

cautiously and thoughtfully implemented, providing full safeguards for beneficiaries. Recognizing the dependence of those receiving federal benefits on those benefits, the conferees direct that the Treasury Department limit automatic withholding of benefits above the \$9,000 annual exemption to a reasonable percentage of those benefits, not to exceed 15 percent. Of course, debtors wishing to repay more would be free to do so by remittance or other voluntary means.

The conferees agree that it is particularly important to recognize that individual circumstances change and even an individual with a good repayment record could face a personal or financial misfortune that makes further repayment difficult, if not impossible. For example, the death of the family breadwinner, despite the payment of survivor benefits, could indicate a substantial loss of income to a family. To suddenly or excessively reduce a surviving dependent's benefits could further threaten an already precarious economic situation for the affected dependent.

CONTINGENT APPROPRIATIONS

The conference agreement does not include any appropriations which would have been available only on the enactment of subsequent legislation that would have credited the Committees on Appropriations with sufficient savings to offset these appropriations. The House bill and the Senate amendment both contained this type of contingent appropriations but in different amounts. In lieu of providing any such contingent appropriations the conference agreement includes regular appropriations and offsetting savings above the regular appropriations or offset amounts in either the House or Senate passed versions of the bill. The additional amount of offsets result in this conference agreement being within the designated spending limits.

ENVIRONMENTAL INITIATIVES

The conference agreement does not include a separate title on environmental initiatives as proposed by the Senate. Instead these issues have been addressed in other parts of the conference agreement.

DISCLOSURE OF LOBBYING ACTIVITIES BY FEDERAL GRANTEEES

The conference agreement deletes a provision requiring disclosure of lobbying activities by Federal grantees as proposed by the House. The Senate amendment contained no similar provision.

DEFICIT REDUCTION LOCK-BOX

The conference agreement deletes a provision proposed by the House that would have reduced the Committees on Appropriations spending allocations when spending reduction amendments are adopted during consideration of appropriations bills in either body. The Senate amendment contained no similar provision.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1996 recommended by the Committee of Conference, with comparisons to the fiscal year 1995 amount, the 1996 budget estimates, and the House and Senate bills for 1996 follow:

New budget (obligational) authority, fiscal year 1995	\$374,952,232,061
Budget estimates of new (obligational) authority, fiscal year 1996	404,545,750,093
House bill, fiscal year 1996	382,607,656,000
Senate bill, fiscal year 1996	384,492,162,999
Conference agreement, fiscal year 1996	380,684,327,000

Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1995	5,732,094,939
Budget estimates of new (obligational) authority, fiscal year 1996	-23,861,423,093
House bill, fiscal year 1996	-1,923,329,000
Senate bill, fiscal year 1996	-3,807,835,999

For consideration of the House Bill (except for section 101(c)) and the Senate amendment (except for section 101(d)), and modifications committed to conference:

- BOB LIVINGSTON,
- JOHN MYERS,
- BILL YOUNG,
- RALPH REGULA,
- JOHN EDWARD PORTER,
- HAL ROGERS,
- JOE SKEEN,
- FRANK R. WOLF,
- BARBARA VUCANOVICH,
- JIM LIGHTFOOT,
- SONNY CALLAHAN,
- JAMES T. WALSH,
- DAVID R. OBEY,
- LOUIS STOKES,
- TOM BEVILL,
- JOHN P. MURTHA,
- CHARLES WILSON,
- BILL HEFNER,
- ALAN MOLLOHAN,

For consideration of section 101(c) of the House bill, and section 101(d) of the Senate amendment, and modifications committed to conference:

- JOHN EDWARD PORTER,
- BILL YOUNG,
- ERNEST ISTOOK,
- DAN MILLER,
- JAY DICKEY,
- FRANK RIGGS,
- ROGER F. WICKER,
- BOB LIVINGSTON,
- DAVID R. OBEY,
- LOUIS STOKES,
- STENY HOYER,
- NANCY PELOSI,
- NITA M. LOWEY,

Managers on the Part of the House.

- MARK O. HATFIELD,
- TED STEVENS,
- THAD COCHRAN,
- ARLEN SPECTER,
- PETE V. DOMENICI,
- CHRISTOPHER S. BOND,
- SLADE GORTON,
- MITCH MCCONNELL,
- CONNIE MACK,
- RICHARD C. SHELBY,
- JAMES M. JEFFORDS,
- ROBERT F. BENNETT,
- BEN NIGHTHORSE
- CAMPBELL,
- ROBERT BYRD,
- DANIEL K. INOUE,
- FRITZ HOLLINGS,
- J. BENNETT JOHNSTON,
- PATRICK J. LEAHY,
- DALE BUMPERS,
- FRANK R. LAUTENBERG,
- TOM HARKIN,
- BARBARA A. MIKULSKI,
- HARRY REID,
- J. ROBERT KERREY,
- PATTY MURRAY,

Managers on the Part of the Senate.

CONFERENCE REPORT ON S. 641

Mr. BLILEY submitted the following conference report and statement on the

bill (S. 641) to reauthorize the Ryan White CARE Act of 1990, and for other purposes:

CONFERENCE REPORT (H. REPT. 104-545)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 641), to reauthorize the Ryan White CARE Act of 1990, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ryan White CARE Act Amendments of 1996".

SEC. 2. 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.).

SEC. 3. GENERAL AMENDMENTS.

(a) PROGRAM OF GRANTS.—

(1) NUMBER OF CASES.—Section 2601(a) (42 U.S.C. 300ff-11) is amended—

(A) by striking "subject to subsection (b)" and inserting "subject to subsections (b) through (d)"; and

(B) by striking "metropolitan area" and all that follows and inserting the following: "metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome for the most recent period of 5 calendar years for which such data are available."

(2) OTHER PROVISIONS REGARDING ELIGIBILITY.—Section 2601 (42 U.S.C. 300ff-11) is amended by adding at the end thereof the following new subsections:

"(c) REQUIREMENTS REGARDING POPULATION.—

"(1) NUMBER OF INDIVIDUALS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the Secretary may not make a grant under this section for a metropolitan area unless the area has a population of 500,000 or more individuals.

"(B) LIMITATION.—Subparagraph (A) does not apply to any metropolitan area that was an eligible area under this part for fiscal year 1995 or any prior fiscal year.

"(2) GEOGRAPHIC BOUNDARIES.—For purposes of eligibility under this part, the boundaries of each metropolitan area are the boundaries that were in effect for the area for fiscal year 1994.

"(d) CONTINUED STATUS AS ELIGIBLE AREA.—Notwithstanding any other provision of this section, a metropolitan area that was an eligible area under this part for fiscal year 1996 is an eligible area for fiscal year 1997 and each subsequent fiscal year."

(3) CONFORMING AMENDMENT REGARDING DEFINITION OF ELIGIBLE AREA.—Section 2607(1) (42 U.S.C. 300ff-17(1)) is amended by striking "The term" and all that follows and inserting the following: "The term 'eligible area' means a metropolitan area meeting the requirements of section 2601 that are applicable to the area."

(b) EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES.—

(1) HIV HEALTH SERVICES PLANNING COUNCIL.—Subsection (b) of section 2602 (42 U.S.C. 300ff-12(b)) is amended—

(A) in paragraph (1)—

(i) by striking "include" and all that follows through the end thereof, and inserting "reflect in its composition the demographics of the epidemic in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations."; and

(ii) by adding at the end thereof the following new sentences: "Nominations for membership on the council shall be identified through an open process and candidates shall be selected based on locally delineated and publicized criteria. Such criteria shall include a conflict-of-interest standard that is in accordance with paragraph (5).";

(B) in paragraph (2), by adding at the end thereof the following new subparagraph:

"(C) CHAIRPERSON.—A planning council may not be chaired solely by an employee of the grantee.";

(C) in paragraph (3)—

(i) in subparagraph (A), by striking "area," and inserting "area, 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—

"(i) documented needs of the HIV-infected population;

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

"(iii) priorities of the HIV-infected communities for whom the services are intended; and

"(iv) availability of other governmental and nongovernmental resources;";

(ii) by striking "and" at the end of subparagraph (B);

(iii) by striking the period at the end of subparagraph (C) and inserting ", and at the discretion of the planning council, assess the effectiveness, either directly or through contractual arrangements, of the services offered in meeting the identified needs;"; and

(iv) by adding at the end thereof the following new subparagraphs:

