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103D CONGRESS
1ST SESSION

H. R. 3089

To provide for programs and activities regarding primary health care.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 15, 1993

Mr. KLUG introduced the following bill; which was referred jointly to the Committees on Energy and Commerce, Ways and Means, and Education and Labor

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A BILL

To provide for programs and activities regarding primary health care.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Family Medicine and Primary Care Research Act of 1993''.

TITLE I—OFFICE OF FAMILY MEDICINE AND PRIMARY CARE RESEARCH

SEC. 101. ESTABLISHMENT OF OFFICE OF FAMILY MEDICINE AND PRIMARY CARE RESEARCH.

Subpart A of title IV of the Public Health Service Act (42 U.S.C. 281 et seq.), as amended by section 209 of Public Law 103–43 (107 Stat. 149), is amended by adding at the end the following section:

''OFFICE OF FAMILY MEDICINE AND PRIMARY CARE RESEARCH

''SEC. 404F. (a) IN GENERAL.—There is established within the Office of the Director of NIH an office to be known as the Office on Family Medicine and Primary Care Research (in this section referred to as the 'Office'), which shall be headed by a director appointed by the Director of NIH.

''(b) DUTIES.—

''(1) IN GENERAL.—With respect to the field of family medicine and other primary medical care disciplines, the Director of the Office shall monitor and coordinate all activities of the National Institutes of Health, including biomedical, social, and behavioral research and activities regarding training and the dissemination of health information.

''(2) PRIORITIES.—In carrying out paragraph (1), the Director of the Office shall give priority—

''(A) to activities regarding the prevention, diagnosis, and treatment of medical illness in the primary medical practice setting, and during early stages of the development of the disease processes; and

''(B) to conducting research on the capacity of physicians in the disciplines of family medicine and other primary care medical specialties to provide an integrated set of preventive and curative services addressing the broadest scope of disease presentations.

''(c) PLAN.—The Director of the Office shall prepare and transmit to the Director of NIH a plan for a national family medicine and primary care research program to establish, expand, intensify, and coordinate the activities of the Institute respecting family medicine and primary care research.

''(d) ACADEMIC HEALTH CENTERS.—The Director of NIH, in collaboration with the Director of the Office, shall in carrying out subsection (a) provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required

for research) of new and existing centers for research in family care medicine and primary care.

''(e) ADVISORY COUNCIL.—The Secretary shall appoint an advisory council for the Office to advise, assist, consult with, and make recommendations to the Secretary and the Director of the Office on matters related to the activities carried out under this section.

''(f) BIENNIAL REPORT.—The Director of the Office, after consultation with the advisory council established under subsection (e), shall prepare for inclusion in the biennial report made under section 403 a biennial report which shall consist of a description of the activities of the Office and program policies of the Director of the Office in the fiscal years respecting which the report is prepared, including the program required under subsection (c).''.

TITLE II—INCENTIVES FOR RURAL PHYSICIANS REGARDING PRIMARY CARE

SEC. 201. DEDUCTION FOR MEDICAL SCHOOL EDUCATION LOAN INTEREST INCURRED BY DOCTORS SERVING IN MEDICALLY UNDERSERVED RURAL AREAS.

(a) IN GENERAL.—Paragraph (1) of section 163(h) of the Internal Revenue Code of 1986 (relating to disallowance of deduction for personal interest) is amended

by striking ''and'' at the end of subparagraph (D), by redesignating subparagraph (E) as subparagraph (F), and by inserting after subparagraph (D) the following new subparagraph:

''(E) any qualified medical education loan interest (within the meaning of paragraph (5)), and''.

(b) QUALIFIED MEDICAL EDUCATION LOAN INTEREST DEFINED.—Subsection (h) of section 163 of such Code is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

''(5) QUALIFIED MEDICAL EDUCATION LOAN INTEREST.—

''(A) IN GENERAL.—The term 'qualified medical education loan interest' means interest—

''(i) which is on a medical education loan of a physician,

''(ii) which is paid or accrued by such physician, and

''(iii) which accrues during the period—

''(I) such physician is providing primary care (including general inter-

nal medicine, general pediatrics, family medicine, and osteopathy), or obstetrical and gynecology services, to residents of a medically underserved rural area, and

''(II) such physician's principal place of abode is in such area.

''(B) MEDICAL EDUCATION LOAN.—The term 'medical education loan' means indebtedness incurred to pay the individual's—

''(i) qualified tuition and related expenses (as defined in section 117(b)) incurred for the medical education of such individual, or

''(ii) reasonable living expenses while away from home in order to attend an educational institution described in section 170(b)(1)(A)(ii) for the medical education of such individual.

