;
24 and

1 (C) in paragraph (3), by striking ‘‘In evaluating
2 a demonstration project described in paragraph (1)’’
3 and inserting ‘‘In evaluating waivers issued under
4 paragraph (1)’’.

5 (2) Subsection (j) of section 331 of the Public Health
6 Service Act (42 U.S.C. 254d) is amended by adding at
7 the end the following:

8 ‘‘(5) The terms ‘full time’ and ‘full-time’ mean
9 a minimum of 40 hours per week in a clinical prac-
10 tice, for a minimum of 45 weeks per year.

11 ‘‘(6) The terms ‘half time’ and ‘half-time’ mean
12 a minimum of 20 hours per week (not to exceed 39
13 hours per week) in a clinical practice, for a min-
14 imum of 45 weeks per year.’’.

15 (3) Section 337(b)(1) of the Public Health Service
16 Act (42 U.S.C. 254j(b)(1)) is amended by striking ‘‘Mem-
17 bers may not be reappointed to the Council.’’.

18 (4) Section 338B(g)(2)(A) of the Public Health Serv-
19 ice Act (42 U.S.C. 254l–1(g)(2)(A)) is amended by strik-
20 ing ‘‘$35,000’’ and inserting ‘‘$50,000, plus, beginning
21 with fiscal year 2012, an amount determined by the Sec-
22 retary on an annual basis to reflect inflation,’’.

23 (5) Subsection (a) of section 338C of the Public
24 Health Service Act (42 U.S.C. 254m), as amended by sec-
25 tion 5508, is amended—

(A) by striking the second sentence and inserting the following: "The Secretary may treat teaching as clinical practice for up to 20 percent of such period of obligated service."; and

(B) by adding at the end the following: "Notwithstanding the preceding sentence, with respect to a member of the Corps participating in the teaching health centers graduate medical education program under section 340H, for the purpose of calculating time spent in full-time clinical practice under this section, up to 50 percent of time spent teaching by such member may be counted toward his or her service obligation.".

SEC. 10502. INFRASTRUCTURE TO EXPAND ACCESS TO CARE.

(a) APPROPRIATION.—There are authorized to be appropriated, and there are appropriated to the Department of Health and Human Services, $100,000,000 for fiscal year 2010, to remain available for obligation until September 30, 2011, to be used for debt service on, or direct construction or renovation of, a health care facility that provides research, inpatient tertiary care, or outpatient clinical services. Such facility shall be affiliated with an academic health center at a public research university in

1 the United States that contains a State's sole public aca-
2 demic medical and dental school.
3 (b) REQUIREMENT.—Amount appropriated under
4 subsection (a) may only be made available by the Sec-
5 retary of Health and Human Services upon the receipt of
6 an application from the Governor of a State that certifies
7 that—
8 (1) the new health care facility is critical for
9 the provision of greater access to health care within
10 the State;
11 (2) such facility is essential for the continued
12 financial viability of the State's sole public medical
13 and dental school and its academic health center;
14 (3) the request for Federal support represents
15 not more than 40 percent of the total cost of the
16 proposed new facility; and
17 (4) the State has established a dedicated fund-
18 ing mechanism to provide all remaining funds nec-
19 essary to complete the construction or renovation of
20 the proposed facility.
21 **SEC. 10503. COMMUNITY HEALTH CENTERS AND THE NA-**
22 **TIONAL HEALTH SERVICE CORPS FUND.**
23 (a) PURPOSE.—It is the purpose of this section to
24 establish a Community Health Center Fund (referred to
25 in this section as the "CHC Fund"), to be administered

1 through the Office of the Secretary of the Department of
2 Health and Human Services to provide for expanded and
3 sustained national investment in community health cen-
4 ters under section 330 of the Public Health Service Act
5 and the National Health Service Corps.

6 (b) FUNDING.—There is authorized to be appro-
7 priated, and there is appropriated, out of any monies in
8 the Treasury not otherwise appropriated, to the CHC
9 Fund—

10 (1) to be transferred to the Secretary of Health
11 and Human Services to provide enhanced funding
12 for the community health center program under sec-
13 tion 330 of the Public Health Service Act—

14 (A) $700,000,000 for fiscal year 2011;

15 (B) $800,000,000 for fiscal year 2012;

16 (C) $1,000,000,000 for fiscal year 2013;

17 (D) $1,600,000,000 for fiscal year 2014;
18 and

19 (E) $2,900,000,000 for fiscal year 2015;
20 and

21 (2) to be transferred to the Secretary of Health
22 and Human Services to provide enhanced funding
23 for the National Health Service Corps—

24 (A) $290,000,000 for fiscal year 2011;

25 (B) $295,000,000 for fiscal year 2012;

(C) $300,000,000 for fiscal year 2013;

(D) $305,000,000 for fiscal year 2014; and

(E) $310,000,000 for fiscal year 2015.

(c) CONSTRUCTION.—There is authorized to be appropriated, and there is appropriated, out of any monies in the Treasury not otherwise appropriated, $1,500,000,000 to be available for fiscal years 2011 through 2015 to be used by the Secretary of Health and Human Services for the construction and renovation of community health centers.

(d) USE OF FUND.—The Secretary of Health and Human Services shall transfer amounts in the CHC Fund to accounts within the Department of Health and Human Services to increase funding, over the fiscal year 2008 level, for community health centers and the National Health Service Corps.

(e) AVAILABILITY.—Amounts appropriated under subsections (b) and (c) shall remain available until expended.

SEC. 10504. DEMONSTRATION PROJECT TO PROVIDE ACCESS TO AFFORDABLE CARE.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services (referred to in this section as the ''Sec-

1 retary''), acting through the Health Resources and Serv-
2 ices Administration, shall establish a 3 year demonstration
3 project in up to 10 States to provide access to comprehen-
4 sive health care services to the uninsured at reduced fees.
5 The Secretary shall evaluate the feasibility of expanding
6 the project to additional States.
7 (b) ELIGIBILITY.—To be eligible to participate in the
8 demonstration project, an entity shall be a State-based,
9 nonprofit, public-private partnership that provides access
10 to comprehensive health care services to the uninsured at
11 reduced fees. Each State in which a participant selected
12 by the Secretary is located shall receive not more than
13 $2,000,000 to establish and carry out the project for the
14 3-year demonstration period.
15 (c) AUTHORIZATION.—There is authorized to be ap-
16 propriated such sums as may be necessary to carry out
17 this section.

18 Subtitle F—Provisions Relating to 19 Title VI

20 SEC. 10601. REVISIONS TO LIMITATION ON MEDICARE EX- 21 CEPTION TO THE PROHIBITION ON CERTAIN 22 PHYSICIAN REFERRALS FOR HOSPITALS.

23 (a) IN GENERAL.—Section 1877(i) of the Social Se-
24 curity Act, as added by section 6001(a), is amended—

1 (1) in paragraph (1)(A)(i), by striking ''Feb-
2 ruary 1, 2010'' and inserting ''August 1, 2010''; and
3 (2) in paragraph (3)(A)—
4 (A) in clause (iii), by striking ''August 1,
5 2011'' and inserting ''February 1, 2012''; and
6 (B) in clause (iv), by striking ''July 1,
7 2011'' and inserting ''January 1, 2012''.
8 (b) CONFORMING AMENDMENT.—Section 6001(b)(2)
9 of this Act is amended by striking ''November 1, 2011''
10 and inserting ''May 1, 2012''.

