

103^D CONGRESS
1ST SESSION

S. 1315

To establish a national policy respecting medical residency training programs and the health care workforce, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 29 (legislative day, JUNE 30), 1993

Mr. ROCKEFELLER (for himself, Mr. DURENBERGER, and Mr. PRYOR) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish a national policy respecting medical residency training programs and the health care workforce, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Primary Care
5 Workforce Act of 1993”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act, the following definitions shall apply:

1 (1) The term “approved medical residency
2 training program” has the meaning given such term
3 in section 1886(h)(5)(A) of the Social Security Act.

4 (2) The term “entry position” means, with re-
5 spect to a medical residency training program, a po-
6 sition as a resident in the initial year of study in the
7 program.

8 (3) The term “primary care resident” means
9 (in accordance with criteria established by the Sec-
10 retary) a resident being trained in a distinct pro-
11 gram of primary health care (as defined in section
12 723(d)(5) of the Public Health Service Act).

13 (4) The term “resident” has the meaning given
14 such term in section 1886(h)(5)(H) of the Social Se-
15 curity Act.

16 (5) The term “Secretary” means the Secretary
17 of Health and Human Services.

18 (6) The term “State” has the meaning given
19 such term under section 799(9) of the Public Health
20 Service Act.

21 (7) The term “United States medical graduate”
22 means a resident who is a graduate of—

23 (A) a school of medicine accredited by the
24 Liaison Committee on Medical Education of the
25 American Medical Association and the Associa-

1 tion of American Medical colleges (or approved
2 by such Committee as meeting the standards
3 necessary for such accreditation); or

4 (B) a school of osteopathy accredited by
5 the American Osteopathic Association, or ap-
6 proved by such Association as meeting the
7 standards necessary for such accreditation.

8 **SEC. 3. ESTABLISHMENT AND ENFORCEMENT OF NA-**
9 **TIONAL POLICY FOR APPROVED MEDICAL**
10 **RESIDENCY TRAINING PROGRAMS.**

11 (a) IN GENERAL.—The Secretary of Health and
12 Human Services shall establish a national policy respect-
13 ing the number of positions in each State in each approved
14 medical residency training program of the different medi-
15 cal specialties conducted in the State.

16 (b) SPECIFIC DISTRIBUTION RULES.—

17 (1) LIMIT ON TOTAL NUMBER OF POSITIONS.—

18 The national policy established under subsection (a)
19 shall provide that, with respect to residents who
20 begin an initial residency period on or after June 1,
21 1998, the total number of entry positions in ap-
22 proved medical residency training programs in the
23 United States in which residents may enroll without
24 having previously completed another medical resi-
25 dency training program may not for any fiscal year

1 exceed 110 percent of the number of United States
2 medical graduates.

3 (2) DISTRIBUTION OF PRIMARY CARE AND NON-
4 PRIMARY CARE POSITIONS.—

5 (A) GENERAL RULE.—The national policy
6 established under subsection (a) shall provide
7 that, after a 3-year transition period beginning
8 on June 1, 1995, the number of entry positions
9 in all approved medical residency training pro-
10 grams in a State for residents who begin an ini-
11 tial residency period on or after June 1, 1998,
12 who are not primary care residents may not ex-
13 ceed 50 percent of the total number of entry
14 positions in all such programs in a State for all
15 residents who are United States medical grad-
16 uates.

17 (B) WAIVER FOR CERTAIN STATES.—The
18 Secretary may waive the application of the gen-
19 eral rule described in subparagraph (A) to a
20 State if the Secretary finds that the application
21 of the rule to the State is not practicable.

22 (c) TIMETABLE.—

23 (1) PUBLICATION OF INTERIM FINAL REGULA-
24 TION.—The Secretary shall publish an interim final
25 regulation carrying out the national policy referred

1 to in subsection (a) not later than 60 days after the
2 National Health Professional Workforce Advisory
3 Board submits its recommendations to the Secretary
4 regarding such national policy pursuant to section
5 3(b).

6 (2) USE OF BOARD'S RECOMMENDATIONS AS
7 DEFAULT POLICY.—If the Secretary does not meet
8 the requirements of paragraph (1), the recommenda-
9 tions of the National Health Professional Workforce
10 Advisory Board submitted to the Secretary pursuant
11 to section 3(b) shall, for purposes of this Act and
12 the amendments made by this Act, be deemed to be
13 the national policy established by the Secretary
14 under subsection (a) respecting the number of posi-
15 tions in each State in the approved medical resi-
16 dency training programs of the different medical
17 specialties conducted in the State.