"(D) 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; and

"(E) establish methods for obtaining input on community needs and priorities which may include public meetings, conducting focus groups, and convening ad-hoc panels.";

(D) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(E) by inserting after paragraph (1), the following new paragraph:

"(2) REPRESENTATION.—The HIV health services planning council shall include representatives of—

"(A) health care providers, including federally qualified health centers;

"(B) community-based organizations serving affected populations and AIDS service organizations;

"(C) social service providers;

"(D) mental health and substance abuse providers;

"(E) local public health agencies;

"(F) hospital planning agencies or health care planning agencies;

"(G) affected communities, including people with HIV disease or AIDS and historically underserved groups and subpopulations;

"(H) nonelected community leaders;

"(I) State government (including the State Medicaid agency and the agency administering the program under part B);

"(J) grantees under subpart II of part C;

"(K) grantees under section 2671, or, if none are operating in the area, representatives of organizations with a history of serv-

ing children, youth, women, and families living with HIV and operating in the area; and

"(L) grantees under other Federal HIV programs."; and

(F) by adding at the end thereof the following:

"(5) CONFLICTS OF INTEREST.—

"(A) IN GENERAL.—The planning council under paragraph (1) may not be directly involved in the administration of a grant under section 2601(a). With respect to compliance with the preceding sentence, the planning council may not designate (or otherwise be involved in the selection of) particular entities as recipients of any of the amounts provided in the grant.

"(B) REQUIRED AGREEMENTS.—An individual may serve on the planning council under paragraph (1) only if the individual agrees that if the individual has a financial interest in an entity, if the individual is an employee of a public or private entity, or if the individual is a member of a public or private organization, and such entity or organization is seeking amounts from a grant under section 2601(a), the individual will not, with respect to the purpose for which the entity seeks such amounts, participate (directly or in an advisory capacity) in the process of selecting entities to receive such amounts for such purpose.

"(6) GRIEVANCE PROCEDURES.—A planning council under paragraph (1) shall develop procedures for addressing grievances with respect to funding under this part, including procedures for submitting grievances that cannot be resolved to binding arbitration. Such procedures shall be described in the by-laws of the planning council and be consistent with the requirements of subsection (c).

"(C) GRIEVANCE PROCEDURES.—

"(1) FEDERAL RESPONSIBILITY.—

"(A) MODELS.—The Secretary shall, through a process that includes consultations with grantees under this part and public and private experts in grievance procedures, arbitration, and mediation, develop model grievance procedures that may be implemented by the planning council under subsection (b)(1) and grantees under this part. Such model procedures shall describe the elements that must be addressed in establishing local grievance procedures and provide grantees with flexibility in the design of such local procedures.

"(B) REVIEW.—The Secretary shall review grievance procedures established by the planning council and grantees under this part to determine if such procedures are adequate. In making such a determination, the Secretary shall assess whether such procedures permit legitimate grievances to be filed, evaluated, and resolved at the local level.

"(2) GRANTEES.—To be eligible to receive funds under this part, a grantee shall develop grievance procedures that are determined by the Secretary to be consistent with the model procedures developed under paragraph (1)(A). Such procedures shall include a process for submitting grievances to binding arbitration."

(2) DISTRIBUTION OF GRANTS.—Section 2603 (42 U.S.C. 300ff-13) is amended—

(A) in subsection (a)(2), by striking "Not later than—" and all that follows through "the Secretary shall" and inserting the following: "Not later than 60 days after an appropriation becomes available to carry out this part for each of the fiscal years 1996 through 2000, the Secretary shall"; and

(B) in subsection (b)

(i) in paragraph (1)—

(I) by striking "and" at the end of subparagraph (D);

(II) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(III) by adding at the end thereof the following new subparagraphs:

"(F) demonstrates the inclusiveness of the planning council membership, with particular emphasis on affected communities and individuals with HIV disease; and

"(G) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the Statewide coordinated statement of need."; and

(ii) by redesignating paragraphs (2), (3), and (4) as paragraphs (3), (4), and (5), respectively; and

(iii) by inserting after paragraph (1), the following new paragraph:

"(2) DEFINITION.—

"(A) SEVERE NEED.—In determining severe need in accordance with paragraph (1)(B), the Secretary shall consider the ability of the qualified applicant to expend funds efficiently and the impact of relevant factors on the cost and complexity of delivering health care and support services to individuals with HIV disease in the eligible area, including factors such as—

"(i) sexually transmitted diseases, substance abuse, tuberculosis, severe mental illness, or other comorbid factors determined relevant by the Secretary;

"(ii) new or growing subpopulations of individuals with HIV disease; and

"(iii) homelessness.

"(B) PREVALENCE.—In determining the impact of the factors described in subparagraph (A), the Secretary shall, to the extent practicable, use national, quantitative incidence data that are available for each eligible area. Not later than 2 years after the date of enactment of this paragraph, the Secretary shall develop a mechanism to utilize such data. In the absence of such data, the Secretary may consider a detailed description and qualitative analysis of severe need, as determined under subparagraph (A), including any local prevalence data gathered and analyzed by the eligible area.

"(C) PRIORITY.—Subsequent to the development of the quantitative mechanism described in subparagraph (B), the Secretary shall phase in, over a 3-year period beginning in fiscal year 1998, the use of such a mechanism to determine the severe need of an eligible area compared to other eligible areas and to determine, in part, the amount of supplemental funds awarded to the eligible area under this part."

(3) DISTRIBUTION OF FUNDS.—

(A) IN GENERAL.—Section 2603(a)(2) (42 U.S.C. 300ff-13(a)(2)) (as amended by paragraph (2)) is further amended—

(i) by inserting ", in accordance with paragraph (3)" before the period; and

(ii) by adding at the end thereof the following new sentences: "The Secretary shall reserve an additional percentage of the amount appropriated under section 2677 for a fiscal year for grants under part A to make grants to eligible areas under section 2601(a) in accordance with paragraph (4)."

(B) INCREASE IN GRANT.—Section 2603(a) (42 U.S.C. 300ff-13(a)) is amended by adding at the end thereof the following new paragraph:

"(4) INCREASE IN GRANT.—With respect to an eligible area under section 2601(a), the Secretary shall increase the amount of a grant under paragraph (2) for a fiscal year to ensure that such eligible area receives not less than—

"(A) with respect to fiscal year 1996, 100 percent;

"(B) with respect to fiscal year 1997, 99 percent;

"(C) with respect to fiscal year 1998, 98 percent;

"(D) with respect to fiscal year 1999, 96.5 percent; and

"(E) with respect to fiscal year 2000, 95 percent;

of the amount allocated for fiscal year 1995 to such entity under this subsection."

(C) ADDITIONAL REQUIREMENTS FOR GRANTS.—Section 2603 (42 U.S.C. 300ff-13) is amended by adding at the end thereof the following subsection:

"(C) COMPLIANCE WITH PRIORITIES OF HIV PLANNING COUNCIL.—Notwithstanding any other provision of this part, the Secretary, in carrying out section 2601(a), may not make any grant under subsection (a) or (b) to an eligible area unless the application submitted by such area under section 2605 for the grant involved demonstrates that the grants made under subsections (a) and (b) to the area for the preceding fiscal year (if any) were expended in accordance with the priorities applicable to such year that were established, pursuant to section 2602(b)(3)(A), by the planning council serving the area."

(4) USE OF AMOUNTS.—Section 2604 (42 U.S.C. 300ff-14) is amended—

(A) in subsection (b)(1)(A)—

(i) by inserting ", substance abuse treatment and mental health treatment," after "case management"; and

(ii) by inserting "which shall include treatment education and prophylactic treatment for opportunistic infections," after "treatment services,";

(B) in subsection (b)(2)(A)—

(i) by inserting ", or private for-profit entities if such entities are the only available provider of quality HIV care in the area," after "nonprofit private entities,"; and

(ii) by striking "and homeless health centers" and inserting "homeless health centers, substance abuse treatment programs, and mental health programs";

(C) by adding at the end of subsection (b), the following new paragraph:

"(3) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, including treatment measures to prevent the perinatal transmission of HIV, the chief elected official of an eligible area, in accordance with the established priorities of the planning council, shall use, from the grants made for the area under section 2601(a) for a fiscal year, not less than the percentage constituted by the ratio of the population in such area of infants, children, and women with acquired immune deficiency syndrome to the general population in such area of individuals with such syndrome.";

(C) in subsection (e)—

(i) in the subsection heading, by striking "AND PLANNING";

(ii) by striking "The chief" and inserting: "(1) IN GENERAL.—The chief";

(iii) by striking "accounting, reporting, and program oversight functions";

(iv) by adding at the end thereof the following new sentence: "In the case of entities and subcontractors to which such officer allocates amounts received by the officer under the grant, the officer shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses)."; and

(v) by adding at the end thereof the following new paragraphs:

"(2) ADMINISTRATIVE ACTIVITIES.—For the purposes of paragraph (1), amounts may be used for administrative activities that include—

"(A) routine grant administration and monitoring activities, including the development of applications for part A funds, the receipt and disbursement of program funds, the development and establishment of reimbursement and accounting systems, the preparation of routine programmatic and financial

reports, and compliance with grant conditions and audit requirements; and

"(B) all activities associated with the grantee's contract award procedures, including the development of requests for proposals, contract proposal review activities, negotiation and awarding of contracts, monitoring of contracts through telephone consultation, written documentation or onsite visits, reporting on contracts, and funding reallocation activities.