11 **SEC. 10602. CLARIFICATIONS TO PATIENT-CENTERED OUT-**
12 **COMES RESEARCH.**

13 Section 1181 of the Social Security Act (as added by
14 section 6301) is amended—
15 (1) in subsection (d)(2)(B)—
16 (A) in clause (ii)(IV)—
17 (i) by inserting '', as described in sub-
18 paragraph (A)(ii),'' after ''original re-
19 search''; and
20 (ii) by inserting '', as long as the re-
21 searcher enters into a data use agreement
22 with the Institute for use of the data from
23 the original research, as appropriate'' after
24 ''publication''; and

1 (B) by amending clause (iv) to read as fol-
2 lows:
3 "(iv) SUBSEQUENT USE OF THE
4 DATA.—The Institute shall not allow the
5 subsequent use of data from original re-
6 search in work-for-hire contracts with indi-
7 viduals, entities, or instrumentalities that
8 have a financial interest in the results, un-
9 less approved under a data use agreement
10 with the Institute.";
11 (2) in subsection (d)(8)(A)(iv), by striking "not
12 be construed as mandates for" and inserting "do not
13 include"; and
14 (3) in subsection (f)(1)(C), by amending clause
15 (ii) to read as follows:
16 "(ii) 7 members representing physi-
17 cians and providers, including 4 members
18 representing physicians (at least 1 of
19 whom is a surgeon), 1 nurse, 1 State-li-
20 censed integrative health care practitioner,
21 and 1 representative of a hospital.".

1 **SEC. 10603. STRIKING PROVISIONS RELATING TO INDI-**
2 **VIDUAL PROVIDER APPLICATION FEES.**

3 (a) IN GENERAL.—Section 1866(j)(2)(C) of the So-
4 cial Security Act, as added by section 6401(a), is amend-
5 ed—

6 (1) by striking clause (i);

7 (2) by redesignating clauses (ii) through (iv),
8 respectively, as clauses (i) through (iii); and

9 (3) in clause (i), as redesignated by paragraph
10 (2), by striking ''clause (iii)'' and inserting ''clause
11 (ii)''.

12 (b) TECHNICAL CORRECTION.—Section 6401(a)(2)
13 of this Act is amended to read as follows:

14 ''(2) by redesignating paragraph (2) as para-
15 graph (8); and''.

16 **SEC. 10604. TECHNICAL CORRECTION TO SECTION 6405.**

17 Paragraphs (1) and (2) of section 6405(b) are
18 amended to read as follows:

19 ''(1) PART A.—Section 1814(a)(2) of the Social
20 Security Act (42 U.S.C. 1395(a)(2)) is amended in
21 the matter preceding subparagraph (A) by inserting
22 ', or, in the case of services described in subpara-
23 graph (C), a physician enrolled under section
24 1866(j),' after 'in collaboration with a physician,'.

25 ''(2) PART B.—Section 1835(a)(2) of the Social
26 Security Act (42 U.S.C. 1395n(a)(2)) is amended in

1 the matter preceding subparagraph (A) by inserting
2 ', or, in the case of services described in subpara-
3 graph (A), a physician enrolled under section
4 1866(j),' after 'a physician'.''.

5 **SEC. 10605. CERTAIN OTHER PROVIDERS PERMITTED TO**
6 **CONDUCT FACE TO FACE ENCOUNTER FOR**
7 **HOME HEALTH SERVICES.**

8 (a) PART A.—Section 1814(a)(2)(C) of the Social Se-
9 curity Act (42 U.S.C. 1395f(a)(2)(C)), as amended by sec-
10 tion 6407(a)(1), is amended by inserting '', or a nurse
11 practitioner or clinical nurse specialist (as those terms are
12 defined in section 1861(aa)(5)) who is working in collabo-
13 ration with the physician in accordance with State law,
14 or a certified nurse-midwife (as defined in section
15 1861(gg)) as authorized by State law, or a physician as-
16 sistant (as defined in section 1861(aa)(5)) under the su-
17 pervision of the physician,'' after ''himself or herself''.

18 (b) PART B.—Section 1835(a)(2)(A)(iv) of the Social
19 Security Act, as added by section 6407(a)(2), is amended
20 by inserting '', or a nurse practitioner or clinical nurse
21 specialist (as those terms are defined in section
22 1861(aa)(5)) who is working in collaboration with the phy-
23 sician in accordance with State law, or a certified nurse-
24 midwife (as defined in section 1861(gg)) as authorized by
25 State law, or a physician assistant (as defined in section

1 1861(aa)(5)) under the supervision of the physician,''
2 after ''must document that the physician''.
3 **SEC. 10606. HEALTH CARE FRAUD ENFORCEMENT.**
4 (a) FRAUD SENTENCING GUIDELINES.—
5 (1) DEFINITION.—In this subsection, the term
6 ''Federal health care offense'' has the meaning given
7 that term in section 24 of title 18, United States
8 Code, as amended by this Act.
9 (2) REVIEW AND AMENDMENTS.—Pursuant to
10 the authority under section 994 of title 28, United
11 States Code, and in accordance with this subsection,
12 the United States Sentencing Commission shall—
13 (A) review the Federal Sentencing Guide-
14 lines and policy statements applicable to per-
15 sons convicted of Federal health care offenses;
16 (B) amend the Federal Sentencing Guide-
17 lines and policy statements applicable to per-
18 sons convicted of Federal health care offenses
19 involving Government health care programs to
20 provide that the aggregate dollar amount of
21 fraudulent bills submitted to the Government
22 health care program shall constitute prima facie
23 evidence of the amount of the intended loss by
24 the defendant; and

1 (C) amend the Federal Sentencing Guide-
2 lines to provide—
3 (i) a 2-level increase in the offense
4 level for any defendant convicted of a Fed-
5 eral health care offense relating to a Gov-
6 ernment health care program which in-
7 volves a loss of not less than $1,000,000
8 and less than $7,000,000;
9 (ii) a 3-level increase in the offense
10 level for any defendant convicted of a Fed-
11 eral health care offense relating to a Gov-
12 ernment health care program which in-
13 volves a loss of not less than $7,000,000
14 and less than $20,000,000;
15 (iii) a 4-level increase in the offense
16 level for any defendant convicted of a Fed-
17 eral health care offense relating to a Gov-
18 ernment health care program which in-
19 volves a loss of not less than $20,000,000;
20 and
21 (iv) if appropriate, otherwise amend
22 the Federal Sentencing Guidelines and pol-
23 icy statements applicable to persons con-
24 victed of Federal health care offenses in-
25 volving Government health care programs.

1 (3) REQUIREMENTS.—In carrying this sub-
2 section, the United States Sentencing Commission
3 shall—
4 (A) ensure that the Federal Sentencing
5 Guidelines and policy statements—
6 (i) reflect the serious harms associ-
7 ated with health care fraud and the need
8 for aggressive and appropriate law enforce-
9 ment action to prevent such fraud; and
10 (ii) provide increased penalties for
11 persons convicted of health care fraud of-
12 fenses in appropriate circumstances;
13 (B) consult with individuals or groups rep-
14 resenting health care fraud victims, law enforce-
15 ment officials, the health care industry, and the
16 Federal judiciary as part of the review de-
17 scribed in paragraph (2);
18 (C) ensure reasonable consistency with
19 other relevant directives and with other guide-
20 lines under the Federal Sentencing Guidelines;
21 (D) account for any aggravating or miti-
22 gating circumstances that might justify excep-
23 tions, including circumstances for which the
24 Federal Sentencing Guidelines, as in effect on

1 the date of enactment of this Act, provide sen-
2 tencing enhancements;
3 (E) make any necessary conforming
4 changes to the Federal Sentencing Guidelines;
5 and
6 (F) ensure that the Federal Sentencing
7 Guidelines adequately meet the purposes of sen-
8 tencing.
9 (b) INTENT REQUIREMENT FOR HEALTH CARE
10 FRAUD.—Section 1347 of title 18, United States Code,
11 is amended—
12 (1) by inserting "(a)" before "Whoever know-
13 ingly"; and
14 (2) by adding at the end the following:
15 "(b) With respect to violations of this section, a per-
16 son need not have actual knowledge of this section or spe-
17 cific intent to commit a violation of this section.".
18 (c) HEALTH CARE FRAUD OFFENSE.—Section 24(a)
19 of title 18, United States Code, is amended—
20 (1) in paragraph (1), by striking the semicolon
21 and inserting "or section 1128B of the Social Secu-
22 rity Act (42 U.S.C. 1320a–7b); or"; and
23 (2) in paragraph (2)—
24 (A) by inserting "1349," after "1343,";
25 and