18 (d) ASSURING CONFORMITY OF MEDICARE PAY-
19 MENTS FOR MEDICAL EDUCATION WITH NATIONAL POL-
20 ICY.—

21 (1) PAYMENT FOR DIRECT MEDICAL EDU-
22 CATION.—Section 1886(h)(5)(A) of the Social Secu-
23 rity Act (42 U.S.C. 1395ww(h)(5)(A)) is amended—

24 (A) by striking “means” and inserting
25 “means, with respect to a hospital,”; and

1 (B) by striking the period at the end and
2 inserting the following: “, but only if (with re-
3 spect to residents who begin an initial residency
4 period on or after June 1, 1995) entry positions
5 in each such program of the hospital are in ac-
6 cordance with the national policy established by
7 the Secretary under section 3(a) of the Primary
8 Care Workforce Act of 1993 respecting the
9 number of positions in such program.”.

10 (2) PAYMENT FOR INDIRECT MEDICAL EDU-
11 CATION.—Section 1886(d)(5)(B) of such Act (42
12 U.S.C. 1395ww(d)(5)(B)) is amended by adding at
13 the end the following new clauses:

14 “(v) In determining such adjustment, the Sec-
15 retary may not take into account the services of any
16 interns and residents in a medical residency training
17 program for a specialty or subspecialty unless, with
18 respect to interns and residents who begin an initial
19 residency period (as defined in subsection (h)(5)(F))
20 on or after June 1, 1995, entry positions in each
21 such program of the hospital are in accordance with
22 the national policy established by the Secretary
23 under section 3(a) of the Primary Care Workforce
24 Act of 1993 respecting the number of positions in
25 such program.

1 “(vi) With respect to payments during each of
2 the first 5 fiscal years for which clause (v) is in ef-
3 fect, the application of such clause may not result in
4 a reduction of the additional payment amount made
5 to the hospital under this subparagraph during the
6 fiscal year to an amount that is less than—

7 “(I) in the case of a hospital receiving an
8 additional payment amount under subpara-
9 graph (F) during the fiscal year that is com-
10 puted under clause (vii)(I) of such subpara-
11 graph, 95 percent of the additional payment
12 amount made to the hospital under this sub-
13 paragraph during the previous fiscal year; or

14 “(II) in the case of any other hospital, 90
15 percent of the additional payment amount made
16 to the hospital under this subparagraph during
17 the previous fiscal year.”.

18 **SEC. 4. NATIONAL HEALTH PROFESSIONAL WORKFORCE**

19 **ADVISORY BOARD.**

20 (a) ESTABLISHMENT; COMPOSITION.—There is here-
21 by established the National Health Professional Workforce
22 Advisory Board (hereafter in this section referred to as
23 the “Board”), to be composed of the Secretary of Health
24 and Human Services, the Secretary of Veterans’ Affairs,
25 and 7 other members appointed by the President not later

1 than 3 months after the date of the enactment of this Act,
2 of whom—

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

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

7 (3) at least 1 shall be the program director of
8 an approved medical residency training program;

9 (4) at least 1 shall be the chief executive officer
10 of a hospital that operates an approved medical resi-
11 dency training program;

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

15 (6) at least 1 shall represent the general public.

16 (b) DUTIES.—

17 (1) IN GENERAL.—The Board shall—

18 (A) prepare initial recommendations re-
19 garding the national policy referred to in sec-
20 tion 3(a) for the number of positions in ap-
21 proved medical residency training programs of
22 the different medical specialties (subject to the
23 requirements of section 3(b) regarding the total
24 number of entry positions in such programs and
25 the distribution of such positions under such

1 programs among primary care and non-primary
2 care residents at various sites), and submit
3 such recommendations to the Secretary not
4 later than 1 year after the date of the enact-
5 ment of this Act;

6 (B) submit recommendations to the Sec-
7 retary regarding the supply and role of provid-
8 ers of primary care services who are not physi-
9 cians;

10 (C) with respect to funds available pursu-
11 ant to title XVIII of the Social Security Act for
12 direct graduate medical education for the clini-
13 cal training of physicians and nurses, study the
14 appropriateness of expending such funds to
15 make reimbursements under such title for the
16 clinical training in primary care of additional
17 practitioners;

18 (D) submit annual reports to Congress and
19 the Secretary on the implementation of such
20 national policy; and

21 (E) provide the Secretary with such tech-
22 nical and other assistance regarding such na-
23 tional policy as the Secretary may request.