"(3) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this subsection, subcontractor administrative activities include—

"(A) usual and recognized overhead, including established indirect rates for agencies;

"(B) management oversight of specific programs funded under this title; and

"(C) other types of program support such as quality assurance, quality control, and related activities.";

(5) APPLICATION.—Section 2605 (42 U.S.C. 300ff-15) is amended—

(A) in subsection (a)—

(i) in the matter preceding paragraph (1), by inserting ", in accordance with subsection (c) regarding a single application and grant award," after "application";

(ii) in paragraph (1)(B), by striking "1-year period" and all that follows through "eligible area" and inserting "preceding fiscal year";

(iii) in paragraph (4), by striking "and" at the end thereof;

(iv) in paragraph (5), by striking the period at the end thereof and inserting "; and"; and

(v) by adding at the end thereof the following new paragraph:

"(6) that the applicant has participated, or will agree to participate, in the Statewide coordinated statement of need process where it has been initiated by the State public health agency responsible for administering grants under part B, and ensure that the services provided under the comprehensive plan are consistent with the Statewide coordinated statement of need.";

(B) in subsection (b)—

(i) in the subsection heading, by striking "ADDITIONAL"; and

(ii) in the matter preceding paragraph (1), by striking "additional application" and inserting "application, in accordance with subsection (c) regarding a single application and grant award,"; and

(C) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(D) by inserting after subsection (b), the following new subsection:

"(c) SINGLE APPLICATION AND GRANT AWARD.—

"(1) APPLICATION.—The Secretary may phase in the use of a single application that meets the requirements of subsections (a) and (b) of section 2603 with respect to an eligible area that desires to receive grants under section 2603 for a fiscal year.

"(2) GRANT AWARD.—The Secretary may phase in the awarding of a single grant to an eligible area that submits an approved application under paragraph (1) for a fiscal year."

(6) TECHNICAL ASSISTANCE.—Section 2606 (42 U.S.C. 300ff-16) is amended—

(A) by striking "may" and inserting "shall";

(B) by inserting after "technical assistance" the following: ", including assistance from other grantees, contractors or subcontractors under this title to assist newly eligible metropolitan areas in the establishment of HIV health services planning councils and,"; and

(C) by adding at the end thereof the following new sentences: "The Administrator may make planning grants available to metropolitan areas, in an amount not to exceed

\$75,000 for any metropolitan area, projected to be eligible for funding under section 2601 in the following fiscal year. Such grant amounts shall be deducted from the first year formula award to eligible areas accepting such grants. Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2677 for grants under part A may be used to carry out this section."

(c) CARE GRANT PROGRAM.—

(1) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—Section 2611 (42 U.S.C. 300ff-21) is amended—

(A) by striking "The" and inserting "(a) IN GENERAL.—The"; and

(B) by adding at the end thereof the following new subsection:

"(b) PRIORITY FOR WOMEN, INFANTS AND CHILDREN.—For the purpose of providing health and support services to infants, children, and women with HIV disease, including treatment measures to prevent the perinatal transmission of HIV, a State shall use, of the funds allocated under this part to the State for a fiscal year, not less than the percentage constituted by the ratio of the population in the State of infants, children, and women with acquired immune deficiency syndrome to the general population in the State of individuals with such syndrome."

(2) USE OF GRANTS.—Section 2612 (42 U.S.C. 300ff-22) is amended—

(A) in subsection (a)—

(i) by striking the subsection designation and heading;

(ii) by redesignating paragraphs (1) through (4) as paragraphs (2) through (5), respectively;

(iii) by inserting the following new paragraph:

"(1) to provide the services described in section 2604(b)(1) for individuals with HIV disease";

(iv) in paragraph (5) (as so redesignated), by striking "treatments" and all that follows through "health," and inserting "therapeutics to treat HIV disease"; and

(v) by adding at the end thereof the following flush sentences:

"Services described in paragraph (1) shall be delivered through consortia designed as described in paragraph (2), where such consortia exist, unless the State demonstrates to the Secretary that delivery of such services would be more effective when other delivery mechanisms are used. In making a determination regarding the delivery of services, the State shall consult with appropriate representatives of service providers and recipients of services who would be affected by such determination, and shall include in its demonstration to the Secretary the findings of the State regarding such consultation.";

(B) by striking subsection (b).

(2) HIV CARE CONSORTIA.—Section 2613 (42 U.S.C. 300ff-23) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by inserting "(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)" after "nonprofit private,"; and

(ii) in paragraph (2)(A)—

(I) by inserting "substance abuse treatment, mental health treatment," after "nursing,"; and

(II) by inserting "prophylactic treatment for opportunistic infections, treatment education to take place in the context of health care delivery," after "monitoring,"; and

(B) in subsection (c)—

(i) in subparagraph (C) of paragraph (1), by inserting before "care" "and youth centered"; and

(ii) in paragraph (2)—

(I) in clause (ii) of subparagraph (A), by striking “served; and” and inserting “served.”;

(II) in subparagraph (B), by striking the period at the end and inserting “; and”;

(III) by adding after subparagraph (B), the following new subparagraph:

“(C) grantees under section 2671, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV.”.

(3) PROVISION OF TREATMENTS.—Section 2616 (42 U.S.C. 300ff-26) is amended—

(A) in subsection (a)—

(i) by striking “may use amounts” and inserting “shall use a portion of the amounts”;

(ii) by striking “section 2612(a)(4)” and all that follows through “prolong life” and inserting “section 2612(a)(5) to provide therapeutics to treat HIV disease”;

(iii) by inserting before the period the following: “, including measures for the prevention and treatment of opportunistic infections”;

(B) in subsection (c)—

(i) in paragraph (3), by striking “and” at the end thereof;

(ii) in paragraph (4), by striking the period and inserting “; and”;

(iii) by adding at the end thereof the following new paragraph:

“(5) document the progress made in making therapeutics described in subsection (a) available to individuals eligible for assistance under this section.”; and

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

“(d) DUTIES OF THE SECRETARY.—In carrying out this section, the Secretary shall review the current status of State drug reimbursement programs established under section 2612(2) and assess barriers to the expanded availability of the treatments described in subsection (a). The Secretary shall also examine the extent to which States coordinate with other grantees under this title to reduce barriers to the expanded availability of the treatments described in subsection (a).”.

(4) STATE APPLICATION.—Section 2617(b) (42 U.S.C. 300ff-27(b)) is amended—

(A) in paragraph (2)—

(i) in subparagraph (A), by striking “and” at the end thereof; and

(ii) by adding at the end thereof the following new subparagraph:

“(C) a description of how the allocation and utilization of resources are consistent with the Statewide coordinated statement of need (including traditionally underserved populations and subpopulations) developed in partnership with other grantees in the State that receive funding under this title; and”;

(B) by redesignating paragraph (3) as paragraph (4);

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

“(3) an assurance that the public health agency administering the grant for the State will periodically convene a meeting of individuals with HIV, representatives of grantees under each part under this title, providers, and public agency representatives for the purpose of developing a Statewide coordinated statement of need; and”.

(5) PLANNING, EVALUATION AND ADMINISTRATION.—Section 2618(c) (42 U.S.C. 300ff-28(c)) is amended—

(A) by striking paragraph (1);

(B) in paragraphs (3) and (4), to read as follows:

“(3) PLANNING AND EVALUATIONS.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a

grant awarded under this part for planning and evaluation activities.