1 (B) by inserting ''section 301 of the Fed-
2 eral Food, Drug, and Cosmetic Act (21 U.S.C.
3 331), or section 501 of the Employee Retire-
4 ment Income Security Act of 1974 (29 U.S.C.
5 1131),'' after ''title,''.
6 (d) SUBPOENA AUTHORITY RELATING TO HEALTH
7 CARE.—
8 (1) SUBPOENAS UNDER THE HEALTH INSUR-
9 ANCE PORTABILITY AND ACCOUNTABILITY ACT OF
10 1996.—Section 1510(b) of title 18, United States
11 Code, is amended—
12 (A) in paragraph (1), by striking ''to the
13 grand jury''; and
14 (B) in paragraph (2)—
15 (i) in subparagraph (A), by striking
16 ''grand jury subpoena'' and inserting ''sub-
17 poena for records''; and
18 (ii) in the matter following subpara-
19 graph (B), by striking ''to the grand jury''.
20 (2) SUBPOENAS UNDER THE CIVIL RIGHTS OF
21 INSTITUTIONALIZED PERSONS ACT.—The Civil
22 Rights of Institutionalized Persons Act (42 U.S.C.
23 1997 et seq.) is amended by inserting after section
24 3 the following:

"SEC. 3A. SUBPOENA AUTHORITY.

"(a) AUTHORITY.—The Attorney General, or at the direction of the Attorney General, any officer or employee of the Department of Justice may require by subpoena access to any institution that is the subject of an investigation under this Act and to any document, record, material, file, report, memorandum, policy, procedure, investigation, video or audio recording, or quality assurance report relating to any institution that is the subject of an investigation under this Act to determine whether there are conditions which deprive persons residing in or confined to the institution of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States.

"(b) ISSUANCE AND ENFORCEMENT OF SUBPOENAS.—

"(1) ISSUANCE.—Subpoenas issued under this section—

"(A) shall bear the signature of the Attorney General or any officer or employee of the Department of Justice as designated by the Attorney General; and

"(B) shall be served by any person or class of persons designated by the Attorney General or a designated officer or employee for that purpose.

1 “(2) ENFORCEMENT.—In the case of contu-
2 macy or failure to obey a subpoena issued under this
3 section, the United States district court for the judi-
4 cial district in which the institution is located may
5 issue an order requiring compliance. Any failure to
6 obey the order of the court may be punished by the
7 court as a contempt that court.
8 “(c) PROTECTION OF SUBPOENAED RECORDS AND
9 INFORMATION.—Any document, record, material, file, re-
10 port, memorandum, policy, procedure, investigation, video
11 or audio recording, or quality assurance report or other
12 information obtained under a subpoena issued under this
13 section—
14 “(1) may not be used for any purpose other
15 than to protect the rights, privileges, or immunities
16 secured or protected by the Constitution or laws of
17 the United States of persons who reside, have re-
18 sided, or will reside in an institution;
19 “(2) may not be transmitted by or within the
20 Department of Justice for any purpose other than to
21 protect the rights, privileges, or immunities secured
22 or protected by the Constitution or laws of the
23 United States of persons who reside, have resided,
24 or will reside in an institution; and

"(3) shall be redacted, obscured, or otherwise altered if used in any publicly available manner so as to prevent the disclosure of any personally identifiable information.".

SEC. 10607. STATE DEMONSTRATION PROGRAMS TO EVALUATE ALTERNATIVES TO CURRENT MEDICAL TORT LITIGATION.

Part P of title III of the Public Health Service Act (42 U.S.C. 280g et seq.), as amended by this Act, is further amended by adding at the end the following:

"SEC. 399V–4. STATE DEMONSTRATION PROGRAMS TO EVALUATE ALTERNATIVES TO CURRENT MEDICAL TORT LITIGATION.

"(a) IN GENERAL.—The Secretary is authorized to award demonstration grants to States for the development, implementation, and evaluation of alternatives to current tort litigation for resolving disputes over injuries allegedly caused by health care providers or health care organizations. In awarding such grants, the Secretary shall ensure the diversity of the alternatives so funded.

"(b) DURATION.—The Secretary may award grants under subsection (a) for a period not to exceed 5 years.

"(c) CONDITIONS FOR DEMONSTRATION GRANTS.—

1 "(1) REQUIREMENTS.—Each State desiring a
2 grant under subsection (a) shall develop an alter-
3 native to current tort litigation that—
4 "(A) allows for the resolution of disputes
5 over injuries allegedly caused by health care
6 providers or health care organizations; and
7 "(B) promotes a reduction of health care
8 errors by encouraging the collection and anal-
9 ysis of patient safety data related to disputes
10 resolved under subparagraph (A) by organiza-
11 tions that engage in efforts to improve patient
12 safety and the quality of health care.
13 "(2) ALTERNATIVE TO CURRENT TORT LITIGA-
14 TION.—Each State desiring a grant under sub-
15 section (a) shall demonstrate how the proposed al-
16 ternative described in paragraph (1)(A)—
17 "(A) makes the medical liability system
18 more reliable by increasing the availability of
19 prompt and fair resolution of disputes;
20 "(B) encourages the efficient resolution of
21 disputes;
22 "(C) encourages the disclosure of health
23 care errors;

1 "(D) enhances patient safety by detecting,
2 analyzing, and helping to reduce medical errors
3 and adverse events;
4 "(E) improves access to liability insurance;
5 "(F) fully informs patients about the dif-
6 ferences in the alternative and current tort liti-
7 gation;
8 "(G) provides patients the ability to opt
9 out of or voluntarily withdraw from partici-
10 pating in the alternative at any time and to
11 pursue other options, including litigation, out-
12 side the alternative;
13 "(H) would not conflict with State law at
14 the time of the application in a way that would
15 prohibit the adoption of an alternative to cur-
16 rent tort litigation; and
17 "(I) would not limit or curtail a patient's
18 existing legal rights, ability to file a claim in or
19 access a State's legal system, or otherwise abro-
20 gate a patient's ability to file a medical mal-
21 practice claim.
22 "(3) SOURCES OF COMPENSATION.—Each State
23 desiring a grant under subsection (a) shall identify
24 the sources from and methods by which compensa-
25 tion would be paid for claims resolved under the pro-

1 posed alternative to current tort litigation, which
2 may include public or private funding sources, or a
3 combination of such sources. Funding methods shall
4 to the extent practicable provide financial incentives
5 for activities that improve patient safety.

6 "(4) SCOPE.—

7 "(A) IN GENERAL.—Each State desiring a
8 grant under subsection (a) shall establish a
9 scope of jurisdiction (such as Statewide, des-
10 ignated geographic region, a designated area of
11 health care practice, or a designated group of
12 health care providers or health care organiza-
13 tions) for the proposed alternative to current
14 tort litigation that is sufficient to evaluate the
15 effects of the alternative. No scope of jurisdic-
16 tion shall be established under this paragraph
17 that is based on a health care payer or patient
18 population.

