O-OMB

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Subject: Fwd: Ryan White

Comments:
I attach the passback from OMB. You'll notice that there have been substantial changes in the bill. I will be analyzing these changes today an hope to send out a note summarizing them.

Richard Friedman
690-7766

- - - - - - - - - - - - - - - - Original Message - - - - - - - - - - - - - - - -
To: Richard Friedman@OGC.LEG@OS.DC
From: <Robert_J._Pellicci@omb.eop.gov>
Date: Fri Feb 11 16:46:52 2000
Attached: ryanwhite.spk.omb.wpd, rwleg.wpd, Headers.822

Attached is a revised Speaker Letter and draft bill. The revised draft bill incorporates changes from the White House AIDS Office, ONDCP, DPC, and OMB.

In addition, the White House and OMB concurs with the Department that we should maintain the existing Title I and Title II base funding formulas. It is our view, however, that the supplemental portion of Title I should be used to ensure a more equitable distribution of funds. We urge HHS to evaluate its existing methodolgies and develop a revised approach to the allocation of Title I supplemental funds.

The revised Speaker Letter and draft bill language follow--

(See attached file: ryanwhite.spk.omb.wpd)

(See attached file: rwleg.wpd)

Give me a call on Monday to discuss further.

REVISED 02/10/00

The Honorable J. Dennis Hastert
Speaker of the House of Representatives
Washington, D.C. 20515

Dear Mr. Speaker:

Enclosed for the consideration of the Congress is the Administration's draft bill entitled the "Ryan White CARE Act Amendments of 2000". The bill amends programs for providing health and support services to individuals with Human Immunodeficiency Virus (HIV) disease under title XXVI of the Public Health Service Act (popularly known as the Ryan White CARE Act, or as the CARE Act), and extends authorizations for these programs through FY 2005. Key changes made by the bill are summarized below. The provisions of the bill are detailed in the enclosed section-by-section summary.

Since the AIDS epidemic began in 1981, more than 385,000 men, women and children in the United States have lost their lives to this disease. The CARE Act, enacted in 1990 and reauthorized in 1996, has provided nearly $6.4 billion in funding to date toward the development of an effective service delivery system to respond to the complex challenges of this disease. The CARE Act has also afforded a unique opportunity to local communities, where HIV care planning and priority setting processes are intended to respond to the specific needs of those communities. The CARE Act has provided an innovative Federal response in working with States, with heavily affected metropolitan areas, and with community-based providers in responding aggressively to HIV. The CARE Act has provided essential primary care and support services to an estimated 500,000 individuals yearly. Its beneficiaries are persons with HIV disease who have low incomes and are uninsured or underinsured. For most of these persons, the CARE Act provides the only available source of health care for the complex medical and support needs they have related to HIV disease.

While HIV/AIDS deaths have declined significantly in the last several years, key challenges remain. AIDS remains a leading cause of death in communities of color, and the largest increases in HIV/AIDS are among women, youth, racial and ethnic minorities, and injection drug users and their sexual partners. Of the estimated 750,000 individuals living with HIV in the United States, over 250,000 are aware of their HIV status yet are not in care. Geographic distribution of cases makes clear the growing need to develop primary care capacity in underserved urban communities as well as in remote and underserved rural areas of the country where we see little or no HIV care infrastructure.

Several provisions of the bill focus on improving access to HIV services by individuals with HIV disease but not currently receiving HIV-related care. The bill requires grantees under part A (emergency relief grants to substantially affected metropolitan areas) and part B (grants to States) of the CARE Act to estimate the size of the population with HIV disease but not currently receiving care and to use that estimate in their process for allocating grant funds. It also requires that care providers funded under those grants establish referral relationships with emergency rooms and other entities through which individuals with HIV disease gain access to the health care system. It allows limited use of funds under these parts to provide early intervention services such as HIV-testing and counseling, in order to facilitate access to other HIV-related services, where no other government funds are available to provide these early intervention services. Finally, it amends the dental care program, expanding the set of eligible providers to include community health centers and other entities and changing the program from a cost-reimbursement program to a competitive grant program.

The bill adds a requirement that all grants under the CARE Act for provision of services include a quality management program, in which the grantee formulates performance goals and measures with respect to ensuring timely access to services, quality of services, health outcomes, and cost-effectiveness, and then assesses its performance in those areas. This will give grantees a tool to improve the effectiveness and quality of their services.

The bill adds a requirement that support services may be funded under parts A and B of the CARE Act only to the extent that those services facilitate or improve health care services under those parts. Since the CARE Act was initially enacted in 1990, there have been significant advancements in the breadth and effectiveness of medical care for persons with HIV disease. This change will ensure that the primary purpose of these grants is the provision of a continuum of services focused on improving health outcomes for individuals and families with this disease.

~~The bill adds a new program of grants to develop or expand the capacity to deliver primary care services to individuals with HIV disease. Grant funds will be used for activities including developing sound management functions and addition of needed services, and will not be used for construction or similar capital improvements. Grants will be awarded based on the need for additional service capacity in the area served by the applicant, on the applicant's ability to develop or expand such capacity within two years, and on its ability to coordinate its services with points of access to the health care system. Preference will go to entities in historically underserved low income communities that can provide or ensure access to primary care for residents of those communities and to entities that are currently providing HIV services and are affiliated with community based service providers that are not currently able to provide significant HIV services. The bill authorizes appropriations of such sums as necessary for this program for FYs 2001-2005.~~

[Substitute language emphasizing the importance to develop and expand capacity to deliver primary care services to individuals with HIV disease consistent with the new language contained in section 2604(1)(C) and 2613(1)(C)]

Finally, the bill requires the Secretary to request that the Institute of Medicine perform a study of

the financing and delivery of HIV services under the CARE Act to low-income, uninsured, and underinsured individuals with HIV disease.