“(4) ADMINISTRATION.—

“(A) IN GENERAL.—Subject to paragraph (5) and except as provided in paragraph (6), a State may not use more than 10 percent of amounts received under a grant awarded under this part for administration. In the case of entities and subcontractors to which the State allocates amounts received by the State under the grant (including consortia under section 2613), the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).

“(B) ADMINISTRATIVE ACTIVITIES.—For the purposes of subparagraph (A), amounts may be used for administrative activities that include routine grant administration and monitoring activities.

“(C) SUBCONTRACTOR ADMINISTRATIVE COSTS.—For the purposes of this paragraph, subcontractor administrative activities include—

“(i) usual and recognized overhead, including established indirect rates for agencies;

“(ii) management oversight of specific programs funded under this title; and

“(iii) other types of program support such as quality assurance, quality control, and related activities.”;

(C) by redesignating paragraph (5) as paragraph (7); and

(D) by inserting after paragraph (4), the following new paragraphs:

“(5) LIMITATION ON USE OF FUNDS.—Except as provided in paragraph (6), a State may not use more than a total of 15 percent of amounts received under a grant awarded under this part for the purposes described in paragraphs (3) and (4).

“(6) EXCEPTION.—With respect to a State that receives the minimum allotment under subsection (a)(1) for a fiscal year, such State, from the amounts received under a grant awarded under this part for such fiscal year for the activities described in paragraphs (3) and (4), may, notwithstanding paragraphs (3), (4), and (5), use not more than that amount required to support one full-time-equivalent employee.”.

(6) TECHNICAL ASSISTANCE.—Section 2619 (42 U.S.C. 300ff-29) is amended—

(A) by striking “may” and inserting “shall”; and

(B) by inserting before the period the following: “, including technical assistance for the development and implementation of Statewide coordinated statements of need”.

(7) COORDINATION.—Part B of title XXVI (42 U.S.C. 300ff-21 et seq.) is amended by adding at the end thereof the following new section:

“SEC. 2621. COORDINATION.

“The Secretary shall ensure that the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration coordinate the planning and implementation of Federal HIV programs in order to facilitate the local development of a complete continuum of HIV-related services for individuals with HIV disease and those at risk of such disease. Not later than October 1, 1996, and biennially thereafter, the Secretary shall submit to the appropriate committees of the Congress a report concerning coordination efforts under this title at the Federal, State, and local levels, including a statement of whether and to what extent there exist Federal barriers to integrating HIV-related programs.”.

(d) EARLY INTERVENTION SERVICES.—

(1) ESTABLISHMENT OF PROGRAM.—Section 2651(b) (42 U.S.C. 300ff-51(b)) is amended—

(A) in paragraph (1), by inserting before the period the following: “, and unless the applicant agrees to expend not less than 50 percent of the grant for such services that are specified in subparagraphs (B) through (E) of such paragraph for individuals with HIV disease”;

(B) in paragraph (4)—

(i) by striking “The Secretary” and inserting “(A) IN GENERAL.—The Secretary”;

(ii) by inserting “, or private for-profit entities if such entities are the only available provider of quality HIV care in the area,” after “nonprofit private entities”;

(iii) by realigning the margin of subparagraph (A) so as to align with the margin of paragraph (3)(A); and

(iv) by adding at the end thereof the following new subparagraph:

“(B) OTHER REQUIREMENTS.—Grantees described in—

“(i) paragraphs (1), (2), (5), and (6) of section 2652(a) shall use not less than 50 percent of the amount of such a grant to provide the services described in subparagraphs (A), (B), (D), and (E) of section 2651(b)(2) directly and on-site or at sites where other primary care services are rendered; and

“(ii) paragraphs (3) and (4) of section 2652(a) shall ensure the availability of early intervention services through a system of linkages to community-based primary care providers, and to establish mechanisms for the referrals described in section 2651(b)(2)(C), and for follow-up concerning such referrals.”.

(2) MINIMUM QUALIFICATIONS.—Section 2652(b)(1)(B) (42 U.S.C. 300ff-52(b)(1)(B)) is amended by inserting “, or a private for-profit entity if such entity is the only available provider of quality HIV care in the area,” after “nonprofit private entity”.

(3) MISCELLANEOUS PROVISIONS.—Section 2654 (42 U.S.C. 300ff-54) is amended by adding at the end thereof the following new subsection:

“(c) PLANNING AND DEVELOPMENT GRANTS.—

“(1) IN GENERAL.—The Secretary may provide planning grants, in an amount not to exceed \$50,000 for each such grant, to public and nonprofit private entities for the purpose of enabling such entities to provide HIV early intervention services.

“(2) REQUIREMENT.—The Secretary may only award a grant to an entity under paragraph (1) if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 2651.

“(3) PREFERENCE.—In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide primary care services in rural or underserved communities.

“(4) LIMITATION.—Not to exceed 1 percent of the amount appropriated for a fiscal year under section 2655 may be used to carry out this section.”.

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 2655 (42 U.S.C. 300ff-55) is amended by striking “\$75,000,000” and all that follows through the end of the section, and inserting “such sums as may be necessary in each of the fiscal years 1996, 1997, 1998, 1999, and 2000.”.

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

(A) in paragraph (2), by striking “and” at the end thereof;

(B) in paragraph (3)—

(i) by striking “5 percent” and inserting “7.5 percent including planning and evaluation”;

(ii) by striking the period and inserting “; and”;

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

"(4) the applicant will submit evidence that the proposed program is consistent with the Statewide coordinated statement of need and agree to participate in the ongoing revision of such statement of need."

(e) DEMONSTRATION GRANTS FOR RESEARCH AND SERVICES FOR PEDIATRIC PATIENTS.—Section 2671 (42 U.S.C. 300f-71) is amended to read as follows:

"SEC. 2671. GRANTS FOR COORDINATED SERVICES AND ACCESS TO RESEARCH FOR WOMEN, INFANTS, CHILDREN, AND YOUTH.

"(a) IN GENERAL.—The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the National Institutes of Health, shall make grants to public and nonprofit private entities that provide primary care (directly or through contracts) for the following purposes:

"(1) Providing through such entities, in accordance with this section, opportunities for women, infants, children, and youth to be voluntary participants in research of potential clinical benefit to individuals with HIV disease.

"(2) In the case of women, infants, children, and youth with HIV disease, and the families of such individuals, providing to such individuals—

"(A) health care on an outpatient basis; and

"(B) additional services in accordance with subsection (d).

"(b) PROVISIONS REGARDING PARTICIPATION IN RESEARCH.—

"(1) IN GENERAL.—With respect to the projects of research with which an applicant under subsection (a) is concerned, the Secretary may make a grant under such subsection to the applicant only if the following conditions are met:

"(A) The applicant agrees to make reasonable efforts—

"(i) to identify which of the patients of the applicant are women, infants, children, and youth who would be appropriate participants in the projects;

"(ii) to carry out clause (i) through the use of criteria provided for such purpose by the entities that will be conducting the projects of research; and

"(iii) to offer women, infants, children, and youth the opportunity to participate in the projects (as appropriate), including the provision of services under subsection (d)(3).

"(B) The applicant agrees that, in the case of the research-related functions to be carried out by the applicant pursuant to subsection (a)(1), the applicant will comply with accepted standards that are applicable to such functions (including accepted standards regarding informed consent and other provisions for human subjects).

"(C) For the first and second fiscal years for which grants under subsection (a) are to be made to the applicant, the applicant agrees that, not later than the end of the second fiscal year of receiving such a grant, a significant number of women, infants, children, and youth who are patients of the applicant will be participating in the projects of research.

"(D) Except as provided in paragraph (3) (and paragraph (4), as applicable), for the third and subsequent fiscal years for which such grants are to be made to the applicant, the Secretary has determined that a significant number of such individuals are participating in the projects.

"(2) PROHIBITION.—Receipt of services by a patient shall not be conditioned upon the consent of the patient to participate in research.

"(3) SIGNIFICANT PARTICIPATION; CONSIDERATION BY SECRETARY OF CERTAIN CIR-

CUMSTANCES.—In administering the requirement of paragraph (1)(D), the Secretary shall take into account circumstances in which a grantee under subsection (a) is temporarily unable to comply with the requirement for reasons beyond the control of the grantee, and shall in such circumstances provide to the grantee a reasonable period of opportunity in which to reestablish compliance with the requirement.