19 "(B) NOTIFICATION OF PATIENTS.—A
20 State shall demonstrate how patients would be
21 notified that they are receiving health care serv-
22 ices that fall within such scope, and the process
23 by which they may opt out of or voluntarily
24 withdraw from participating in the alternative.
25 The decision of the patient whether to partici-

1 pate or continue participating in the alternative
2 process shall be made at any time and shall not
3 be limited in any way.
4 ‘‘(5) PREFERENCE IN AWARDING DEMONSTRA-
5 TION GRANTS.—In awarding grants under sub-
6 section (a), the Secretary shall give preference to
7 States—
8 ‘‘(A) that have developed the proposed al-
9 ternative through substantive consultation with
10 relevant stakeholders, including patient advo-
11 cates, health care providers and health care or-
12 ganizations, attorneys with expertise in rep-
13 resenting patients and health care providers,
14 medical malpractice insurers, and patient safety
15 experts;
16 ‘‘(B) that make proposals that are likely to
17 enhance patient safety by detecting, analyzing,
18 and helping to reduce medical errors and ad-
19 verse events; and
20 ‘‘(C) that make proposals that are likely to
21 improve access to liability insurance.
22 ‘‘(d) APPLICATION.—
23 ‘‘(1) IN GENERAL.—Each State desiring a
24 grant under subsection (a) shall submit to the Sec-
25 retary an application, at such time, in such manner,

1 and containing such information as the Secretary
2 may require.
3 ''(2) REVIEW PANEL.—
4 ''(A) IN GENERAL.—In reviewing applica-
5 tions under paragraph (1), the Secretary shall
6 consult with a review panel composed of rel-
7 evant experts appointed by the Comptroller
8 General.
9 ''(B) COMPOSITION.—
10 ''(i) NOMINATIONS.—The Comptroller
11 General shall solicit nominations from the
12 public for individuals to serve on the re-
13 view panel.
14 ''(ii) APPOINTMENT.—The Comp-
15 troller General shall appoint, at least 9 but
16 not more than 13, highly qualified and
17 knowledgeable individuals to serve on the
18 review panel and shall ensure that the fol-
19 lowing entities receive fair representation
20 on such panel:
21 ''(I) Patient advocates.
22 ''(II) Health care providers and
23 health care organizations.

1 "(III) Attorneys with expertise in
2 representing patients and health care
3 providers.
4 "(IV) Medical malpractice insur-
5 ers.
6 "(V) State officials.
7 "(VI) Patient safety experts.
8 "(C) CHAIRPERSON.—The Comptroller
9 General, or an individual within the Govern-
10 ment Accountability Office designated by the
11 Comptroller General, shall be the chairperson of
12 the review panel.
13 "(D) AVAILABILITY OF INFORMATION.—
14 The Comptroller General shall make available
15 to the review panel such information, personnel,
16 and administrative services and assistance as
17 the review panel may reasonably require to
18 carry out its duties.
19 "(E) INFORMATION FROM AGENCIES.—The
20 review panel may request directly from any de-
21 partment or agency of the United States any
22 information that such panel considers necessary
23 to carry out its duties. To the extent consistent
24 with applicable laws and regulations, the head

1 of such department or agency shall furnish the
2 requested information to the review panel.
3 ‘‘(e) REPORTS.—
4 ‘‘(1) BY STATE.—Each State receiving a grant
5 under subsection (a) shall submit to the Secretary
6 an annual report evaluating the effectiveness of ac-
7 tivities funded with grants awarded under such sub-
8 section. Such report shall, at a minimum, include
9 the impact of the activities funded on patient safety
10 and on the availability and price of medical liability
11 insurance.
12 ‘‘(2) BY SECRETARY.—The Secretary shall sub-
13 mit to Congress an annual compendium of the re-
14 ports submitted under paragraph (1) and an anal-
15 ysis of the activities funded under subsection (a)
16 that examines any differences that result from such
17 activities in terms of the quality of care, number and
18 nature of medical errors, medical resources used,
19 length of time for dispute resolution, and the avail-
20 ability and price of liability insurance.
21 ‘‘(f) TECHNICAL ASSISTANCE.—
22 ‘‘(1) IN GENERAL.—The Secretary shall provide
23 technical assistance to the States applying for or
24 awarded grants under subsection (a).

1 "(2) REQUIREMENTS.—Technical assistance
2 under paragraph (1) shall include—
3 "(A) guidance on non-economic damages,
4 including the consideration of individual facts
5 and circumstances in determining appropriate
6 payment, guidance on identifying avoidable in-
7 juries, and guidance on disclosure to patients of
8 health care errors and adverse events; and
9 "(B) the development, in consultation with
10 States, of common definitions, formats, and
11 data collection infrastructure for States receiv-
12 ing grants under this section to use in reporting
13 to facilitate aggregation and analysis of data
14 both within and between States.
15 "(3) USE OF COMMON DEFINITIONS, FORMATS,
16 AND DATA COLLECTION INFRASTRUCTURE.—States
17 not receiving grants under this section may also use
18 the common definitions, formats, and data collection
19 infrastructure developed under paragraph (2)(B).
20 "(g) EVALUATION.—
21 "(1) IN GENERAL.—The Secretary, in consulta-
22 tion with the review panel established under sub-
23 section (d)(2), shall enter into a contract with an ap-
24 propriate research organization to conduct an overall
25 evaluation of the effectiveness of grants awarded

1 under subsection (a) and to annually prepare and
2 submit a report to Congress. Such an evaluation
3 shall begin not later than 18 months following the
4 date of implementation of the first program funded
5 by a grant under subsection (a).
6 ''(2) CONTENTS.—The evaluation under para-
7 graph (1) shall include—
8 ''(A) an analysis of the effects of the
9 grants awarded under subsection (a) with re-
10 gard to the measures described in paragraph
11 (3);
12 ''(B) for each State, an analysis of the ex-
13 tent to which the alternative developed under
14 subsection (c)(1) is effective in meeting the ele-
15 ments described in subsection (c)(2);
16 ''(C) a comparison among the States re-
17 ceiving grants under subsection (a) of the effec-
18 tiveness of the various alternatives developed by
19 such States under subsection (c)(1);
20 ''(D) a comparison, considering the meas-
21 ures described in paragraph (3), of States re-
22 ceiving grants approved under subsection (a)
23 and similar States not receiving such grants;
24 and

1 "(E) a comparison, with regard to the
2 measures described in paragraph (3), of—
3 "(i) States receiving grants under
4 subsection (a);
5 "(ii) States that enacted, prior to the
6 date of enactment of the Patient Protec-
7 tion and Affordable Care Act, any cap on
8 non-economic damages; and
9 "(iii) States that have enacted, prior
10 to the date of enactment of the Patient
11 Protection and Affordable Care Act, a re-
12 quirement that the complainant obtain an
13 opinion regarding the merit of the claim,
14 although the substance of such opinion
15 may have no bearing on whether the com-
16 plainant may proceed with a case.
17 "(3) MEASURES.—The evaluations under para-
18 graph (2) shall analyze and make comparisons on
19 the basis of—
20 "(A) the nature and number of disputes
21 over injuries allegedly caused by health care
22 providers or health care organizations;
23 "(B) the nature and number of claims in
24 which tort litigation was pursued despite the ex-
25 istence of an alternative under subsection (a);

1 "(C) the disposition of disputes and claims,
2 including the length of time and estimated costs
3 to all parties;
4 "(D) the medical liability environment;
5 "(E) health care quality;
6 "(F) patient safety in terms of detecting,
7 analyzing, and helping to reduce medical errors
8 and adverse events;
9 "(G) patient and health care provider and
10 organization satisfaction with the alternative
11 under subsection (a) and with the medical li-
12 ability environment; and
13 "(H) impact on utilization of medical serv-
14 ices, appropriately adjusted for risk.
15 "(4) FUNDING.—The Secretary shall reserve 5
16 percent of the amount appropriated in each fiscal
17 year under subsection (k) to carry out this sub-
18 section.
19 "(h) MEDPAC AND MACPAC REPORTS.—
20 "(1) MEDPAC.—The Medicare Payment Advi-
21 sory Commission shall conduct an independent re-
22 view of the alternatives to current tort litigation that
23 are implemented under grants under subsection (a)
24 to determine the impact of such alternatives on the