''(C) PHYSICIAN.—For purposes of subparagraph (A), the term 'physician' has the meaning given such term by section 1861(r)(1) of the Social Security Act.

''(D) MEDICALLY UNDERSERVED RURAL AREA.—The term 'medically underserved rural

area' means any rural area which is a medically underserved area (as defined in section 330(b) or 1302(7) of the Public Health Service Act).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

SEC. 202. EXTENSION OF DEFERMENTS.

(a) STAFFORD LOANS.—

(1) GSL LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(M)) is amended—

(A) by striking ''or'' at the end of clause (ii);

(B) by inserting ''or'' after the semicolon at the end of clause (iii); and

(C) by adding at the end thereof the following new clause:

''(iv) during which the borrower is serving in an internship or residency program in preparation for practice in an area of primary care (including general internal medicine, general pediatrics, family medicine, and osteopathy) or in obstetrics and gynecology;''.

(2) FISL LOANS.—Section 427(a)(2)(C) of such Act (20 U.S.C. 1077(a)(2)(C)) is amended—

(A) by striking ''or'' at the end of clause (ii);

(B) by inserting ''or'' after the semicolon at the end of clause (iii); and

(C) by adding at the end thereof the following new clause:

''(iv) during which the borrower is serving in an internship or residency program in preparation for practice in an area of primary care (including general internal medicine, general pediatrics, family medicine, and osteopathy) or in obstetrics and gynecology;''.

(b) PERKINS LOANS.—Section 464(c)(2)(A) of such Act (20 U.S.C. 1087dd(c)(2)(A)) is amended—

(1) by striking ''or'' at the end of clause (iii);

(2) by inserting ''or'' after the semicolon at the end of clause (iv); and

(3) by adding at the end thereof the following new clause:

''(v) during which the borrower is serving in an internship or residency program in preparation for practice in an area

of primary care (including general internal medicine, general pediatrics, family medicine, and osteopathy) or in obstetrics and gynecology;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to on and after the date of the enactment of this Act with respect to loans made under the Higher Education Act of 1965 before, on, or after that date.

SEC. 203. CLARIFICATION OF PERMISSIBLE SUBSTITUTE BILLING ARRANGEMENTS FOR PHYSICIANS' SERVICES UNDER THE MEDICARE AND MEDICAID PROGRAMS.

(a) MEDICARE PROGRAM.—

(1) IN GENERAL.—Clause (D) of section 1842(b)(6) of the Social Security Act (42 U.S.C. 1395u(b)(6)) is amended to read as follows: ''(D)(i) payment may be made to a physician for physicians' services (and services incident to such services) to be provided by a second physician on a reciprocal basis to individuals who are patients of the first physician if (I) the first physician is unavailable to provide the services, (II) the services are not provided by the second physician over a continuous period of longer than 60 days, and (III) the claim form submitted to

the carrier includes the second physician's unique identifier (provided under the system established under subsection (r)) and indicates that the claim meets the requirements of this clause for payment to the first physician; and (ii) payment may be made to a physician for physicians' services (and services incident to such services) which that physician pays a second physician on a per diem or other fee-for-time basis to provide to individuals who are patients of the first physician if (I) the first physician is unavailable to provide the services, (II) the services are not provided by the second physician over a continuous period of longer than 90 days (or such longer period as the Secretary may provide), and (III) the claim form submitted to the carrier includes the second physician's unique identifier (provided under the system established under subsection (r)) and indicates that the claim meets the requirements of this clause for payment to the first physician''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to services furnished on or after the first day of the first month beginning more than 60 days after the date of the enactment of this Act.

(b) MEDICAID PROGRAM.—

(1) IN GENERAL.—Section 1902(a)(32)(C) of the Social Security Act (42 U.S.C. 1396a(a)(32)(C)) is amended to read as follows:

''(C) payment may be made to a physician for services furnished by a substitute physician under the circumstances described in subparagraph (D) of section 1842(b)(6), except that, for purposes of this subparagraph, any reference in such subparagraph to 'a carrier' or 'the system established under subsection (r)' is deemed a reference to the State (or other fiscal agent under the State plan) and to the system established under subsection (x) of this section, respectively.''.

(2) EFFECTIVE DATE.—(A) The amendment made by paragraph (1) shall apply to services furnished on or after the date of the enactment of this Act.