The CARE Act has made a significant difference in the lives of individuals with HIV disease by bringing health and hope to hundreds of thousands of individuals. These grants have placed funds where they are most needed so that hard hit communities can tailor an effective response to the epidemic at the local and state level. The modifications included in the bill will strengthen the Act and thus the government's response to the epidemic.

We urge the Congress to give the draft bill its prompt and favorable consideration. The Office of Management and Budget has advised that there is no objection to the submission of this draft bill to the Congress and that its enactment would be in accord with the program of the President.

Sincerely,

Donna E. Shalala

Enclosures

REVISED 02/11/00

A BILL

To extend and amend the Ryan White CARE Act programs under title XXVI of the Public Health Service Act, to improve access to health care and quality of care under such programs, and to provide for the development of increased capacity to provide health care and related support services to individuals and families with HIV disease, and for other purposes.

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 "Ryan White CARE Act Amendments of 2000".

SEC. 2. REFERENCES; TABLE OF CONTENTS.

(a) REFERENCES.—Whenever in this Act an amendment is expressed in terms of an amendment to a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.), unless another act is specified.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

PART B—AMENDMENTS TO PART B—CARE GRANT PROGRAM

PART C—AMENDMENTS TO PART C—EARLY INTERVENTION SERVICES

PART D—AMENDMENTS TO PART D—GENERAL PROVISIONS

PART E—AMENDMENTS TO PART F—DEMONSTRATION AND TRAINING

TITLE II—OTHER PROVISIONS

TITLE I—AMENDMENTS TO HIV HEALTH CARE PROGRAM

(TITLE XXVI OF THE PUBLIC HEALTH SERVICE ACT)

PART A—PURPOSE; AMENDMENTS TO PART A—

EMERGENCY RELIEF GRANTS

SEC. 101. SHORT TITLE; PURPOSE.

Title XXVI is amended by inserting before part A the following new section:

"SEC. 2600. SHORT TITLE; PURPOSE.

"(a) SHORT TITLE.—This title may be cited as the 'Ryan White CARE Act'.

"(b) PURPOSE.—It is the purpose of this title—

"(1) to provide emergency assistance to localities that are disproportionately affected by the Human Immunodeficiency Virus epidemic;

"(2) to make financial assistance available to States and other public or nonprofit private entities to provide for the development, organization, coordination, and operation of more effective and cost-efficient systems for the delivery of essential services to individuals with HIV disease and their families; and

"(3) to ensure, to the extent possible, that individuals and families with HIV disease receive a comprehensive continuum of essential medical and support services, including early intervention services.".

SEC. 102. DUTIES OF PLANNING COUNCIL: RELOCATION OF PROVISION; AMENDMENTS CONCERNING FUNDING PRIORITIES, QUALITY ASSESSMENT.

Section 2602 (42 U.S.C. 300ff-12) is amended—

(1) in subsection (b)(4), by striking "shall—" and all that follows and inserting "shall have the responsibilities specified in subsection (d); and

(2) by adding at the end the following new subsection:

"(d) DUTIES OF PLANNING COUNCIL.—The planning council established under subsection (b) shall have the following duties:

"(1) PRIORITIES FOR ALLOCATION OF FUNDS.—**The Secretary, in consultation with EMAs, States, and affected communities, shall develop and implement a process for prioritizing** ~~The council shall establish priorities for~~ the allocation of funds within the eligible areas, including how best to meet each such priority and additional factors that a grantee should consider in allocating funds under a grant,

based on the following factors:

"(A) the size and demographic characteristics of the population with HIV disease (including the numbers of individuals with HIV disease in the area who are and who are not receiving HIV-related health services), as estimated on the basis of available epidemiologic data and using such recognized population-based assessment and modeling techniques as the Secretary may prescribe;

"(B) documented needs of the population with HIV disease (including needs of individuals who have been diagnosed with HIV disease but who are not currently receiving HIV-related health care services), with particular attention to disparities in health outcomes among affected subgroups (including women **and persons with addictive disorders)** within the eligible area;

"(C) demonstrated or probable cost and outcome effectiveness of proposed strategies and interventions, to the extent that data are reasonably available;

"(D) priorities of the communities with HIV disease for whom the services are intended, including priorities addressing the health and related support service needs of individuals not currently receiving such services;

"(E) strategies for making optimal use of financial assistance available under the State Medicaid plan under title XIX **and the State Children's Health Insurance Program under title XXI** of the Social Security Act to cover health care costs of eligible individuals and families with HIV disease; ~~and~~

"(F) availability of other governmental and non-governmental resources; **and**

"(G) capacity development needs due to gaps in provision of HIV services in historically underserved low-income communities.

"(2) COMPREHENSIVE SERVICE DELIVERY PLAN.—The council shall develop a comprehensive plan for the organization and delivery of health and support services described in section 2604 that is compatible with any existing State or local plan

regarding the provision of such services to individuals with HIV disease.