1 Medicare program under title XVIII of the Social
2 Security Act, and its beneficiaries.
3 "(2) MACPAC.—The Medicaid and CHIP Pay-
4 ment and Access Commission shall conduct an inde-
5 pendent review of the alternatives to current tort
6 litigation that are implemented under grants under
7 subsection (a) to determine the impact of such alter-
8 natives on the Medicaid or CHIP programs under ti-
9 tles XIX and XXI of the Social Security Act, and
10 their beneficiaries.
11 "(3) REPORTS.—Not later than December 31,
12 2016, the Medicare Payment Advisory Commission
13 and the Medicaid and CHIP Payment and Access
14 Commission shall each submit to Congress a report
15 that includes the findings and recommendations of
16 each respective Commission based on independent
17 reviews conducted under paragraphs (1) and (2), in-
18 cluding an analysis of the impact of the alternatives
19 reviewed on the efficiency and effectiveness of the
20 respective programs.
21 "(i) OPTION TO PROVIDE FOR INITIAL PLANNING
22 GRANTS.—Of the funds appropriated pursuant to sub-
23 section (k), the Secretary may use a portion not to exceed
24 $500,000 per State to provide planning grants to such
25 States for the development of demonstration project appli-

1 cations meeting the criteria described in subsection (c).
2 In selecting States to receive such planning grants, the
3 Secretary shall give preference to those States in which
4 State law at the time of the application would not prohibit
5 the adoption of an alternative to current tort litigation.
6 ''(j) DEFINITIONS.—In this section:
7 ''(1) HEALTH CARE SERVICES.—The term
8 'health care services' means any services provided by
9 a health care provider, or by any individual working
10 under the supervision of a health care provider, that
11 relate to—
12 ''(A) the diagnosis, prevention, or treat-
13 ment of any human disease or impairment; or
14 ''(B) the assessment of the health of
15 human beings.
16 ''(2) HEALTH CARE ORGANIZATION.—The term
17 'health care organization' means any individual or
18 entity which is obligated to provide, pay for, or ad-
19 minister health benefits under any health plan.
20 ''(3) HEALTH CARE PROVIDER.—The term
21 'health care provider' means any individual or enti-
22 ty—
23 ''(A) licensed, registered, or certified under
24 Federal or State laws or regulations to provide
25 health care services; or

1 "(B) required to be so licensed, registered,
2 or certified but that is exempted by other stat-
3 ute or regulation.

4 "(k) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to carry out this section,
6 $50,000,000 for the 5-fiscal year period beginning with
7 fiscal year 2011.

8 "(l) CURRENT STATE EFFORTS TO ESTABLISH AL-
9 TERNATIVE TO TORT LITIGATION.—Nothing in this sec-
10 tion shall be construed to limit any prior, current, or fu-
11 ture efforts of any State to establish any alternative to
12 tort litigation.

13 "(m) RULE OF CONSTRUCTION.—Nothing in this sec-
14 tion shall be construed as limiting states' authority over
15 or responsibility for their state justice systems.".

16 **SEC. 10608. EXTENSION OF MEDICAL MALPRACTICE COV-**
17 **ERAGE TO FREE CLINICS.**

18 (a) IN GENERAL.—Section 224(o)(1) of the Public
19 Health Service Act (42 U.S.C. 233(o)(1)) is amended by
20 inserting after "to an individual" the following: ", or an
21 officer, governing board member, employee, or contractor
22 of a free clinic shall in providing services for the free clin-
23 ic,".

24 (b) EFFECTIVE DATE.—The amendment made by
25 this section shall take effect on the date of enactment of

1 this Act and apply to any act or omission which occurs
2 on or after that date.

3 **SEC. 10609. LABELING CHANGES.**

4 Section 505(j) of the Federal Food, Drug, and Cos-
5 metic Act (21 U.S.C. 355(j)) is amended by adding at the
6 end the following:

7 ''(10)(A) If the proposed labeling of a drug that is
8 the subject of an application under this subsection differs
9 from the listed drug due to a labeling revision described
10 under clause (i), the drug that is the subject of such appli-
11 cation shall, notwithstanding any other provision of this
12 Act, be eligible for approval and shall not be considered
13 misbranded under section 502 if—

14 ''(i) the application is otherwise eligible for ap-
15 proval under this subsection but for expiration of
16 patent, an exclusivity period, or of a delay in ap-
17 proval described in paragraph (5)(B)(iii), and a revi-
18 sion to the labeling of the listed drug has been ap-
19 proved by the Secretary within 60 days of such expi-
20 ration;

21 ''(ii) the labeling revision described under clause
22 (i) does not include a change to the 'Warnings' sec-
23 tion of the labeling;

24 ''(iii) the sponsor of the application under this
25 subsection agrees to submit revised labeling of the

1 drug that is the subject of such application not later
2 than 60 days after the notification of any changes
3 to such labeling required by the Secretary; and
4 ''(iv) such application otherwise meets the ap-
5 plicable requirements for approval under this sub-
6 section.
7 ''(B) If, after a labeling revision described in sub-
8 paragraph (A)(i), the Secretary determines that the con-
9 tinued presence in interstate commerce of the labeling of
10 the listed drug (as in effect before the revision described
11 in subparagraph (A)(i)) adversely impacts the safe use of
12 the drug, no application under this subsection shall be eli-
13 gible for approval with such labeling.''.

14 Subtitle G—Provisions Relating to 15 Title VIII

16 **SEC. 10801. PROVISIONS RELATING TO TITLE VIII.**

17 (a) Title XXXII of the Public Health Service Act,
18 as added by section 8002(a)(1), is amended—
19 (1) in section 3203—
20 (A) in subsection (a)(1), by striking sub-
21 paragraph (E);
22 (B) in subsection (b)(1)(C)(i), by striking
23 ''for enrollment'' and inserting ''for reenroll-
24 ment''; and

1 (C) in subsection (c)(1), by striking '', as
2 part of their automatic enrollment in the
3 CLASS program,''; and
4 (2) in section 3204—
5 (A) in subsection (c)(2), by striking sub-
6 paragraph (A) and inserting the following:
7 ''(A) receives wages or income on which
8 there is imposed a tax under section 3101(a) or
9 3201(a) of the Internal Revenue Code of 1986;
10 or'';
11 (B) in subsection (d), by striking ''sub-
12 paragraph (B) or (C) of subsection (c)(1)'' and
13 inserting ''subparagraph (A) or (B) of sub-
14 section (c)(2)'';
15 (C) in subsection (e)(2)(A), by striking
16 ''subparagraph (A)'' and inserting ''paragraph
17 (1)''; and
18 (D) in subsection (g)(1), by striking ''has
19 elected to waive enrollment'' and inserting ''has
20 not enrolled''.
21 (b) Section 8002 of this Act is amended in the head-
22 ing for subsection (d), by striking ''INFORMATION ON SUP-
23 PLEMENTAL COVERAGE'' and inserting ''CLASS PRO-
24 GRAM INFORMATION''.

(c) Section 6021(d)(2)(A)(iv) of the Deficit Reduction Act of 2005, as added by section 8002(d) of this Act, is amended by striking ‘‘and coverage available’’ and all that follows through ‘‘that program,’’.

Subtitle H—Provisions Relating to Title IX

SEC. 10901. MODIFICATIONS TO EXCISE TAX ON HIGH COST EMPLOYER-SPONSORED HEALTH COVERAGE.

(a) LONGSHORE WORKERS TREATED AS EMPLOYEES ENGAGED IN HIGH-RISK PROFESSIONS.—Paragraph (3) of section 4980I(f) of the Internal Revenue Code of 1986, as added by section 9001 of this Act, is amended by inserting ‘‘individuals whose primary work is longshore work (as defined in section 258(b) of the Immigration and Nationality Act (8 U.S.C. 1288(b)), determined without regard to paragraph (2) thereof),’’ before ‘‘and individuals engaged in the construction, mining’’.

(b) EXEMPTION FROM HIGH-COST INSURANCE TAX INCLUDES CERTAIN ADDITIONAL EXCEPTED BENEFITS.—Clause (i) of section 4980I(d)(1)(B) of the Internal Revenue Code of 1986, as added by section 9001 of this Act, is amended by striking ‘‘section 9832(c)(1)(A)’’ and inserting ‘‘section 9832(c)(1) (other than subparagraph (G) thereof)’’.

1 (c) EFFECTIVE DATE.—The amendments made by
2 this section shall apply to taxable years beginning after
3 December 31, 2012.