"(4) SIGNIFICANT PARTICIPATION; TEMPORARY WAIVER FOR ORIGINAL GRANTEEES.—

"(A) IN GENERAL.—In the case of an applicant under subsection (a) who received a grant under such subsection for fiscal year 1995, the Secretary may, subject to subparagraph (B), provide to the applicant a waiver of the requirement of paragraph (1)(D) if the Secretary determines that the applicant is making reasonable progress toward meeting the requirement.

"(B) TERMINATION OF AUTHORITY FOR WAIVERS.—The Secretary may not provide any waiver under subparagraph (A) on or after October 1, 1998. Any such waiver provided prior to such date terminates on such date, or on such earlier date as the Secretary may specify.

"(c) PROVISIONS REGARDING CONDUCT OF RESEARCH.—

"(1) IN GENERAL.—With respect to eligibility for a grant under subsection (a):

"(A) A project of research for which subjects are sought pursuant to such subsection may be conducted by the applicant for the grant, or by an entity with which the applicant has made arrangements for purposes of the grant. The grant may not be expended for the conduct of any project of research, except for such research-related functions as are appropriate for providing opportunities under subsection (a)(1) (including the functions specified in subsection (b)(1)).

"(B) The grant may be made only if the Secretary makes the following determinations:

"(i) The applicant or other entity (as the case may be under subparagraph (A)) is appropriately qualified to conduct the project of research. An entity shall be considered to be so qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health.

"(ii) The project of research is being conducted in accordance with a research protocol to which the Secretary gives priority regarding the prevention or treatment of HIV disease in women, infants, children, or youth, subject to paragraph (2).

"(2) LIST OF RESEARCH PROTOCOLS.—

"(A) IN GENERAL.—From among the research protocols described in paragraph (1)(B)(ii), the Secretary shall establish a list of research protocols that are appropriate for purposes of subsection (a)(1). Such list shall be established only after consultation with public and private entities that conduct such research, and with providers of services under subsection (a) and recipients of such services.

"(B) DISCRETION OF SECRETARY.—The Secretary may authorize the use, for purposes of subsection (a)(1), of a research protocol that is not included on the list under subparagraph (A). The Secretary may waive the requirement specified in paragraph (1)(B)(ii) in such circumstances as the Secretary determines to be appropriate.

"(d) ADDITIONAL SERVICES FOR PATIENTS AND FAMILIES.—A grant under subsection (a) may be made only if the applicant for the grant agrees as follows:

"(1) The applicant will provide for the case management of the patient involved and the family of the patient.

"(2) The applicant will provide for the patient and the family of the patient—

"(A) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and

"(B) referrals for other social and support services, as appropriate.

"(3) The applicant will provide the patient and the family of the patient with such transportation, child care, and other incidental services as may be necessary to enable the patient and the family to participate in the program established by the applicant pursuant to such subsection.

"(e) COORDINATION WITH OTHER ENTITIES.—A grant under subsection (a) may be made only if the applicant for the grant agrees as follows:

"(1) The applicant will coordinate activities under the grant with other providers of health care services under this Act, and under title V of the Social Security Act.

"(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the public health agency responsible for administering grants under part B) and in revisions of such statement.

"(f) APPLICATION.—A grant under subsection (a) may be made only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"(g) COORDINATION WITH NATIONAL INSTITUTES OF HEALTH.—The Secretary shall develop and implement a plan that provides for the coordination of the activities of the National Institutes of Health with the activities carried out under this section. In carrying out the preceding sentence, the Secretary shall ensure that projects of research conducted or supported by such Institutes are made aware of applicants and grantees under subsection (a), shall require that the projects, as appropriate, enter into arrangements for purposes of such subsection, and shall require that each project entering into such an arrangement inform the applicant or grantee under such subsection of the needs of the project for the participation of women, infants, children, and youth.

"(h) ANNUAL REVIEW OF PROGRAMS; EVALUATIONS.—

"(1) REVIEW REGARDING ACCESS TO AND PARTICIPATION IN PROGRAMS.—With respect to a grant under subsection (a) for an entity for a fiscal year, the Secretary shall, not later than 180 days after the end of the fiscal year, provide for the conduct and completion of a review of the operation during the year of the program carried out under such subsection by the entity. The purpose of such review shall be the development of recommendations, as appropriate, for improvements in the following:

"(A) Procedures used by the entity to allocate opportunities and services under subsection (a) among patients of the entity who are women, infants, children, or youth.

"(B) Other procedures or policies of the entity regarding the participation of such individuals in such program.

"(2) EVALUATIONS.—The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

"(i) TRAINING AND TECHNICAL ASSISTANCE.—Of the amounts appropriated under subsection (j) for a fiscal year, the Secretary may use not more than five percent to provide, directly or through contracts with public and private entities (which may include grantees under subsection (a)), training and technical assistance to assist applicants and

grantees under subsection (a) in complying with the requirements of this section.

“(j) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000.”

(f) EVALUATIONS AND REPORTS.—Section 2674 (42 U.S.C. 300ff-74) is amended—

(1) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking “not later than 1 year” and all that follows through “title,” and inserting the following: “not later than October 1, 1996.”;

(B) by striking paragraphs (1) through (3) and inserting the following paragraph:

“(1) evaluating the programs carried out under this title; and”;

(C) by redesignating paragraph (4) as paragraph (2); and

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

“(d) ALLOCATION OF FUNDS.—The Secretary shall carry out this section with amounts available under section 241. Such amounts are in addition to any other amounts that are available to the Secretary for such purpose.”

(g) DEMONSTRATION AND TRAINING.—

(1) IN GENERAL.—Title XXVI is amended by adding at the end, the following new part:

“PART F—DEMONSTRATION AND TRAINING

“Subpart I—Special Projects of National Significance

“SEC. 2691. SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE.

“(a) IN GENERAL.—Of the amount appropriated under each of parts A, B, C, and D of this title for each fiscal year, the Secretary shall use the greater of \$20,000,000 or 3 percent of such amount appropriated under each such part, but not to exceed \$25,000,000, to administer a special projects of national significance program to award direct grants to public and nonprofit private entities including community-based organizations to fund special programs for the care and treatment of individuals with HIV disease.

“(b) GRANTS.—The Secretary shall award grants under subsection (a) based on—

“(1) the need to assess the effectiveness of a particular model for the care and treatment of individuals with HIV disease;

“(2) the innovative nature of the proposed activity; and

“(3) the potential replicability of the proposed activity in other similar localities or nationally.

“(c) SPECIAL PROJECTS.—Special projects of national significance shall include the development and assessment of innovative service delivery models that are designed to—

“(1) address the needs of special populations;

“(2) assist in the development of essential community-based service delivery infrastructure; and

“(3) ensure the ongoing availability of services for Native American communities to enable such communities to care for Native Americans with HIV disease.

“(d) SPECIAL POPULATIONS.—Special projects of national significance may include the delivery of HIV health care and support services to traditionally underserved populations including—

“(1) individuals and families with HIV disease living in rural communities;

“(2) adolescents with HIV disease;

“(3) Indian individuals and families with HIV disease;

“(4) homeless individuals and families with HIV disease;

“(5) hemophiliacs with HIV disease; and

“(6) incarcerated individuals with HIV disease.

“(e) SERVICE DEVELOPMENT GRANTS.—Special projects of national significance may include the development of model approaches to delivering HIV care and support services including—

“(1) programs that support family-based care networks and programs that build organizational capacity critical to the delivery of care in minority communities;

“(2) programs designed to prepare AIDS service organizations and grantees under this title for operation within the changing health care environment; and

“(3) programs designed to integrate the delivery of mental health and substance abuse treatment with HIV services.

“(f) COORDINATION.—The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the State-wide coordinated statement of need, and the applicant agrees to participate in the ongoing revision process of such statement of need.

“(g) REPLICATION.—The Secretary shall make information concerning successful models developed under this part available to grantees under this title for the purpose of coordination, replication, and integration. To facilitate efforts under this subsection, the Secretary may provide for peer-based technical assistance from grantees funded under this part.”

(2) REPEAL.—Subsection (a) of section 2618 (42 U.S.C. 300ff-28(a)) is repealed.

(h) HIV/AIDS COMMUNITIES, SCHOOLS, CENTERS.—

(1) NEW PART.—Part F of title XXVI (as added by subsection (e)) is further amended by adding at the end, the following new subpart:

“Subpart II—AIDS Education and Training Centers

“SEC. 2692. HIV/AIDS COMMUNITIES, SCHOOLS, AND CENTERS.”