"(3) QUALITY MANAGEMENT PROGRAM.—The council, directly or through contractual arrangements, shall implement a quality management program.

"(4) ASSESSMENT OF FUND ALLOCATION EFFICIENCY.—The council shall assess the efficiency of the administrative mechanism in rapidly allocating funds to the areas of greatest need within the eligible area.

"(5) STATEWIDE STATEMENT OF NEED.—The council shall participate in the development of the statewide coordinated statement of need initiated by the State public health agency responsible for administering grants under part B.

"(6) COMMUNITY PARTICIPATION.—The council shall establish methods for obtaining input on community needs and priorities which may include public meetings, conducting focus groups, and convening ad-hoc panels.".

[Amend section 2602(b)(2)(D) to read "mental health and substance abuse providers that are grantees under the Substance Abuse and Mental Health Services Administration, if such providers are available in the area;" ALSO amend section 2602(b)(2)(L) to read " Grantees under the Centers for Disease Control and Prevention HIV Prevention program, and other Federal programs."]

SEC. 103. QUALITY MANAGEMENT.

(a) QUALITY MANAGEMENT PROGRAM DEFINED.—Section 2676 (42 U.S.C. 300ff-76) is amended—

(1) by redesignating paragraph (12) as paragraph (13); and

(2) by inserting after paragraph (11) the following new paragraph:

"(12) QUALITY MANAGEMENT PROGRAM.—

"(A) IN GENERAL.—The term 'quality management program' means, with respect to a grant under which services are provided to individuals or families under this title, a program under which, using such methods and criteria as the Secretary may establish,—

"(i) performance goals and measures are established regarding the effectiveness of the services provided under the grant with respect to the outcomes listed in subparagraph (B);

"(ii) an assessment is conducted of the effectiveness of the grant program concerned under this part with respect to such outcomes; and

"(iii) the results of the assessment are used to assist the grantee in determining whether modifications are needed in the grantee's operations and delivery of services under the grant program.

"(B) PROGRAM OUTCOMES TO BE ASSESSED.—The quality management program under subparagraph (A) shall be designed to assess the grant program from the standpoint of—

"(i) effectiveness in encouraging and ensuring timely access to appropriate health and support services by individuals diagnosed with HIV disease, including individuals not currently receiving HIV-related health services;

"(ii) quality of the services;

"(iii) health outcomes; and

"(iv) cost-effectiveness.".

(b) QUALITY MANAGEMENT REQUIRED FOR ELIGIBILITY FOR GRANTS.—Section 2605(a) (42 U.S.C. 300ff-15(a)) is amended—

(1) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) that the planning council has satisfied (or, as appropriate with respect to requirements for a quality management program, will satisfy) all requirements under section 2602(d).".

(c) CEILING ON FUNDS AVAILABLE FOR QUALITY MANAGEMENT.—Section 2604 (42 U.S.C. 300ff-14) is amended by adding at the end the following new subsection:

"(g) QUALITY MANAGEMENT.—From amounts received under a grant awarded under this part, the chief elected official of an eligible area may use, for activities associated with its quality management program, no more than the lesser of—

"(1) 5 percent of amounts received under the grant; or

"(2) $3,000,000.".

SEC. 104. FUNDED ENTITIES REQUIRED TO HAVE HEALTH CARE REFERRAL RELATIONSHIPS.

Section 2604(b)(2) (42 U.S.C. 300ff-14(b)(2)) is amended—

(1) in subparagraph (A), by striking "Subject to subparagraph (B)" and inserting " Subject to subparagraphs (B) and (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) HEALTH CARE REFERRAL RELATIONSHIPS.—In order to be eligible for financial assistance under paragraph (1), an entity shall maintain **appropriate** referral relationships, as defined by the Secretary, with entities in the area that constitute key points of access to the health care system for individuals with HIV disease (including ~~all~~ emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, sexually transmitted disease clinics, HIV counseling and testing sites, and family planning clinics) for the purpose of facilitating access to HIV-related services.".

SEC. 105. SUPPORT SERVICES REQUIRED TO BE HEALTH CARE-RELATED.

(a) IN GENERAL.—Section 2604(b)(1) (42 U.S.C. 300ff-14(b)(1)) is amended—

(1) in the matter preceding subparagraph (A), by striking "HIV-related—" and inserting "HIV-related services, as follows:";

(2) in subparagraph (A)—

(A) by striking everything through "substance abuse treatment and" and inserting the following:

"(A) OUTPATIENT HEALTH SERVICES.—Outpatient and ambulatory

health services, including substance abuse treatment,"; and

(B) by striking "; and" and inserting a period;

(3) in subparagraph (B), by striking "(B) inpatient case management" and inserting "(C) INPATIENT CASE MANAGEMENT SERVICES.—Inpatient case management"; and

(4) by inserting after subparagraph (A) the following new subparagraph:

"(B) OUTPATIENT SUPPORT SERVICES.—Outpatient and ambulatory support services (including case management), to the extent that such services facilitate, enhance, support, or sustain the delivery, continuity, or benefits of health services for individuals and families with HIV disease.".

(b) CONFORMING AMENDMENT TO APPLICATION REQUIREMENTS.—Section 2605(a) (42 U.S.C. 300ff-15(a)), as amended by section 103, is further amended—

(1) in paragraph (6), by striking "and" at the end;

(2) in paragraph (7), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(8) that the eligible area has procedures in place to ensure that services provided with funds received under this part meet the criteria specified in section 2604(b)(1).".