4 **SEC. 10902. INFLATION ADJUSTMENT OF LIMITATION ON**
5 **HEALTH FLEXIBLE SPENDING ARRANGE-**
6 **MENTS UNDER CAFETERIA PLANS.**

7 (a) IN GENERAL.—Subsection (i) of section 125 of
8 the Internal Revenue Code of 1986, as added by section
9 9005 of this Act, is amended to read as follows:

10 ''(i) LIMITATION ON HEALTH FLEXIBLE SPENDING
11 ARRANGEMENTS.—

12 ''(1) IN GENERAL.—For purposes of this sec-
13 tion, if a benefit is provided under a cafeteria plan
14 through employer contributions to a health flexible
15 spending arrangement, such benefit shall not be
16 treated as a qualified benefit unless the cafeteria
17 plan provides that an employee may not elect for
18 any taxable year to have salary reduction contribu-
19 tions in excess of $2,500 made to such arrangement.

20 ''(2) ADJUSTMENT FOR INFLATION.—In the
21 case of any taxable year beginning after December
22 31, 2011, the dollar amount in paragraph (1) shall
23 be increased by an amount equal to—

24 ''(A) such amount, multiplied by

1 ''(B) the cost-of-living adjustment deter-
2 mined under section 1(f)(3) for the calendar
3 year in which such taxable year begins by sub-
4 stituting 'calendar year 2010' for 'calendar year
5 1992' in subparagraph (B) thereof.

6 If any increase determined under this paragraph is
7 not a multiple of $50, such increase shall be rounded
8 to the next lowest multiple of $50.''.

9 (b) EFFECTIVE DATE.—The amendment made by
10 this section shall apply to taxable years beginning after
11 December 31, 2010.

12 **SEC. 10903. MODIFICATION OF LIMITATION ON CHARGES**
13 **BY CHARITABLE HOSPITALS.**

14 (a) IN GENERAL.—Subparagraph (A) of section
15 501(r)(5) of the Internal Revenue Code of 1986, as added
16 by section 9007 of this Act, is amended by striking ''the
17 lowest amounts charged'' and inserting ''the amounts gen-
18 erally billed''.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to taxable years beginning after
21 the date of the enactment of this Act.

22 **SEC. 10904. MODIFICATION OF ANNUAL FEE ON MEDICAL**
23 **DEVICE MANUFACTURERS AND IMPORTERS.**

24 (a) IN GENERAL.—Section 9009 of this Act is
25 amended—

1 (1) by striking "2009" in subsection (a)(1) and
2 inserting "2010",
3 (2) by inserting "($3,000,000,000 after 2017)"
4 after "$2,000,000,000", and
5 (3) by striking "2008" in subsection (i) and in-
6 serting "2009".
7 (b) EFFECTIVE DATE.—The amendments made by
8 this section shall take effect as if included in the enact-
9 ment of section 9009.

10 **SEC. 10905. MODIFICATION OF ANNUAL FEE ON HEALTH IN-**
11 **SURANCE PROVIDERS.**

12 (a) DETERMINATION OF FEE AMOUNT.—Subsection
13 (b) of section 9010 of this Act is amended to read as fol-
14 lows:
15 "(b) DETERMINATION OF FEE AMOUNT.—
16 "(1) IN GENERAL.—With respect to each cov-
17 ered entity, the fee under this section for any cal-
18 endar year shall be equal to an amount that bears
19 the same ratio to the applicable amount as—
20 "(A) the covered entity's net premiums
21 written with respect to health insurance for any
22 United States health risk that are taken into
23 account during the preceding calendar year,
24 bears to

1 "(B) the aggregate net premiums written
2 with respect to such health insurance of all cov-
3 ered entities that are taken into account during
4 such preceding calendar year.
5 "(2) AMOUNTS TAKEN INTO ACCOUNT.—For
6 purposes of paragraph (1), the net premiums written
7 with respect to health insurance for any United
8 States health risk that are taken into account during
9 any calendar year with respect to any covered entity
10 shall be determined in accordance with the following
11 table:

"With respect to a covered entity's net premiums written during the calendar year that are:	The percentage of net premiums written that are taken into account is:
Not more than $25,000,000	0 percent
More than $25,000,000 but not more than $50,000,000.	50 percent
More than $50,000,000	100 percent.

12 "(3) SECRETARIAL DETERMINATION.—The Sec-
13 retary shall calculate the amount of each covered en-
14 tity's fee for any calendar year under paragraph (1).
15 In calculating such amount, the Secretary shall de-
16 termine such covered entity's net premiums written
17 with respect to any United States health risk on the
18 basis of reports submitted by the covered entity
19 under subsection (g) and through the use of any
20 other source of information available to the Sec-
21 retary.".

1 (b) APPLICABLE AMOUNT.—Subsection (e) of section
2 9010 of this Act is amended to read as follows:
3 ''(e) APPLICABLE AMOUNT.—For purposes of sub-
4 section (b)(1), the applicable amount shall be determined
5 in accordance with the following table:

''Calendar year	**Applicable amount**
2011	$2,000,000,000
2012	$4,000,000,000
2013	$7,000,000,000
2014, 2015 and 2016	$9,000,000,000
2017 and thereafter	$10,000,000,000.''.

6 (c) EXEMPTION FROM ANNUAL FEE ON HEALTH IN-
7 SURANCE FOR CERTAIN NONPROFIT ENTITIES.—Section
8 9010(c)(2) of this Act is amended by striking ''or'' at the
9 end of subparagraph (A), by striking the period at the
10 end of subparagraph (B) and inserting a comma, and by
11 adding at the end the following new subparagraphs:
12 ''(C) any entity—
13 ''(i)(I) which is incorporated as, is a
14 wholly owned subsidiary of, or is a wholly
15 owned affiliate of, a nonprofit corporation
16 under a State law, or
17 ''(II) which is described in section
18 501(c)(4) of the Internal Revenue Code of
19 1986 and the activities of which consist of
20 providing commercial-type insurance (with-
21 in the meaning of section 501(m) of such
22 Code),

1 "(ii) the premium rate increases of
2 which are regulated by a State authority,
3 "(iii) which, as of the date of the en-
4 actment of this section, acts as the insurer
5 of last resort in the State and is subject to
6 State guarantee issue requirements, and
7 "(iv) for which the medical loss ratio
8 (determined in a manner consistent with
9 the determination of such ratio under sec-
10 tion 2718(b)(1)(A) of the Public Health
11 Service Act) with respect to the individual
12 insurance market for such entity for the
13 calendar year is not less than 100 percent,
14 "(D) any entity—
15 "(i)(I) which is incorporated as a non-
16 profit corporation under a State law, or
17 "(II) which is described in section
18 501(c)(4) of the Internal Revenue Code of
19 1986 and the activities of which consist of
20 providing commercial-type insurance (with-
21 in the meaning of section 501(m) of such
22 Code), and
23 "(ii) for which the medical loss ratio
24 (as so determined)—

1 "(I) with respect to each of the
2 individual, small group, and large
3 group insurance markets for such en-
4 tity for the calendar year is not less
5 than 90 percent, and
6 "(II) with respect to all such
7 markets for such entity for the cal-
8 endar year is not less than 92 per-
9 cent, or
10 "(E) any entity—
11 "(i) which is a mutual insurance com-
12 pany,
13 "(ii) which for the period reported on
14 the 2008 Accident and Health Policy Ex-
15 perience Exhibit of the National Associa-
16 tion of Insurance Commissioners had—
17 "(I) a market share of the in-
18 sured population of a State of at least
19 40 but not more than 60 percent, and
20 "(II) with respect to all markets
21 described in subparagraph (D)(ii)(I),
22 a medical loss ratio of not less than
23 90 percent, and
24 "(iii) with respect to annual payment
25 dates in calendar years after 2011, for