(2) AMENDMENTS.—Section 776 (42 U.S.C. 294n) is amended—

(A) by striking the section heading; and

(B) in subsection (a)(1)—

(i) by striking subparagraphs (B) and (C);

(ii) by redesignating subparagraphs (A) and (D) as subparagraphs (B) and (C), respectively;

(iii) by inserting before subparagraph (B) (as so redesignated) the following new subparagraph:

“(A) training health personnel, including practitioners in title XXVI programs and other community providers, in the diagnosis, treatment, and prevention of HIV infection and disease, including the prevention of the perinatal transmission of the disease and including measures for the prevention and treatment of opportunistic infections;”;

(iv) in subparagraph (B) (as so redesignated) by adding “and” after the semicolon.

(3) TRANSFER.—Section 776 (42 U.S.C. 294n) (as amended by paragraph (2)) is amended by transferring such section to section 2692 (as added by paragraph (1)).

(4) AUTHORIZATION OF APPROPRIATIONS.—Section 2692 (as added by paragraph (1)) is amended by adding at the end thereof the following new subsection:

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of the fiscal years 1996 through 2000.”

SEC. 4. AMOUNT OF EMERGENCY RELIEF GRANTS.

Paragraph (3) of section 2603(a) (42 U.S.C. 300ff-13(a)(3)) is amended to read as follows:

“(3) AMOUNT OF GRANT.—

“(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations

Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

“(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

“(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas.

“(B) DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii), the term ‘distribution factor’ means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (C).

“(C) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

“(i) the number of cases of acquired immune deficiency syndrome in the eligible area during each year in the most recent 120-month period for which data are available with respect to all eligible areas, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

“(ii) with respect to—

“(I) the first year during such period, .06;

“(II) the second year during such period, .06;

“(III) the third year during such period, .08;

“(IV) the fourth year during such period, .10;

“(V) the fifth year during such period, .16;

“(VI) the sixth year during such period, .16;

“(VII) the seventh year during such period, .24;

“(VIII) the eighth year during such period, .40;

“(IX) the ninth year during such period, .57; and

“(X) the tenth year during such period, .88.

The yearly percentage described in subparagraph (ii) shall be updated biennially by the Secretary, after consultation with the Centers for Disease Control and Prevention. The first such update shall occur prior to the determination of grant awards under this part for fiscal year 1998.

“(D) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this paragraph, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.”

SEC. 5. AMOUNT OF CARE GRANTS.

Paragraphs (1) and (2) of section 2618(b) (42 U.S.C. 300ff-28(b)(1) and (2)) are amended to read as follows:

“(1) MINIMUM ALLOTMENT.—Subject to the extent of amounts made available under section 2677, the amount of a grant to be made under this part for—

“(A) each of the several States and the District of Columbia for a fiscal year shall be the greater of—

“(i)(I) with respect to a State or District that has less than 90 living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), \$100,000; or

“(i)(I) with respect to a State or District that has 90 or more living cases of acquired immune deficiency syndrome, as determined under paragraph (2)(D), \$250,000;

“(ii) an amount determined under paragraph (2); and

“(B) each territory of the United States, as defined in paragraph (3), shall be an amount determined under paragraph (2).

“(2) DETERMINATION.—

“(A) FORMULA.—The amount referred to in paragraph (1)(A)(ii) for a State and paragraph (1)(B) for a territory of the United States shall be the product of—

“(i) an amount equal to the amount appropriated under section 2677 for the fiscal year involved for grants under part B, subject to subparagraph (H); and

“(ii) the percentage constituted by the sum of—

“(I) the product of .80 and the ratio of the State distribution factor for the State or territory (as determined under subsection (B)) to the sum of the respective State distribution factors for all States or territories; and

“(II) the product of .20 and the ratio of the non-EMA distribution factor for the State or territory (as determined under subparagraph (C)) to the sum of the respective distribution factors for all States or territories.

“(B) STATE DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(I), the term ‘State distribution factor’ means an amount equal to the estimated number of living cases of acquired immune deficiency syndrome in the eligible area involved, as determined under subparagraph (D).

“(C) NON-EMA DISTRIBUTION FACTOR.—For purposes of subparagraph (A)(ii)(II), the term ‘non-ema distribution factor’ means an amount equal to the sum of—

“(i) the estimated number of living cases of acquired immune deficiency syndrome in the State or territory involved, as determined under subparagraph (D); less

“(ii) the estimated number of living cases of acquired immune deficiency syndrome in such State or territory that are within an eligible area (as determined under part A).

“(D) ESTIMATE OF LIVING CASES.—The amount determined in this subparagraph is an amount equal to the product of—

“(i) the number of cases of acquired immune deficiency syndrome in the State or territory during each year in the most recent 120-month period for which data are available with respect to all States and territories, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for each year during such period; and

“(ii) with respect to each of the first through the tenth year during such period, the amount referred to in 2603(a)(3)(C)(ii).

“(E) PUERTO RICO, VIRGIN ISLANDS, GUAM.—For purposes of subparagraph (D), the cost index for Puerto Rico, the Virgin Islands, and Guam shall be 1.0.”

“(F) UNEXPENDED FUNDS.—The Secretary may, in determining the amount of a grant for a fiscal year under this subsection, adjust the grant amount to reflect the amount of unexpended and uncanceled grant funds remaining at the end of the fiscal year preceding the year for which the grant determination is to be made. The amount of any such unexpended funds shall be determined using the financial status report of the grantee.

“(G) LIMITATION.—

“(i) IN GENERAL.—The Secretary shall ensure that the amount of a grant awarded to a State or territory for a fiscal year under this part is equal to not less than—

“(I) with respect to fiscal year 1996, 100 percent;

“(II) with respect to fiscal year 1997, 99 percent;

“(III) with respect to fiscal year 1998, 98 percent;

“(IV) with respect to fiscal year 1999, 96.5 percent; and

“(V) with respect to fiscal year 2000, 95 percent;

of the amount such State or territory received for fiscal year 1995 under this part. In

administering this subparagraph, the Secretary shall, with respect to States that will receive grants in amounts that exceed the amounts that such States received under this part in fiscal year 1995, proportionally reduce such amounts to ensure compliance with this subparagraph. In making such reductions, the Secretary shall ensure that no such State receives less than that State received for fiscal year 1995.

“(ii) RATABLE REDUCTION.—If the amount appropriated under section 2677 and available for allocation under this part is less than the amount appropriated and available under this part for fiscal year 1995, the limitation contained in clause (i) shall be reduced by a percentage equal to the percentage of the reduction in such amounts appropriated and available.

“(H) APPROPRIATIONS FOR TREATMENT DRUG PROGRAM.—With respect to the fiscal year involved, if under section 2677 an appropriations Act provides an amount exclusively for carrying out section 2616, the portion of such amount allocated to a State shall be the product of—

“(i) 100 percent of such amount; and

“(ii) the percentage constituted by the ratio of the State distribution factor for the State (as determined under subparagraph (B)) to the sum of the State distribution factors for all States.”

SEC. 6. CONSOLIDATION OF AUTHORIZATIONS OF APPROPRIATIONS.

(a) IN GENERAL.—Part D of title XXVI (42 U.S.C. 300ff-71) is amended by adding at the end thereof the following new section:

“SEC. 2677. AUTHORIZATION OF APPROPRIATIONS.

“(a) IN GENERAL.—Subject to subsection (b), there are authorized to be appropriated to make grants under parts A and B, such sums as may be necessary for each of the fiscal years 1996 through 2000.

“(b) DEVELOPMENT OF METHODOLOGY.—

“(1) IN GENERAL.—With respect to each of the fiscal years 1997 through 2000, the Secretary shall develop and implement a methodology for adjusting the percentages allocated to part A and part B to account for grants to new eligible areas under part A and other relevant factors. Not later than July 1, 1996, the Secretary shall prepare and submit to the appropriate committees of Congress a report regarding the findings with respect to the methodology developed under this paragraph.

“(2) FAILURE TO IMPLEMENT.—If the Secretary determines that such a methodology under paragraph (1) cannot be developed, there are authorized to be appropriated—

“(A) such sums as may be necessary to carry out part A for each of the fiscal years 1997 through 2000; and

“(B) such sums as may be necessary to carry out part B for each of the fiscal years 1997 through 2000.”

(b) REPEALS.—Sections 2608 and 2620 (42 U.S.C. 300ff-18 and 300ff-30) are repealed.