SEC. 106. USE OF GRANT FUNDS FOR EARLY INTERVENTION SERVICES.

(a) IN GENERAL.—Section 2604(b)(1) (42 U.S.C. 300ff-14(b)(1)), as amended by section 105, is further amended by adding at the end the following new subparagraph:

"(D) EARLY INTERVENTION SERVICES.—Early intervention services as described in section 2651(b)(2), with follow-through referral, provided for the purpose of facilitating access of individuals receiving the services to HIV-related health services, but only if the entity providing such services—

"(i)(I) is receiving funds under subparagraph (A) or (C), or

"(II) is an entity constituting a point of access to services, as described in paragraph (2)(C), that maintains a referral relationship with an

entity described in subclause (I) and that is serving individuals at elevated risk of HIV disease); and

"(ii) demonstrates to the satisfaction of the chief elected official that no other Federal, State, or local funds are available for the early intervention services the entity will provide with funds received under this paragraph.".

(b) CONFORMING AMENDMENTS TO APPLICATION REQUIREMENTS.—Section 2605(a)(1) (42 U.S.C. 300ff-15(a)(1)) is amended—

(1) in subparagraph (A), by striking "services to individuals with HIV disease" and inserting "services as described in section 2604(b)(1)"; and

(2) in subparagraph (B), by striking "services for individuals with HIV disease" and inserting "services as described in section 2604(b)(1)".

[Amend section 2604(1) to add: "(C) primary care services capacity development for entities to expand the capacity, preparedness, and expertise to deliver primary care services to individuals with HIV disease in historically underserved low-income communities. Funds may be used for establishment of core management functions (including financing and information systems and utilization review, planning, and evaluation activities); establishment and enhancement of program development functions (including personnel and staff competencies and service network development through contractual linkages with other providers of prevention and clinical services); and addition of new services (including purchase of equipment and minor upgrading of facilities). Grant funds may not be used to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility.

SEC. 107. ELIMINATION OF SUNSET ON EXPEDITED DISTRIBUTION REQUIREMENT.

Section 2603(a)(2) (42 U.S.C. 300ff-13(a)(2)) is amended by striking "for each of the fiscal years 1996 through 2000" and inserting "for a fiscal year".

PART B—AMENDMENTS TO PART B—CARE GRANT PROGRAM

SEC. 121. CONSORTIA REQUIREMENTS CONCERNING IDENTIFICATION OF NEED AND ALLOCATION OF RESOURCES.

(a) ESTIMATE OF SIZE AND DEMOGRAPHIC CHARACTERISTICS OF POPULATION WITH HIV DISEASE.—Section 2613(c)(1) (42 U.S.C. 300ff-23(c)(1)) is amended—

(1) by redesignating subparagraphs (B) through (E) as subparagraphs (C) through (F); and

(2) by adding after subparagraph (A) the following new subparagraph:

"(B) includes an assessment of the size and demographic characteristics of the population with HIV disease in the geographic area to be served (including the numbers of individuals with HIV disease who are and who are not receiving HIV-related health services), as estimated on the basis of available epidemiologic data and using such recognized population-based assessment and modeling techniques as the Secretary may prescribe;".

(b) INDIVIDUALS NOT YET RECEIVING CARE CONSIDERED IN PROGRAM PLANNING AND RESOURCE ALLOCATION.—Section 2613(c)(1)(C) (42 U.S.C. 300ff-23(c)(1)(C)), as redesignated by subsection (a) of this section, is amended—

(1) by striking "and" at the end of clause (iii);

(2) by redesignating clause (iv) as clause (v); and

(3) by inserting after clause (iii) the following new clause:

"(iv) assurances that, in planning its program and in allocating resources, the applicant will make appropriate provision for the health and related support service needs of individuals who have been diagnosed with HIV disease but who are not currently receiving such services. **The Secretary, in consultation with EMAs, States, and affected communities, shall develop and implement a process for prioritizing**

the allocation of such resources ;".

SEC. 122. COORDINATION WITH MEDICAID.

(a) RESPONSIBILITY OF CONSORTIA TO CONSIDER AVAILABILITY OF MEDICAID **AND STATE CHILDREN'S HEALTH INSURANCE PROGRAM** BENEFITS.—Section 2613(c)(1)(C) (42 U.S.C. 300ff-23(c)(1)(C)), as redesignated and amended by section 121, is further amended—

(1) by redesignating clause (v) as clause (vi); and

(2) by inserting after clause (iv) the following new clause:

"(v) assurances that the consortium has considered strategies for making optimal use of financial assistance under the State Medicaid plan under title XIX **and the State Children's Health Insurance Program under title XXI** of the Social Security Act to cover health care costs of eligible individuals and families with HIV disease; and".

(b) RESPONSIBILITY OF STATE TO CONSIDER AVAILABILITY OF MEDICAID **AND STATE CHILDREN'S HEALTH INSURANCE PROGRAM** BENEFITS.—Section 2617(b)(2)(B) (42 U.S.C. 300ff-27(b)(2)(B)) is amended by inserting before the semicolon " (including in particular services available to individuals and families with HIV disease pursuant to the State Medicaid plan under title XIX of the Social Security Act)".