(B) Until the first day of the first calendar quarter beginning more than 60 days after the date the Secretary of Health and Human Services establishes the physician identifier system under section 1902(x) of the Social Security Act, the requirement under section 1902(a)(32)(C) of such Act that a claim form submitted must include the second physi-

cian's unique identifier is deemed to be satisfied if the claim form identifies (in a manner specified by the Secretary of Health and Human Services) the second physician.

TITLE III—PRIMARY CARE PHYSICIANS UNDER APPROVED MEDICAL RESIDENCY TRAINING PROGRAMS

SEC. 301. DISTRIBUTION OF PRIMARY CARE PHYSICIANS UNDER APPROVED MEDICAL RESIDENCY TRAINING PROGRAMS.

(a) ESTABLISHMENT OF 50/50 RULE AS NATIONAL POLICY.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall establish a national policy providing that, after a 3-year transition period beginning on June 1, 1995, the number of entry positions in all approved medical residency training programs in a State or region for residents who begin an initial residency period on or after June 1, 1998, who are not primary care residents may not exceed 50 percent of the total number of entry positions in all such programs in a State for all residents who are medical graduates.

(2) WAIVER FOR CERTAIN STATES.—The Secretary may waive the application of the general rule described in paragraph (1) to a State if the Secretary finds that the application of the rule to the State is not practicable.

(3) TIMETABLE.—

(A) PUBLICATION OF INTERIM FINAL REGULATION.—The Secretary shall publish an interim final regulation carrying out the national policy referred to in paragraph (1) not later than 60 days after the National Health Professional Workforce Advisory Board submits its recommendations to the Secretary regarding such national policy pursuant to subsection (c)(2).

(B) USE OF BOARD'S RECOMMENDATIONS AS DEFAULT POLICY.—If the Secretary does not meet the requirements of subparagraph (A), the recommendations of the National Health Professional Workforce Advisory Board submitted to the Secretary pursuant to subsection (c)(2) shall, for purposes of this section and the amendments made by this section, be deemed to be the national policy established by the Secretary under paragraph (1) respecting the num-

ber of positions in each State or region in the approved medical residency training programs of the different medical specialties conducted in the State.

(b) ASSURING CONFORMITY OF MEDICARE PAYMENTS FOR MEDICAL EDUCATION WITH NATIONAL POLICY.—

(1) PAYMENT FOR DIRECT MEDICAL EDUCATION.—Section 1886(h)(5)(A) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(A)) is amended—

(A) by striking ''means'' and inserting ''means, with respect to a hospital,''; and

(B) by striking the period at the end and inserting the following: '', but only if (with respect to residents who begin an initial residency period on or after June 1, 1995) entry positions in each such program of the hospital are in accordance with the national policy established by the Secretary under section 301(a) of the Family Medicine and Primary Care Research Act of 1993 respecting the number of positions in such program.''.

(2) PAYMENT FOR INDIRECT MEDICAL EDUCATION.—Section 1886(d)(5)(B) of such Act (42

U.S.C. 1395ww(d)(5)(B)) is amended by adding at the end the following new clauses:

''(v) In determining such adjustment, the Secretary may not take into account the services of any interns and residents in a medical residency training program for a specialty or subspecialty unless, with respect to interns and residents who begin an initial residency period (as defined in subsection (h)(5)(F)) on or after June 1, 1995, entry positions in each such program of the hospital are in accordance with the national policy established by the Secretary under section 301(a) of the Family Medicine and Primary Care Research Act of 1993 respecting the number of positions in such program.

''(vi) With respect to payments during each of the first 5 fiscal years for which clause (v) is in effect, the application of such clause may not result in a reduction of the additional payment amount made to the hospital under this subparagraph during the fiscal year to an amount that is less than—

''(I) in the case of a hospital receiving an additional payment amount under subparagraph (F) during the fiscal year that is computed under clause (vii)(I) of such subparagraph, 95 percent of the additional payment

amount made to the hospital under this subparagraph during the previous fiscal year; or

''(II) in the case of any other hospital, 90 percent of the additional payment amount made to the hospital under this subparagraph during the previous fiscal year.''.