(c) CONFORMING AMENDMENTS.—Title XXVI is amended—

(1) in section 2603 (42 U.S.C. 300ff-13)—

(A) in subsection (a)(2), by striking “2608” and inserting “2677”; and

(B) in subsection (b)(1), by striking “2608” and inserting “2677”;

(2) in section 2605(c)(1) (42 U.S.C. 300ff-15(c)(1)) is amended by striking “2608” and inserting “2677”; and

(3) in section 2618 (42 U.S.C. 300ff-28)—

(A) in subsection (a)(1), is amended by striking “2620” and inserting “2677”; and

(B) in subsection (b)(1), is amended by striking “2620” and inserting “2677”.

SEC. 7. PERINATAL TRANSMISSION OF HIV DISEASE.

(a) FINDINGS.—The Congress finds as follows:

(1) Research studies and Statewide clinical experiences have demonstrated that administration of anti-retroviral medication during pregnancy can significantly reduce the transmission of the human immunodeficiency virus (commonly known as HIV) from an infected mother to her baby.

(2) The Centers for Disease Control and Prevention have recommended that all pregnant women receive HIV counseling; voluntary, confidential HIV testing; and appropriate medical treatment (including anti-retroviral therapy) and support services.

(3) The provision of such testing without access to such counseling, treatment, and services will not improve the health of the woman or the child.

(4) The provision of such counseling, testing, treatment, and services can reduce the number of pediatric cases of acquired immune deficiency syndrome, can improve access to and provision of medical care for the woman, and can provide opportunities for counseling to reduce transmission among adults, and from mother to child.

(5) The provision of such counseling, testing, treatment, and services can reduce the overall cost of pediatric cases of acquired immune deficiency syndrome.

(6) The cancellation or limitation of health insurance or other health coverage on the basis of HIV status should be impermissible under applicable law. Such cancellation or limitation could result in disincentives for appropriate counseling, testing, treatment, and services.

(7) For the reasons specified in paragraphs (1) through (6)—

(A) routine HIV counseling and voluntary testing of pregnant women should become the standard of care; and

(B) the relevant medical organizations as well as public health officials should issue guidelines making such counseling and testing the standard of care.

(b) ADDITIONAL REQUIREMENTS FOR GRANTS.—Part B of title XXVI (42 U.S.C. 300ff-21 et seq.) is amended—

(1) by inserting after the part heading the following:

“Subpart I—General Grant Provisions”;

(2) in section 2611(a), by adding at the end the following sentence: “The authority of the Secretary to provide grants under part B is subject to section 2626(e)(2) (relating to the decrease in perinatal transmission of HIV disease).”; and

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

“Subpart II—Provisions Concerning Pregnancy and Perinatal Transmission of HIV

“SEC. 2625. CDC GUIDELINES FOR PREGNANT WOMEN.

“(a) REQUIREMENT.—Notwithstanding any other provision of law, a State shall, not later than 120 days after the date of enactment of this subpart, certify to the Secretary that such State has in effect regulations or measures to adopt the guidelines issued by the Centers for Disease Control and Prevention concerning recommendations for human immunodeficiency virus counseling and voluntary testing for pregnant women.

“(b) NONCOMPLIANCE.—If a State does not provide the certification required under subsection (a) within the 120-day period described in such subsection, such State shall not be eligible to receive assistance for HIV counseling and testing under this section until such certification is provided.

“(c) ADDITIONAL FUNDS REGARDING WOMEN AND INFANTS.—

“(1) IN GENERAL.—If a State provides the certification required in subsection (a) and is receiving funds under part B for a fiscal year, the Secretary may (from the amounts available pursuant to paragraph (2)) make a

grant to the State for the fiscal year for the following purposes:

“(A) Making available to pregnant women appropriate counseling on HIV disease.

“(B) Making available outreach efforts to pregnant women at high risk of HIV who are not currently receiving prenatal care.

“(C) Making available to such women voluntary HIV testing for such disease.

“(D) Offsetting other State costs associated with the implementation of this section and subsections (a) and (b) of section 2626.

“(E) Offsetting State costs associated with the implementation of mandatory newborn testing in accordance with this title or at an earlier date than is required by this title.

“(2) FUNDING.—For purposes of carrying out this subsection, there are authorized to be appropriated \$10,000,000 for each of the fiscal years 1996 through 2000. Amounts made available under section 2677 for carrying out this part are not available for carrying out this section unless otherwise authorized.

“(3) PRIORITY.—In awarding grants under this subsection the Secretary shall give priority to States that have the greatest proportion of HIV seroprevalence among child bearing women using the most recent data available as determined by the Centers for Disease Control and Prevention.

“SEC. 2626. PERINATAL TRANSMISSION OF HIV DISEASE; CONTINGENT REQUIREMENT REGARDING STATE GRANTS UNDER THIS PART.

“(a) ANNUAL DETERMINATION OF REPORTED CASES.—A State shall annually determine the rate of reported cases of AIDS as a result of perinatal transmission among residents of the State.

“(b) CAUSES OF PERINATAL TRANSMISSION.—In determining the rate under subsection (a), a State shall also determine the possible causes of perinatal transmission. Such causes may include—

“(1) the inadequate provision within the State of prenatal counseling and testing in accordance with the guidelines issued by the Centers for Disease Control and Prevention;

“(2) the inadequate provision or utilization within the State of appropriate therapy or failure of such therapy to reduce perinatal transmission of HIV, including—

“(A) that therapy is not available, accessible or offered to mothers; or

“(B) that available therapy is offered but not accepted by mothers; or

“(3) other factors (which may include the lack of prenatal care) determined relevant by the State.

“(c) CDC REPORTING SYSTEM.—Not later than 4 months after the date of enactment of the this subpart, the Director of the Centers for Disease Control and Prevention shall develop and implement a system to be used by States to comply with the requirements of subsections (a) and (b). The Director shall issue guidelines to ensure that the data collected is statistically valid.

“(d) DETERMINATION BY SECRETARY.—Not later than 180 days after the expiration of the 18-month period beginning on the date on which the system is implemented under subsection (c), the Secretary shall publish in the Federal Register a determination of whether it has become a routine practice in the provision of health care in the United States to carry out each of the activities described in paragraphs (1) through (5) of section 2627. In making the determination, the Secretary shall consult with the States and with other public or private entities that have knowledge or expertise relevant to the determination.

“(e) CONTINGENT APPLICABILITY.—

“(1) IN GENERAL.—If the determination published in the Federal Register under subsection (d) is that (for purposes of such subsection) the activities involved have become

routine practices, paragraph (2) shall apply on and after the expiration of the 18-month period beginning on the date on which the determination is so published.

“(2) REQUIREMENT.—Subject to subsection (f), the Secretary shall not make a grant under part B to a State unless the State meets not less than one of the following requirements:

“(A) A 50 percent reduction (or a comparable measure for States with less than 10 cases) in the rate of new cases of AIDS (recognizing that AIDS is a suboptimal proxy for tracking HIV in infants and was selected because such data is universally available) as a result of perinatal transmission as compared to the rate of such cases reported in 1993 (a State may use HIV data if such data is available).

“(B) At least 95 percent of women in the State who have received at least two prenatal visits (consultations) prior to 34 weeks gestation with a health care provider or provider group have been tested for the human immunodeficiency virus.

“(C) The State has in effect, in statute or through regulations, the requirements specified in paragraphs (1) through (5) of section 2627.

“(f) LIMITATION REGARDING AVAILABILITY OF FUNDS.—With respect to an activity described in any of paragraphs (1) through (5) of section 2627, the requirements established by a State under this section apply for purposes of this section only to the extent that the following sources of funds are available for carrying out the activity:

“(1) Federal funds provided to the State in grants under part B or under section 2625, or through other Federal sources under which payments for routine HIV testing, counseling or treatment are an eligible use.

“(2) Funds that the State or private entities have elected to provide, including through entering into contracts under which health benefits are provided. This section does not require any entity to expend non-Federal funds.

“SEC. 2627. TESTING OF PREGNANT WOMEN AND NEWBORN INFANTS.

“An activity or requirement described in this section is any of the following:

“(1) In the case of newborn infants who are born in the State and whose biological mothers have not undergone prenatal testing for HIV disease, that each such infant undergo testing for such disease.