[Amend section 2613(c)(B) by adding new (ii) after (i) and renumbering (ii) through (iv) as (iii) through (v) – new (ii) should read "assurances that capacity development needs due to gaps in provision of HIV services in historically underserved low-income communities will be addressed" ALSO include in this section of the bill an amendment to section 2613(1), which would add "(C) primary care services capacity development for entities to expand the capacity, preparedness, and expertise to deliver primary care services to individuals with HIV disease in historically inderserved low-income communities. Funds may be used for the establishment of core management functions (including financing and information systems and utilization review, planning, and evaluation activities); establishment and

enhancement of program development functions (including personnel and staff competencies and service network development through contractual linkages with other providers of prevention and clinical services); and addition of new services (including purchase of equipment and minor upgrading of facilities). Grant funds may not be used to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility.]

SEC. 123. QUALITY MANAGEMENT.

(a) STATE REQUIREMENT FOR QUALITY MANAGEMENT.—Section 2617(b)(4)(C) (42 U.S.C. 300ff-27(b)(4)(C)) is amended to read as follows:

"(C) the State will provide for a quality management program, the assessment component of which is performed at least annually by independent peer review;".

(b) AVAILABILITY OF FUNDS FOR QUALITY MANAGEMENT.—

(1) AVAILABILITY OF GRANT FUNDS FOR PLANNING AND EVALUATION.—Section 2618(c)(3) (42 U.S.C. 300ff-28(c)(3)) is amended by inserting before the period ", including no more than $3,000,000 for all activities associated with its quality management program".

(2) EXCEPTION TO COMBINED CEILING ON PLANNING AND ADMINISTRATION FUNDS FOR STATES WITH SMALL GRANTS.—Section 2618(c)(6) (42 U.S.C. 300ff-28(c)(6)) is amended to read as follows:

"(6) EXCEPTION.—Notwithstanding paragraph (5), a State whose grant under this part for a year does not exceed $1,500,000 may use amounts not exceeding 20 percent of the grant for the purposes described in paragraphs (3) and (4) if—

"(A) that portion of such amounts in excess of 15 percent of the grant is used for its quality management program; and

"(B) the State submits and the Secretary approves a plan (in such form and containing such information as the Secretary may prescribe) for use of funds for its

quality management program.".

SEC. 124. CONSORTIA REQUIRED TO HAVE HEALTH CARE REFERRAL RELATIONSHIPS.

Section 2613(c)(1) (42 U.S.C. 300ff-23(c)(1)), as amended by section 121, is further amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G); and

(2) by inserting after subparagraph (D) the following new subparagraph:

"(E) provides assurances that the consortium maintains **appropriate** referral relationships, as defined by the Secretary, with entities in the area served that constitute key points of access to the health care system for individuals with HIV disease (including all emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, sexually transmitted disease clinics, HIV counseling and testing sites, and family planning clinics) for the purpose of facilitating access to HIV-related services.".

[Amend section 2613(c)(2) by adding: "(D) grantees under other Federal HIV programs, including the Centers for Disease Control and Prevention and the Substance Abuse and Mental Health Services Administration."]

SEC. 125. SUPPORT SERVICES REQUIRED TO BE HEALTH CARE-RELATED.

(a) GENERAL AUTHORITY TO USE GRANT FUNDS.—

(1) IN GENERAL.—Section 2612(1) (42 U.S.C. 300ff-22(1)) is amended by striking "for individuals with HIV disease" and inserting ", subject to the conditions and limitations that apply under such section".

(2) CONFORMING AMENDMENT TO STATE APPLICATION REQUIREMENT.—Section 2617(b)(2) (42 U.S.C. 300ff-27(b)(2)) is amended—

(A) in subparagraph (B), by striking "and" at the end; and

(B) by adding at the end the following new subparagraph:

"(C) an assurance that the State has procedures in place to ensure that

services provided with funds received under this section meet the criteria specified in section 2612.".

(b) USE OF GRANT FUNDS BY CARE CONSORTIA.—

(1) IN GENERAL.—Section 2613(a) (42 U.S.C. 300ff-23(a)) is amended—

(A) in the matter preceding paragraph (1), by striking "an entity that—" and inserting "an entity that satisfies the conditions stated in paragraphs (1) and (2).";

(B) in paragraph (1),—

(i) by striking "is an association" and inserting "STRUCTURE OF CONSORTIUM.—The entity is an association";

(ii) by striking "; and" at the end and inserting a period; and

(iii) by inserting at the end of the paragraph "An entity or entities of the type described in this paragraph shall hereinafter be referred to in this title as a 'consortium' or 'consortia'.";

(C) in paragraph (2),—

(i) by striking "agrees to use" and inserting "AGREEMENT AS TO USE OF FUNDS.—The entity agrees to use";

(ii) by striking "may include—" and inserting "may include services described in subparagraphs (A) and (B).";

(iii) in subparagraph (A),—

(I) by striking "essential health services" and inserting " ESSENTIAL HEALTH SERVICES.—The consortium may provide essential health services,"; and

(II) by striking "; and" at the end and inserting a period; and

(iv) in subparagraph (B),—

(I) by striking "essential support services" and inserting " ESSENTIAL SUPPORT SERVICES.—The consortium may provide essential support services,"; and

(II) by inserting at the end of the subparagraph, "The consortium may provide such support services only to the extent that they facilitate, enhance, support, or sustain the delivery, continuity, or benefits of health services that it provides under subparagraph (A)."; and

(D) by striking the matter following paragraph (2).