1 which the medical loss ratio (determined in
2 a manner consistent with the determina-
3 tion of such ratio under section
4 2718(b)(1)(A) of the Public Health Service
5 Act) with respect to all such markets for
6 such entity for the preceding calendar year
7 is not less than 89 percent (except that
8 with respect to such annual payment date
9 for 2012, the calculation under
10 2718(b)(1)(B)(ii) of such Act is deter-
11 mined by reference to the previous year,
12 and with respect to such annual payment
13 date for 2013, such calculation is deter-
14 mined by reference to the average for the
15 previous 2 years).''.
16 (d) CERTAIN INSURANCE EXEMPTED FROM FEE.—
17 Paragraph (3) of section 9010(h) of this Act is amended
18 to read as follows:
19 ''(3) HEALTH INSURANCE.—The term 'health
20 insurance' shall not include—
21 ''(A) any insurance coverage described in
22 paragraph (1)(A) or (3) of section 9832(c) of
23 the Internal Revenue Code of 1986,
24 ''(B) any insurance for long-term care, or

1 "(C) any medicare supplemental health in-
2 surance (as defined in section 1882(g)(1) of the
3 Social Security Act).".
4 (e) ANTI-AVOIDANCE GUIDANCE.—Subsection (i) of
5 section 9010 of this Act is amended by inserting "and
6 shall prescribe such regulations as are necessary or appro-
7 priate to prevent avoidance of the purposes of this section,
8 including inappropriate actions taken to qualify as an ex-
9 empt entity under subsection (c)(2)" after "section".
10 (f) CONFORMING AMENDMENTS.—
11 (1) Section 9010(a)(1) of this Act is amended
12 by striking "2009" and inserting "2010".
13 (2) Section 9010(c)(2)(B) of this Act is amend-
14 ed by striking "(except" and all that follows through
15 "1323)".
16 (3) Section 9010(c)(3) of this Act is amended
17 by adding at the end the following new sentence: "If
18 any entity described in subparagraph (C)(i)(I),
19 (D)(i)(I), or (E)(i) of paragraph (2) is treated as a
20 covered entity by reason of the application of the
21 preceding sentence, the net premiums written with
22 respect to health insurance for any United States
23 health risk of such entity shall not be taken into ac-
24 count for purposes of this section.".

1 (4) Section 9010(g)(1) of this Act is amended
2 by striking "and third party administration agree-
3 ment fees".
4 (5) Section 9010(j) of this Act is amended—
5 (A) by striking "2008" and inserting
6 "2009", and
7 (B) by striking ", and any third party ad-
8 ministration agreement fees received after such
9 date".
10 (g) EFFECTIVE DATE.—The amendments made by
11 this section shall take effect as if included in the enact-
12 ment of section 9010.

13 **SEC. 10906. MODIFICATIONS TO ADDITIONAL HOSPITAL IN-**
14 **SURANCE TAX ON HIGH-INCOME TAXPAYERS.**

15 (a) FICA.—Section 3101(b)(2) of the Internal Rev-
16 enue Code of 1986, as added by section 9015(a)(1) of this
17 Act, is amended by striking "0.5 percent" and inserting
18 "0.9 percent".
19 (b) SECA.—Section 1401(b)(2)(A) of the Internal
20 Revenue Code of 1986, as added by section 9015(b)(1)
21 of this Act, is amended by striking "0.5 percent" and in-
22 serting "0.9 percent".
23 (c) EFFECTIVE DATE.—The amendments made by
24 this section shall apply with respect to remuneration re-

1 ceived, and taxable years beginning, after December 31,
2 2012.

3 **SEC. 10907. EXCISE TAX ON INDOOR TANNING SERVICES IN**
4 **LIEU OF ELECTIVE COSMETIC MEDICAL PRO-**
5 **CEDURES.**

6 (a) IN GENERAL.—The provisions of, and amend-
7 ments made by, section 9017 of this Act are hereby
8 deemed null, void, and of no effect.

9 (b) EXCISE TAX ON INDOOR TANNING SERVICES.—
10 Subtitle D of the Internal Revenue Code of 1986, as
11 amended by this Act, is amended by adding at the end
12 the following new chapter:

13 **“CHAPTER 49—COSMETIC SERVICES**

“Sec. 5000B. Imposition of tax on indoor tanning services.

14 **“SEC. 5000B. IMPOSITION OF TAX ON INDOOR TANNING**
15 **SERVICES.**

16 “(a) IN GENERAL.—There is hereby imposed on any
17 indoor tanning service a tax equal to 10 percent of the
18 amount paid for such service (determined without regard
19 to this section), whether paid by insurance or otherwise.

20 “(b) INDOOR TANNING SERVICE.—For purposes of
21 this section—

22 “(1) IN GENERAL.—The term ‘indoor tanning
23 service’ means a service employing any electronic
24 product designed to incorporate 1 or more ultraviolet

1 lamps and intended for the irradiation of an indi-
2 vidual by ultraviolet radiation, with wavelengths in
3 air between 200 and 400 nanometers, to induce skin
4 tanning.

5 "(2) EXCLUSION OF PHOTOTHERAPY SERV-
6 ICES.—Such term does not include any phototherapy
7 service performed by a licensed medical professional.

8 "(c) PAYMENT OF TAX.—

9 "(1) IN GENERAL.—The tax imposed by this
10 section shall be paid by the individual on whom the
11 service is performed.

12 "(2) COLLECTION.—Every person receiving a
13 payment for services on which a tax is imposed
14 under subsection (a) shall collect the amount of the
15 tax from the individual on whom the service is per-
16 formed and remit such tax quarterly to the Sec-
17 retary at such time and in such manner as provided
18 by the Secretary.

19 "(3) SECONDARY LIABILITY.—Where any tax
20 imposed by subsection (a) is not paid at the time
21 payments for indoor tanning services are made, then
22 to the extent that such tax is not collected, such tax
23 shall be paid by the person who performs the serv-
24 ice.".

1 (c) CLERICAL AMENDMENT.—The table of chapter
2 for subtitle D of the Internal Revenue Code of 1986, as
3 amended by this Act, is amended by inserting after the
4 item relating to chapter 48 the following new item:

"CHAPTER 49—COSMETIC SERVICES".

5 (d) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to services performed on or after
7 July 1, 2010.

8 **SEC. 10908. EXCLUSION FOR ASSISTANCE PROVIDED TO**
9 **PARTICIPANTS IN STATE STUDENT LOAN RE-**
10 **PAYMENT PROGRAMS FOR CERTAIN HEALTH**
11 **PROFESSIONALS.**

12 (a) IN GENERAL.—Paragraph (4) of section 108(f)
13 of the Internal Revenue Code of 1986 is amended to read
14 as follows:

15 "(4) PAYMENTS UNDER NATIONAL HEALTH
16 SERVICE CORPS LOAN REPAYMENT PROGRAM AND
17 CERTAIN STATE LOAN REPAYMENT PROGRAMS.—In
18 the case of an individual, gross income shall not in-
19 clude any amount received under section 338B(g) of
20 the Public Health Service Act, under a State pro-
21 gram described in section 338I of such Act, or under
22 any other State loan repayment or loan forgiveness
23 program that is intended to provide for the in-
24 creased availability of health care services in under-

1 served or health professional shortage areas (as de-
2 termined by such State).''.
3 (b) EFFECTIVE DATE.—The amendment made by
4 this section shall apply to amounts received by an indi-
5 vidual in taxable years beginning after December 31,
6 2008.