(c) NATIONAL HEALTH PROFESSIONAL WORKFORCE ADVISORY BOARD.—

(1) ESTABLISHMENT; COMPOSITION.—There is hereby established the National Health Professional Workforce Advisory Board (hereafter in this subsection referred to as the ''Board''), to be composed of the Secretary of Health and Human Services, the Secretary of Veterans' Affairs, and 7 other members appointed by the President not later than 3 months after the date of the enactment of this Act, of whom—

(A) at least 1 shall be a dean of a school of medicine;

(B) at least 1 shall be a health care professional who is not a physician;

(C) at least 3 shall be the program directors of approved medical residency training programs in each of the 3 primary care disciplines;

(D) at least 1 shall be the chief executive officer of a hospital that operates an approved medical residency training program;

(E) at least 1 shall be the vice-president or vice-chancellor for health affairs of a multi-disciplinary academic health center; and

(F) at least 1 shall represent the general public.

(2) DUTIES.—

(A) IN GENERAL.—The Board shall—

(i) prepare initial recommendations regarding the national policy referred to in subsection (a)(1) regarding the distribution of entry positions in approved medical residency training programs of the different medical specialties among primary care and non-primary care residents at various sites, and submit such recommendations to the Secretary not later than 1 year after the date of the enactment of this Act;

(ii) submit recommendations to the Secretary regarding the supply and role of providers of primary care services who are not physicians;

(iii) with respect to funds available pursuant to title XVIII of the Social Security Act for direct graduate medical education for the clinical training of physicians and nurses, study the appropriateness of expending such funds to make reimbursements under such title for the clinical training in primary care of additional practitioners;

(iv) submit annual reports to Congress and the Secretary on the implementation of such national policy; and

(v) provide the Secretary with such technical and other assistance regarding such national policy as the Secretary may request.

(B) CRITERIA FOR RECOMMENDATIONS.—In preparing its recommendations under subparagraph (A), the Board shall take into consideration—

(i) the quality of graduate medical residency training programs;

(ii) the need to maintain the operation of such programs that have demonstrated

success in recruiting, retaining, and promoting minority practitioners;

(iii) the need to assure that the distribution of entry positions in such programs is not inequitable in relation to the States and hospitals in urban and rural areas that are qualified to offer such programs;

(iv) the need to assure the provision of primary care and other health care services to medically underserved communities; and

(v) such other criteria as the Board (in consultation with the accrediting bodies referred to in paragraph (3)) considers appropriate.

(3) ROLE OF ACCREDITING BODIES AND CERTIFYING BOARDS.—In preparing its recommendations regarding the national policy referred to in subsection (a)(1), the Board shall—

(A) request each accrediting body for approved medical residency training programs for a specialty or subspecialty, and each certification board for such specialty or subspecialty, to prepare and submit a plan that provides for

the achievement of such national policy with respect to approved medical residency training programs for such specialty or subspecialty;

(B) analyze the extent to which the Board may adopt such plans as the basis for its recommendations; and

(C) maintain close consultation with such bodies and boards throughout the process of preparing its recommendations.

(4) CHAIRPERSON; ADDITIONAL DUTIES.—The President shall designate a Chairperson from among the members, who (subject to the approval of the Board) may—

(A) employ and fix the compensation of an Executive Director and such other personnel (not to exceed 25) as may be necessary to carry out the Board's duties;

(B) seek such assistance and support as may be required in the performance of the Board's duties from appropriate Federal departments and agencies;

(C) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Board (without regard

to section 3709 of the Revised Statutes (41 U.S.C. 5));

(D) make advance, progress, and other payments which relate to the work of the Commission;

(E) provide transportation and subsistence for persons serving without compensation; and

(F) prescribe such rules and regulations as the Board deems necessary with respect to its internal organization and operation.

(5) COMPENSATION.—Members of the Board who are full-time officers or employees of the United States may not receive additional pay, allowances, or benefits by reason of their service on the Board, but may receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(6) TERMINATION.—The Board shall terminate upon the expiration of the 6-year period that begins on the date of the enactment of this act. Section 14(a) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Board.

(7) CONFORMING AMENDMENT REPEALING COUNCIL ON GRADUATE MEDICAL EDUCATION.—Ef-

fective on the date of the enactment of this Act, section 301 of the Health Professions Education Extension Amendments of 1992 (Public Law 102–408) is repealed.

(d) ANNUAL PUBLICATION OF MEDICARE PAYMENTS FOR DIRECT GRADUATE MEDICAL EDUCATION COSTS.—Not later than March of each year (beginning with 1994), the Secretary of Health and Human Services shall publish in the Federal Register a list of the total amount of payments made to each hospital in the United States during the previous year under section 1886(h) of the Social Security Act for the direct costs of graduate medical education.

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