(2) CONFORMING AMENDMENT TO APPLICATION REQUIREMENT.—Section 2613(b)(1) (42 U.S.C. 300ff-23(b)(1)) is amended—

(A) in subparagraph (B), by striking "and" at the end;

(B) in subparagraph (C), by striking the period and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(D) the consortium has procedures in place to ensure that services provided with funds received under this section meet the criteria specified in subsection (a).".

SEC. 126. USE OF GRANT FUNDS FOR EARLY INTERVENTION SERVICES.

Section 2613(a)(2) (42 U.S.C. 300ff-23(a)(2)), as amended by section 125, is further amended—

(1) in the matter preceding subparagraph (A), by striking "subparagraphs (A) and (B)" and inserting "subparagraphs (A) through (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) EARLY INTERVENTION SERVICES.—The consortium may provide early intervention services, as described in section 2651(b)(2), with follow-up referral, provided for the purpose of facilitating access of individuals receiving the services to HIV-related health services, but only if the entity providing such services—

"(i)(I) is receiving funds under subparagraph (A) or (C) of section 2604(b)(1), or

"(II) is an entity constituting a point of access to services, as described in section 2604(b)(2)(C), that maintains a referral relationship with an entity described in subclause (I) and that is serving individuals at elevated risk of HIV disease); and

"(ii) demonstrates to the State's satisfaction that no other Federal, State, or local funds are available for the early intervention services the entity will provide with funds received under this paragraph.".

SEC. 127. AUTHORIZATION OF APPROPRIATIONS FOR HIV-RELATED SERVICES FOR WOMEN AND CHILDREN.

Section 2625(c)(2) (42 U.S.C. 300ff-33(c)(2)) is amended by striking "fiscal years 1996 through 2000" and inserting "fiscal years 2000 through 2005".

SEC. 128. REPEAL OF REQUIREMENT FOR COMPLETED INSTITUTE OF MEDICINE REPORT.

Section 2628 (42 U.S.C. 300ff-36) is repealed.

[SEC. 129. AIDS DRUG ASSISTANCE PROGRAM.

Draft language that would: (1) allocate 85 percent of the appropriated amount according to the product of this number and the percentage constituted by the ratio of the State distribution factor for the State to the sum of the State distribution factors for all the States, and (2) allocate 15 percent of the appropriated amount in the second quarter of the fiscal year to States that have demonstrated significant need through an application for such funds. Require the Secretary to establish criteria distribution of these funds, in consultation with OMB. This new supplemental grant award will come from newly appropriated funds, thereby ensuring that States maintain their existing base funding levels. Thus, the supplemental would be phased-in using newly appropriated funds to a maximum of 15 percent of total appropriated funds.]

PART C—AMENDMENTS TO PART C—EARLY INTERVENTION SERVICES

SEC. 141. AMENDMENT OF HEADING; REPEAL OF FORMULA GRANT

PROGRAM.

(a) AMENDMENT OF HEADING.—The heading of part C is amended to read "EARLY INTERVENTION AND PRIMARY CARE SERVICES".

(b) REPEAL.—Part C of title XXVI is amended—

(1) by repealing subpart I; and

(2) by redesignating subparts II and III as subparts I and II.

(c) CONFORMING AMENDMENTS.—

(1) Section 2661(a) (42 U.S.C. 300ff-61(a)) is amended—

(A) in the matter preceding paragraph (1), by striking the dash and inserting the text of paragraph (2); and

(B) by striking paragraphs (1) and (2).

(2) Section 2664 (42 U.S.C. 300ff-64) is amended—

(A) in subsection (e)(5), by striking "2642(b) or";

(B) in subsection (f)(2), by striking "2642(b) or"; and

(C) by striking subsection (h).

SEC. 142. AUTHORIZATION OF APPROPRIATIONS FOR CATEGORICAL GRANTS.

Section 2655 (42 U.S.C. 300ff-55) is amended by striking "1996" and all that follows and inserting "2001 through 2005".

SEC. 143. ADMINISTRATIVE EXPENSES CEILING; QUALITY MANAGEMENT PROGRAM.

Section 2664(g) (42 U.S.C. 300ff-64(g)) is amended—

(1) in paragraph (3), to read as follows:

"(3) the applicant will not expend more than 10 percent of the grant for costs of administrative activities with respect to the grant;";

(2) in paragraph (4), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(5) the applicant will implement a quality management program.".

PART D—AMENDMENTS TO PART D—GENERAL PROVISIONS

SEC. 151. RESEARCH INVOLVING WOMEN, INFANTS, CHILDREN, AND YOUTH.

(a) ELIMINATION OF REQUIREMENT TO ENROLL SIGNIFICANT NUMBERS OF WOMEN AND CHILDREN.—Section 2671(b) (42 U.S.C. 300ff-71(b)) is amended—

(1) by striking subparagraphs (C) and (D) of paragraph (1); and

(2) by striking paragraphs (3) and (4).

(b) QUALITY MANAGEMENT; ADMINISTRATIVE EXPENSES CEILING.—Section 2671(f) (42 U.S.C. 300ff-71(f)) is amended—

(1) by redesignating the caption and text as a new paragraph (1), and indenting accordingly;

(2) by inserting after "(f)" the following caption: "ADMINISTRATION.—"; and

(3) by adding at the end the following new paragraphs:

"(2) QUALITY MANAGEMENT PROGRAM.—A grantee shall implement a quality management program.