7 **SEC. 10909. EXPANSION OF ADOPTION CREDIT AND ADOP-**
8 **TION ASSISTANCE PROGRAMS.**

9 (a) INCREASE IN DOLLAR LIMITATION.—
10 (1) ADOPTION CREDIT.—
11 (A) IN GENERAL.—Paragraph (1) of sec-
12 tion 23(b) of the Internal Revenue Code of
13 1986 (relating to dollar limitation) is amended
14 by striking ''$10,000'' and inserting ''$13,170''.
15 (B) CHILD WITH SPECIAL NEEDS.—Para-
16 graph (3) of section 23(a) of such Code (relat-
17 ing to $10,000 credit for adoption of child with
18 special needs regardless of expenses) is amend-
19 ed—
20 (i) in the text by striking ''$10,000''
21 and inserting ''$13,170'', and
22 (ii) in the heading by striking
23 ''$10,000'' and inserting ''$13,170''.
24 (C) CONFORMING AMENDMENT TO INFLA-
25 TION ADJUSTMENT.—Subsection (h) of section

1 23 of such Code (relating to adjustments for in-
2 flation) is amended to read as follows:
3 ‘‘(h) ADJUSTMENTS FOR INFLATION.—
4 ‘‘(1) DOLLAR LIMITATIONS.—In the case of a
5 taxable year beginning after December 31, 2010,
6 each of the dollar amounts in subsections (a)(3) and
7 (b)(1) shall be increased by an amount equal to—
8 ‘‘(A) such dollar amount, multiplied by
9 ‘‘(B) the cost-of-living adjustment deter-
10 mined under section 1(f)(3) for the calendar
11 year in which the taxable year begins, deter-
12 mined by substituting ‘calendar year 2009’ for
13 ‘calendar year 1992’ in subparagraph (B)
14 thereof.
15 If any amount as increased under the preceding sen-
16 tence is not a multiple of $10, such amount shall be
17 rounded to the nearest multiple of $10.
18 ‘‘(2) INCOME LIMITATION.—In the case of a
19 taxable year beginning after December 31, 2002, the
20 dollar amount in subsection (b)(2)(A)(i) shall be in-
21 creased by an amount equal to—
22 ‘‘(A) such dollar amount, multiplied by
23 ‘‘(B) the cost-of-living adjustment deter-
24 mined under section 1(f)(3) for the calendar
25 year in which the taxable year begins, deter-

1 mined by substituting 'calendar year 2001' for
2 'calendar year 1992' in subparagraph (B)
3 thereof.
4 If any amount as increased under the preceding sen-
5 tence is not a multiple of $10, such amount shall be
6 rounded to the nearest multiple of $10.''.
7 (2) ADOPTION ASSISTANCE PROGRAMS.—
8 (A) IN GENERAL.—Paragraph (1) of sec-
9 tion 137(b) of the Internal Revenue Code of
10 1986 (relating to dollar limitation) is amended
11 by striking ''$10,000'' and inserting ''$13,170''.
12 (B) CHILD WITH SPECIAL NEEDS.—Para-
13 graph (2) of section 137(a) of such Code (relat-
14 ing to $10,000 exclusion for adoption of child
15 with special needs regardless of expenses) is
16 amended—
17 (i) in the text by striking ''$10,000''
18 and inserting ''$13,170'', and
19 (ii) in the heading by striking
20 ''$10,000'' and inserting ''$13,170''.
21 (C) CONFORMING AMENDMENT TO INFLA-
22 TION ADJUSTMENT.—Subsection (f) of section
23 137 of such Code (relating to adjustments for
24 inflation) is amended to read as follows:
25 ''(f) ADJUSTMENTS FOR INFLATION.—

1 "(1) DOLLAR LIMITATIONS.—In the case of a
2 taxable year beginning after December 31, 2010,
3 each of the dollar amounts in subsections (a)(2) and
4 (b)(1) shall be increased by an amount equal to—
5 "(A) such dollar amount, multiplied by
6 "(B) the cost-of-living adjustment deter-
7 mined under section 1(f)(3) for the calendar
8 year in which the taxable year begins, deter-
9 mined by substituting 'calendar year 2009' for
10 'calendar year 1992' in subparagraph (B)
11 thereof.
12 If any amount as increased under the preceding sen-
13 tence is not a multiple of $10, such amount shall be
14 rounded to the nearest multiple of $10.
15 "(2) INCOME LIMITATION.—In the case of a
16 taxable year beginning after December 31, 2002, the
17 dollar amount in subsection (b)(2)(A) shall be in-
18 creased by an amount equal to—
19 "(A) such dollar amount, multiplied by
20 "(B) the cost-of-living adjustment deter-
21 mined under section 1(f)(3) for the calendar
22 year in which the taxable year begins, deter-
23 mined by substituting 'calendar year 2001' for
24 'calendar year 1992' in subparagraph thereof.

1 If any amount as increased under the preceding sen-
2 tence is not a multiple of $10, such amount shall be
3 rounded to the nearest multiple of $10.''.
4 (b) CREDIT MADE REFUNDABLE.—
5 (1) CREDIT MOVED TO SUBPART RELATING TO
6 REFUNDABLE CREDITS.—The Internal Revenue
7 Code of 1986 is amended—
8 (A) by redesignating section 23, as amend-
9 ed by subsection (a), as section 36C, and
10 (B) by moving section 36C (as so redesig-
11 nated) from subpart A of part IV of subchapter
12 A of chapter 1 to the location immediately be-
13 fore section 37 in subpart C of part IV of sub-
14 chapter A of chapter 1.
15 (2) CONFORMING AMENDMENTS.—
16 (A) Section 24(b)(3)(B) of such Code is
17 amended by striking ''23,''.
18 (B) Section 25(e)(1)(C) of such Code is
19 amended by striking ''23,'' both places it ap-
20 pears.
21 (C) Section 25A(i)(5)(B) of such Code is
22 amended by striking ''23, 25D,'' and inserting
23 ''25D''.
24 (D) Section 25B(g)(2) of such Code is
25 amended by striking ''23,''.

1 (E) Section 26(a)(1) of such Code is
2 amended by striking ‘‘23,’’.
3 (F) Section 30(c)(2)(B)(ii) of such Code is
4 amended by striking ‘‘23, 25D,’’ and inserting
5 ‘‘25D’’.
6 (G) Section 30B(g)(2)(B)(ii) of such Code
7 is amended by striking ‘‘23,’’.
8 (H) Section 30D(c)(2)(B)(ii) of such Code
9 is amended by striking ‘‘sections 23 and’’ and
10 inserting ‘‘section’’.
11 (I) Section 36C of such Code, as so redes-
12 ignated, is amended—
13 (i) by striking paragraph (4) of sub-
14 section (b), and
15 (ii) by striking subsection (c).
16 (J) Section 137 of such Code is amend-
17 ed—
18 (i) by striking ‘‘section 23(d)’’ in sub-
19 section (d) and inserting ‘‘section 36C(d)’’,
20 and
21 (ii) by striking ‘‘section 23’’ in sub-
22 section (e) and inserting ‘‘section 36C’’.
23 (K) Section 904(i) of such Code is amend-
24 ed by striking ‘‘23,’’.

1 (L) Section 1016(a)(26) is amended by
2 striking "23(g)" and inserting "36C(g)".
3 (M) Section 1400C(d) of such Code is
4 amended by striking "23,".
5 (N) Section 6211(b)(4)(A) of such Code is
6 amended by inserting "36C," before "53(e)".
7 (O) The table of sections for subpart A of
8 part IV of subchapter A of chapter 1 of such
9 Code of 1986 is amended by striking the item
10 relating to section 23.
11 (P) Paragraph (2) of section 1324(b) of
12 title 31, United States Code, as amended by
13 this Act, is amended by inserting "36C," after
14 "36B,".
15 (Q) The table of sections for subpart C of
16 part IV of subchapter A of chapter 1 of the In-
17 ternal Revenue Code of 1986, as amended by
18 this Act, is amended by inserting after the item
19 relating to section 36B the following new item:

"Sec. 36C. Adoption expenses.".

20 (c) APPLICATION AND EXTENSION OF EGTRRA
21 SUNSET.—Notwithstanding section 901 of the Economic
22 Growth and Tax Relief Reconciliation Act of 2001, such
23 section shall apply to the amendments made by this sec-
24 tion and the amendments made by section 202 of such

1 Act by substituting "December 31, 2011" for "December
2 31, 2010" in subsection (a)(1) thereof.
3 (d) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 December 31, 2009.