1 (2) CRITERIA FOR RECOMMENDATIONS.—In
2 preparing its recommendations under paragraph (1),
3 the Board shall take into consideration—

4 (A) the quality of graduate medical resi-
5 dency training programs;

6 (B) the need to maintain the operation of
7 such programs that have demonstrated success
8 in recruiting, retaining, and promoting minority
9 practitioners;

10 (C) the need to assure that the distribution
11 of entry positions in such programs is not in-
12 equitable in relation to the States and hospitals
13 in urban and rural areas that are qualified to
14 offer such programs;

15 (D) the need to assure the provision of pri-
16 mary care and other health care services to
17 medically underserved communities; and

18 (E) such other criteria as the Board (in
19 consultation with the accrediting bodies referred
20 to in subsection (c)) considers appropriate.

21 (c) ROLE OF ACCREDITING BODIES AND CERTIFYING
22 BOARDS.—In preparing its recommendations regarding
23 the national policy referred to in section 3(a), the Board
24 shall—

1 (1) request each accrediting body for approved
2 medical residency training programs for a specialty
3 or subspecialty, and each certification board for such
4 specialty or subspecialty, to prepare and submit a
5 plan that provides for the achievement of such na-
6 tional policy with respect to approved medical resi-
7 dency training programs for such specialty or sub-
8 specialty;

9 (2) analyze the extent to which the Board may
10 adopt such plans as the basis for its recommenda-
11 tions; and

12 (3) maintain close consultation with such bodies
13 and boards throughout the process of preparing its
14 recommendations.

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

19 (1) employ and fix the compensation of an Ex-
20 ecutive Director and such other personnel (not to ex-
21 ceed 25) as may be necessary to carry out the
22 Board's duties;

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

1 (3) enter into contracts or make other arrange-
2 ments, as may be necessary for the conduct of the
3 work of the Board (without regard to section 3709
4 of the Revised Statutes (41 U.S.C. 5));

5 (4) make advance, progress, and other pay-
6 ments which relate to the work of the Commission;

7 (5) provide transportation and subsistence for
8 persons serving without compensation; and

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

12 (e) COMPENSATION.—Members of the Board who are
13 full-time officers or employees of the United States may
14 not receive additional pay, allowances, or benefits by rea-
15 son of their service on the Board, but may receive travel
16 expenses, including per diem in lieu of subsistence, in ac-
17 cordance with sections 5702 and 5703 of title 5, United
18 States Code.

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

1 (g) CONFORMING AMENDMENT REPEALING COUNCIL
2 ON GRADUATE MEDICAL EDUCATION.—Effective on the
3 date of the enactment of this Act, section 301 of the
4 Health Professions Education Extension Amendments of
5 1992 (Public Law 102–408) is repealed.

6 **SEC. 5. REVISIONS TO MEDICARE METHODOLOGY FOR DE-**
7 **TERMINING PAYMENTS FOR MEDICAL RESI-**
8 **DENCY.**

9 (a) PAYMENTS FOR DIRECT MEDICAL EDUCATION
10 COSTS OF NON-HOSPITAL PROVIDERS.—Title XVIII of
11 the Social Security Act (42 U.S.C. 1395 et seq.) is amend-
12 ed by inserting after section 1889 the following new sec-
13 tion:

14 “GRADUATE MEDICAL EDUCATION PAYMENTS FOR NON-
15 HOSPITAL PROVIDERS

16 “SEC. 1890. (a) IN GENERAL.—Notwithstanding any
17 other provision of this title, in the case of any entity (other
18 than a hospital) eligible to receive payments under this
19 title that operates an approved medical residency training
20 program, in addition to any other payments that may be
21 made to the entity under this title, the Secretary shall pro-
22 vide for payment to the entity for direct graduate medical
23 education costs in accordance with subsection (b).

24 “(b) DETERMINATION OF AMOUNT OF PAYMENT.—

25 “(1) IN GENERAL.—The amount of payment
26 made to an entity under this section for direct medi-

1 cal education for a fiscal year is equal to the product
2 of—

3 “(A) the aggregate approved amount (as
4 defined in paragraph (2)) for the year; and

5 “(B) the entity’s medicare patient load (as
6 defined in subsection (d)(2)) for the year.

7 “(2) AGGREGATE APPROVED AMOUNT.—In
8 paragraph (1), the term ‘aggregate approved
9 amount’ means, for a fiscal year, the product of—

10 “(A) the approved FTE resident amount
11 (determined under paragraph (3)) for the year;
12 and

13 “(B) the weighted average number of full-
14 time equivalent residents (as determined by the
15 Secretary in a manner similar to the manner
16 used to determine the number of such residents
17 under section 1886(h)(4)) in the entity’s ap-
18 proved medical residency training programs in
19 the year.