"(3) ADMINISTRATIVE EXPENSES CEILING.—The grantee shall not expend more than 10 percent of the grant for administrative expenses with respect to the grant, including all activities associated with its coordination activities under subsections (e) and (g) and under section 2675.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 2671(j) (42 U.S.C. 300ff-71(j)) is amended by striking "fiscal years 1996 through 2000" and inserting "fiscal years 2001 through 2005".

~~**SEC. 152. AUTHORIZATION OF APPROPRIATIONS FOR RESEARCH GRANTS.**~~

~~Section 2673(c) (42 U.S.C. 300ff-73(e)) is amended by striking "1991 through 1995" and inserting "2001 through 2005".~~

SEC. 153. AUTHORIZATIONS OF APPROPRIATIONS FOR GRANTS UNDER PARTS A AND B.

(a) IN GENERAL.—Section 2677 (42 U.S.C. 300ff-77) is amended—

(1) in subsection (a), by striking "fiscal years 1996 through 2000" and inserting " fiscal years 2001 through 2005"; and

(2) in subsection (b), by striking, each place it appears, "fiscal years 1997 through 2000" and inserting in each such place "fiscal years 2001 through 2005".

(b) REPEAL OF REQUIREMENT FOR COMPLETED REPORT.—Such section is further amended in subsection (b)(1) by striking the second sentence.

~~**SEC. 154. AUTHORIZATION OF APPROPRIATIONS FOR GRANTS TO IMPLEMENT GUIDELINES.**~~

~~Section 2680(c) (42 U.S.C. 300ff-80(c)) is amended by striking "1991 through 1995" and inserting "2001 through 2005".~~

PART E—AMENDMENTS TO PART F—DEMONSTRATION AND TRAINING

SEC. 161. DENTAL SERVICES; QUALITY MANAGEMENT; AUTHORIZATION OF APPROPRIATIONS; AND CLARIFYING AMENDMENTS.

(a) REDESIGNATION OF PROVISIONS.—Part F is amended—

(1) by striking "**PART F—DEMONSTRATION AND TRAINING**" and inserting "**PART F—DEMONSTRATIONS, TRAINING, AND PROJECTS AND ACTIVITIES OF NATIONAL SIGNIFICANCE**";

(2) by striking "**Subpart II—AIDS Education and Training Centers**" and inserting "**Subpart II—Education, Training, and Certain Services**";

(3) in the caption of section 2692, by striking "**HIV/AIDS COMMUNITIES, SCHOOLS, AND CENTERS**" and inserting "**TRAINING AND SERVICE GRANTS**"; and

(4) in the caption of section 2692(b), by striking "DENTAL SCHOOLS" and inserting "DENTAL SERVICES".

(b) SCOPE OF GRANTS FOR DENTAL SERVICES.—Section 2692(b) is further amended—

(1) in paragraph (1), by striking "and programs described in section 777(b)(4)(B)" and inserting "programs described in section 753(b)(4)(B), and entities satisfying the criteria stated in section 2652";

(2) in paragraph (2), to read as follows:

"(2) APPLICATION.—Any dental school, program described in section 753(b)(4)(B), or entity satisfying the criteria stated in section 2652 may submit an application for funding to provide oral health care to individuals with HIV disease.";

(3) in paragraph (3), to read as follows:

"(3) PREFERENCES IN MAKING GRANTS.—In making grants under this section, the Secretary shall give preference to an eligible entity that demonstrates, to the Secretary's satisfaction, a clear need for financial assistance for the purpose specified in paragraph (1), as indicated by—

"(A) the size of the population with HIV disease in the area served by the entity;

"(B) the rate of increase in HIV disease in that area; and

"(C) the unavailability or limited accessibility in that area of other providers of oral health care to individuals with HIV disease.".

(c) QUALITY MANAGEMENT.—

(1) SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE.—Section 2691(f) (42 U.S.C. 300ff-10(f)) is amended—

(A) by striking "COORDINATION" and inserting "CONDITIONS";

(B) by inserting a dash after "submits evidence that";

(C) by moving "the proposed program" and all that follows to a new paragraph (1);

(D) in paragraph (1) (as so designated), by striking the period and inserting " ; and"; and

(E) by adding at the end the following new paragraph:

"(2) it has a quality management program.".

(2) SCHOOLS; CENTERS.—Section 2692(a)(3) (42 U.S.C. 300ff-11(a)(3)) is amended by inserting before the period ", including an assurance that it has a quality management program".

(3) DENTAL SERVICES.—Section 2692(b), as amended by subsection (b), is further amended by adding at the end the following new paragraph:

"(5) QUALITY MANAGEMENT.—The Secretary may not make a grant under this subsection unless the application demonstrates that the applicant has a quality management program.".

(d) AUTHORIZATIONS OF APPROPRIATIONS.—

(1) SCHOOLS; CENTERS.—Section 2692(c)(1) is amended by striking "fiscal years 1996 through 2000" and inserting "fiscal years 2001 through 2005".

(2) DENTAL SERVICES.—Section 2692(c)(2) is amended—

(A) in the caption, by striking "DENTAL SCHOOLS" and inserting "DENTAL SERVICES"; and

(B) by striking "fiscal years 1996 through 2000" and inserting "fiscal years 2001 through 2005".