20 “(3) DETERMINATION OF APPROVED FTE RESI-
21 DENT AMOUNT.—

22 “(A) IN GENERAL.—For each approved
23 medical residency training program, the Sec-
24 retary shall determine an approved FTE resi-
25 dent amount for each fiscal year (beginning

1 with fiscal year 1995) equal to the applicable
2 percentage (as defined in subparagraph (C)) of
3 the national average salary for the year (as de-
4 fined in subparagraph (B)(ii)).

5 “(B) DETERMINATION OF NATIONAL AV-
6 ERAGE SALARY.—

7 “(i) DETERMINATION OF BASE
8 AMOUNT.—The Secretary shall determine a
9 base salary amount equal to the Sec-
10 retary’s estimate (using the most recent
11 available audited cost reports) of the na-
12 tional average salary, including fringe ben-
13 efits, for a full-time-equivalent resident in
14 an approved medical residency training
15 program during fiscal year 1990, increased
16 (in a compounded manner) by the sum of
17 the estimated percentage changes in the
18 consumer price index during the 12-month
19 periods between the midpoint of fiscal year
20 1990 and the midpoint of fiscal year 1994.

21 “(ii) NATIONAL AVERAGE SALARY DE-
22 FINED.—In this paragraph, the ‘national
23 average salary’ for a fiscal year is equal
24 to—

1 “(I) for fiscal year 1995, the
2 base amount determined under clause
3 (i) updated through the midpoint of
4 the year by projecting the estimated
5 percentage change in the consumer
6 price index during the 12-month pe-
7 riod ending at that midpoint (with ap-
8 propriate adjustments to reflect pre-
9 vious under- or over-estimations under
10 this subparagraph in the projected
11 percentage change in the consumer
12 price index); and

13 “(II) for a subsequent fiscal year,
14 the amount determined under this
15 clause for the previous fiscal year up-
16 dated through the midpoint of the
17 year by projecting the estimated per-
18 centage change in the consumer price
19 index during the 12-month period
20 ending at that midpoint (with appro-
21 priate adjustments to reflect previous
22 under- or over-estimations under this
23 subparagraph in the projected per-
24 centage change in the consumer price
25 index).

1 “(C) APPLICABLE PERCENTAGE.—In sub-
2 paragraph (A), the ‘applicable percentage’ is—

3 “(i) in the case of a primary care resi-
4 dency training program, 200 percent; or

5 “(ii) in the case of medical residency
6 training program that is not a primary
7 care residency training program, 150 per-
8 cent.

9 “(c) ALLOCATION OF PAYMENTS AMONG TRUST
10 FUNDS.—In providing for payments under this section,
11 the Secretary shall provide for an allocation of such pay-
12 ments between part A and part B (and the trust funds
13 established under the respective parts) as reasonably re-
14 flects the proportion of direct graduate medical costs of
15 entities associated with the provision of services under
16 each respective part.

17 “(d) DEFINITIONS.—In this section:

18 “(1) The terms ‘approved medical residency
19 training program’, ‘consumer price index’, ‘direct
20 graduate medical education costs’, and ‘resident’
21 have the meaning given such terms under section
22 1886(h)(5).

23 “(2) The term ‘medicare patient load’ means,
24 with respect to an entity for a year, the fraction of
25 the entity’s services during the year which are at-

1 tributable to individuals entitled to benefits under
2 this title (based on such measure of services as the
3 Secretary determines to be appropriate for purposes
4 of this section).

5 “(3) The term ‘primary care medical residency
6 training program’ means an approved medical resi-
7 dency training program consisting of a distinct pro-
8 gram of primary health care (as defined in section
9 723(d)(5) of the Public Health Service Act).”.

10 (b) PAYMENT FOR HOSPITAL COSTS OF INDIRECT
11 MEDICAL EDUCATION PROVIDED OFF-SITE.—Section
12 1886(d)(5)(B)(iv) of the Social Security Act (42 U.S.C.
13 1395ww(d)(5)(B)(iv)) is amended by inserting by striking
14 the period at the end and inserting the following: “, with-
15 out regard to the setting in which the services are fur-
16 nished (if the hospital incurs all, or substantially all, of
17 the costs of the services furnished to the hospital by such
18 interns and residents).”.

19 (c) EFFECTIVE DATE.—The amendments made by
20 this section shall apply to cost reporting periods (or por-
21 tions thereof) beginning on or after October 1, 1994.

22 **SEC. 6. CERTAIN PRIMARY CARE PROGRAMS UNDER PUB-**
23 **LIC HEALTH SERVICE ACT.**

24 (a) INCREASE IN FUNDING FOR SCHOLARSHIP AND
25 LOAN REPAYMENT PROGRAMS OF NATIONAL HEALTH

1 SERVICE CORPS.—Section 338H(b)(1) of the Public
2 Health Service Act (42 U.S.C. 254q(b)(1)) is amended—

3 (1) by striking “and” after “1991,”;

4 (2) by striking “through 2000” and inserting
5 “and 1993”; and

6 (3) by inserting before the period the following:

7 “, \$226,000,000 for fiscal year 1994, \$294,000,000
8 for fiscal year 1995, \$381,000,000 for fiscal year
9 1996, \$496,000,000 for fiscal year 1997,
10 \$644,000,000 for fiscal year 1998, \$837,000,000 for
11 fiscal year 1999, and \$1,089,000,000 for fiscal year
12 2000”.

13 (b) DEMONSTRATION GRANTS TO STATES FOR COM-
14 MUNITY SCHOLARSHIP PROGRAMS.—Section 338L(l)(1)
15 of the Public Health Service Act (42 U.S.C. 254t(l)(1))
16 is amended—

17 (1) by striking “and” after “1992,”; and

18 (2) by inserting before the period the following:

19 “, and \$5,000,000 for each of the fiscal years 1994
20 through 2000”.

21 (c) NATIONAL RESEARCH SERVICE AWARDS.—Sec-
22 tion 487(d)(3) of the Public Health Service Act (42 U.S.C.
23 288(d)(3)), as amended by section 1641(2) of Public Law
24 103–43, is amended—

1 (1) by striking “1 percent” the first place such
2 terms appears and inserting “2 percent”; and

3 (2) by striking “Awards which (A) are made”
4 and all that follows through “(B) are for research in
5 primary medical care;” and inserting the following:
6 “Awards made for research in primary medical
7 care;”.

8 (d) HEALTH CARE POLICY AND RESEARCH.—

9 (1) FUNDING.—Section 926 of the Public
10 Health Service Act (42 U.S.C. 299c-5), as amended
11 by section 10 of Public Law 102-410 (106 Stat.
12 2101), is amended by adding at the end the follow-
13 ing subsection:

14 “(f) ALLOCATION REGARDING PRIMARY CARE.—Of
15 the amounts made available for a fiscal year for carrying
16 out this title, the Secretary shall obligate not less than
17 15 percent for carrying out section 902 with respect to
18 primary care.”.

19 (2) RETRAINING PROGRAMS.—Section 902 of
20 the Public Health Service Act (42 U.S.C. 299a), as
21 amended by section 2 of Public Law 102-410 (106
22 Stat. 2094), is amended by adding at the end the
23 following subsection:

24 “(f) RETRAINING OF SPECIALISTS.—With respect to
25 physicians who are in a specialty, the Administrator shall,

1 in carrying out subsection (a), conduct or support pro-
2 grams for training such physicians in primary care.”.

3 (e) COMMISSION ON OBLIGATED SERVICE.—

4 (1) IN GENERAL.—Not later than 180 days
5 after the date of the enactment of this Act, there
6 shall be established in accordance with this sub-
7 section an advisory commission to carry out the du-
8 ties described in paragraph (2).

9 (2) DUTIES.—The duties referred to in para-
10 graph (1) are making recommendations to the Presi-
11 dent and the Secretary on Health and Human Serv-
12 ices on whether and to what extent students attend-
13 ing health professions schools pursuant to direct or
14 indirect federal financial assistance (for the students
15 or for the schools, or both) should, as a condition of
16 such attendance, be contractually required to com-
17 plete a period of providing health services to medi-
18 cally underserved individuals. Recommendations
19 under the preceding sentence shall include rec-
20 ommendations with respect to establishing such a re-
21 quirement for each student who attends a health
22 professions school pursuant to such assistance.

23 (3) MEMBERSHIP.—The advisory commission
24 established under paragraph (1) shall be comprised
25 of five individuals appointed by the President.

1 (4) ADMINISTRATIVE PROVISIONS.—The advi-
2 sory commission established under paragraph (1)
3 shall be established within the Department of Health
4 and Human Services. The Secretary shall provide to
5 the commission such staff, quarters, information,
6 and other assistance as may be necessary for the
7 commission to carry out paragraph (2).

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