~~**SEC. 162. CAPACITY DEVELOPMENT GRANTS.**~~

~~Part F of title XXVI is amended by inserting after subpart II the following new subpart:~~

~~"Subpart III—Primary Care Services Capacity Development Grants~~

~~**"SEC. 2693. PRIMARY CARE SERVICES CAPACITY DEVELOPMENT GRANTS.**~~

~~"(a) PROGRAM ESTABLISHED.—The Secretary shall establish and administer under this section a program of grants to public and nonprofit private entities, including community-based organizations, for programs to develop or expand the capacity, preparedness, and expertise to deliver primary care services to individuals with HIV disease in historically underserved low-income communities.~~

~~"(b) USES OF FUNDS.—~~

"(1) PERMITTED USES.—Grant funds received under this section may be used for capacity development activities including—

"(A) establishment and enhancement of core management functions (including financing and information systems and utilization review, planning, and evaluation activities);

"(B) establishment and enhancement of program development functions (including personnel and staff competencies and service network development through contractual linkages with other providers of prevention and clinical services); and

"(C) addition of new services (including purchase of equipment and minor upgrading of facilities).

"(2) IMPERMISSIBLE USES.—Grant funds may not be used to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility.

"(c) SELECTION CRITERIA.—

"(1) IN GENERAL.—The Secretary shall award grants under subsection (a) based on—

"(A) the need within the geographical community to be served for the development of additional long term capacity to deliver primary care services to individuals with HIV disease;

"(B) the applicant's demonstrated ability to develop or expand within two years the capacity and expertise to deliver primary care services to individuals with HIV disease; and

"(C) the applicant's demonstrated capacity to establish, with entities constituting key points of access to the health care system for individuals with HIV disease, as described in section 2604(b)(2)(C), effective service coordination relationships which include provision of primary care services at the sites where

~~such entities are located.~~

~~"(2) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to—~~

~~"(A) public or nonprofit private entities that—~~

~~"(i) are located in historically underserved low-income communities where there currently exists substantially insufficient HIV-related health care; and~~

~~"(ii) are capable of providing or ensuring access to primary care services for residents of such communities; and~~

~~"(B) public or nonprofit private entities that—~~

~~"(i) are currently providing HIV care services; and~~

~~"(ii) are affiliated with local community-based providers of health and social services that do not have significant capacity to provide HIV-related services.~~

~~"(3) INTEGRATION INTO STATEWIDE PLAN.—In order to be eligible for a grant under this section, an applicant must—~~

~~"(A) demonstrate that the proposed program is consistent with the Statewide coordinated statement of need for each State that includes part or all of the geographical community to be served;~~

~~"(B) agree to participate in the ongoing revision process for each such statement of need; and~~

~~"(C) demonstrate that it has a quality management program.~~

~~"(d) FUNDING.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2001 through 2005.".~~

TITLE II—OTHER PROVISIONS

SEC. 201. INSTITUTE OF MEDICINE STUDY.

(a) IN GENERAL.—The Secretary shall request that the Institute of Medicine, by two

years after enactment of this Act, conduct a study of the financing and delivery of HIV services for low-income, uninsured, and under-insured individuals with HIV disease under the Ryan White CARE Act, and submit to the appropriate committees of the Congress a report summarizing the results of the study and including any conclusions and recommendations.

(b) FACTORS.—The study described in subsection (a) shall consider—

(1) the effectiveness and efficiency of service delivery (including the quality of services, health outcomes, and cost-effectiveness) within the context of a changing health care and therapeutic environment as well as the changing epidemiology of the epidemic **(including access to substance abuse treatment for persons with addictive disorders)**;

(2) existing and needed epidemiological data and other analytic tools for resource planning and allocation decisions; and

(3) other factors deemed relevant to assessing an individual's or community's ability to gain and sustain access to quality HIV services.

(c) FUNDING.—The Secretary is authorized to use amounts appropriated under section 2677(a) to carry out the provisions of this section.

O-OMB

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR JACOB J. LEW, DIRECTOR, OFFICE OF MANAGEMENT AND BUDGET

FROM: Sandra L. Thurman
Presidential Envoy for AIDS Cooperation, and
Director, Office of National AIDS Policy

DATE: Oct. 13, 2000

SUBJECT: Recommendation for Signing of the Reauthorization of the Ryan White CARE Act

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I am writing in strong support for the signing of the Reauthorization of the Ryan White CARE Act, the cornerstone of the Administration's domestic AIDS program. Last year, the Act provided health care and essential support services to hundreds of thousands of Americans living with HIV disease – half of whom have family incomes of less than $10,000 a year. In addition, the Act has helped to reduce both the frequency and length of expensive in-patient hospitalizations by at least 30%; to reduce AIDS mortality by 70%; to reduce mother-to-child transmission by 75%; and to enhance the length and quality of life for people living with AIDS.

When the President took office, the Ryan White CARE Act was funded at $364 million. In FY2000, this lifeline was funded at $1.6 billion – an increase of nearly 350%. In FY2001, the President has requested an additional $125 million more, likely to be appropriated in the final Labor-HHS bill.

Given the vital importance of this program, its broad-based bipartisan support in the Congress and its large and diverse constituency, I and my colleague Chris Jennings strongly urge that the President sign the Reauthorization in the presence of the many and varied stakeholders. Such a signing ceremony would not only highlight this success story, but would also affirm that while our recent public events have focused on the global pandemic, that the battle against AIDS here at home is far from over and remains a high priority for this Administration.