“(2) That the results of such testing of a newborn infant be promptly disclosed in accordance with the following, as applicable to the infant involved:

“(A) To the biological mother of the infant (without regard to whether she is the legal guardian of the infant).

“(B) If the State is the legal guardian of the infant:

“(i) To the appropriate official of the State agency with responsibility for the care of the infant.

“(ii) To the appropriate official of each authorized agency providing assistance in the placement of the infant.

“(iii) If the authorized agency is giving significant consideration to approving an individual as a foster parent of the infant, to the prospective foster parent.

“(iv) If the authorized agency is giving significant consideration to approving an individual as an adoptive parent of the infant, to the prospective adoptive parent.

“(C) If neither the biological mother nor the State is the legal guardian of the infant, to another legal guardian of the infant.

“(D) To the child's health care provider.

“(3) That, in the case of prenatal testing for HIV disease that is conducted in the State, the results of such testing be promptly disclosed to the pregnant woman involved.

“(4) That, in disclosing the test results to an individual under paragraph (2) or (3), appropriate counseling on the human immunodeficiency virus be made available to the individual (except in the case of a disclosure to an official of a State or an authorized agency).

“(5) With respect to State insurance laws, that such laws require—

“(A) that, if health insurance is in effect for an individual, the insurer involved may not (without the consent of the individual) discontinue the insurance, or alter the terms of the insurance (except as provided in subparagraph (C)), solely on the basis that the individual is infected with HIV disease or solely on the basis that the individual has been tested for the disease or its manifestation;

“(B) that subparagraph (A) does not apply to an individual who, in applying for the health insurance involved, knowingly misrepresented the HIV status of the individual; and

“(C) that subparagraph (A) does not apply to any reasonable alteration in the terms of health insurance for an individual with HIV disease that would have been made if the individual had a serious disease other than HIV disease.

For purposes of this subparagraph, a statute or regulation shall be deemed to regulate insurance for purposes of this paragraph only to the extent that such statute or regulation is treated as regulating insurance for purposes of section 514(b)(2) of the Employee Retirement Income Security Act of 1974.

“SEC. 2628. REPORT BY THE INSTITUTE OF MEDICINE.

“(a) IN GENERAL.—The Secretary shall request that the Institute of Medicine of the National Academy of Sciences conduct an evaluation of the extent to which State efforts have been effective in reducing the perinatal transmission of the human immunodeficiency virus, and an analysis of the existing barriers to the further reduction in such transmission.

“(b) REPORT TO CONGRESS.—The Secretary shall ensure that, not later than 2 years after the date of enactment of this section, the evaluation and analysis described in subsection (a) is completed and a report summarizing the results of such evaluation and analysis is prepared by the Institute of Medicine and submitted to the appropriate committees of Congress together with the recommendations of the Institute.

“SEC. 2629. STATE HIV TESTING PROGRAMS ESTABLISHED PRIOR TO OR AFTER ENACTMENT.

“Nothing in this subpart shall be construed to disqualify a State from receiving grants under this title if such State has established at any time prior to or after the date of enactment of this subpart a program of mandatory HIV testing.”

SEC. 8. SPOUSAL NOTIFICATION.

(a) IN GENERAL.—The Secretary of Health and Human Services shall not make a grant under part B of title XXVI of the Public Health Service Act (42 U.S.C. 300ff-21 et seq.) to any State unless such State takes administrative or legislative action to require that a good faith effort be made to notify a spouse of a known HIV-infected patient that such spouse may have been exposed to the human immunodeficiency virus and should seek testing.

(b) DEFINITIONS.—For purposes of this section:

(1) SPOUSE.—The term “spouse” means any individual who is the marriage partner of an HIV-infected patient, or who has been the marriage partner of that patient at any time within the 10-year period prior to the diagnosis of HIV infection.

(2) HIV-INFECTED PATIENT.—The term "HIV-infected patient" means any individual who has been diagnosed to be infected with the human immunodeficiency virus.

(3) STATE.—The term "State" means any of the 50 States, the District of Columbia, or any territory of the United States.

SEC. 9. OPTIONAL PARTICIPATION OF FEDERAL EMPLOYEES IN AIDS TRAINING PROGRAMS.

(a) IN GENERAL.—Notwithstanding any other provision of law, a Federal employee may not be required to attend or participate in an AIDS or HIV training program if such employee refuses to consent to such attendance or participation, except for training necessary to protect the health and safety of the Federal employee and the individuals served by such employees. An employer may not retaliate in any manner against such an employee because of the refusal of such employee to consent to such attendance or participation.

(b) DEFINITION.—As used in subsection (a), the term "Federal employee" has the same meaning given the term "employee" in section 2105 of title 5, United States Code, and such term shall include members of the armed forces.

SEC. 10. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

Part D of title XXVI of the Public Health Service Act (42 U.S.C. 300ff-71) as amended by section 6, is further amended by adding at the end thereof the following new section:

"SEC. 2678. PROHIBITION ON PROMOTION OF CERTAIN ACTIVITIES.

"None of the funds authorized under this title shall be used to fund AIDS programs, or to develop materials, designed to promote or encourage, directly, intravenous drug use or sexual activity, whether homosexual or heterosexual. Funds authorized under this title may be used to provide medical treatment and support services for individuals with HIV."

SEC. 11. LIMITATION ON APPROPRIATIONS.

Notwithstanding any other provision of law, the total amounts of Federal funds expended in any fiscal year for AIDS and HIV activities may not exceed the total amounts expended in such fiscal year for activities related to cancer.

SEC. 12. ADDITIONAL PROVISIONS.

(a) DEFINITIONS.—Section 2676(4) (42 U.S.C. 300ff-76(4)) is amended by inserting "funeral-service practitioners," after "emergency medical technicians,".

(b) MISCELLANEOUS AMENDMENT.—Section 1201(a) (42 U.S.C. 300d(a)) is amended in the matter preceding paragraph (1) by striking "The Secretary," and all that follows through "shall," and inserting "The Secretary shall,".

(c) TECHNICAL CORRECTIONS.—Title XXVI (42 U.S.C. 300ff-11 et seq.) is amended—

(1) in section 2601(a), by inserting "section" before "2604";

(2) in section 2603(b)(4)(B), by striking "an expedited grants" and inserting "an expedited grant";

(3) in section 2617(b)(3)(B)(iv), by inserting "section" before "2615";

(4) in section 2647—

(A) in subsection (a)(1), by inserting "to" before "HIV";

(B) in subsection (c), by striking "section 2601" and inserting "section 2641"; and

(C) in subsection (d)—

(i) in the matter preceding paragraph (1), by striking "section 2601" and inserting "section 2641"; and

(ii) in paragraph (1), by striking "has in place" and inserting "will have in place";

(5) in section 2648—

(A) by converting the heading for the section to boldface type; and

(B) by redesignating the second subsection (g) as subsection (h);

(6) in section 2649—

(A) in subsection (b)(1), by striking "subsection (a) of"; and

(B) in subsection (c)(1), by striking "this subsection" and inserting "subsection";

(7) in section 2651—

(A) in subsection (b)(3)(B), by striking "facility" and inserting "facilities"; and

(B) in subsection (c), by striking "exist" and inserting "exists";

(8) in section 2676—

(A) in paragraph (2), by striking "section" and all that follows through "by the" and inserting "section 2686 by the"; and

(B) in paragraph (10), by striking "673(a)" and inserting "673(2)";

(9) in part E, by converting the headings for subparts I and II to Roman typeface; and

(10) in section 2684(b), in the matter preceding paragraph (1), by striking "section 2682(d)(2)" and inserting "section 2683(d)(2)".

SEC. 13. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act, and the amendments made by this Act, shall become effective on October 1, 1996.

(b) EXCEPTION.—The amendments made by sections 3(a), 5, 6, and 7 of this Act to sections 2601(c), 2601(d), 2603(a), 2618(b), 2626, 2677, and 2691 of the Public Health Service Act, shall become effective on the date of enactment of this Act.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill, and agree to the same.

TOM BLILEY,
MICHAEL BILIRAKIS,
TOM COBURN,
HENRY A. WAXMAN,
GERRY STUDDS,

Managers on the Part of the House.

NANCY LANDON
KASSEBAUM,
JIM JEFFORDS,
BILL FRIST,
EDWARD M. KENNEDY,
CHRISTOPHER J. DODD,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE ON CONFERENCE

1. SHORT TITLE

The Senate Bill titles the Act the Ryan White CARE Reauthorization Act of 1995. The House bill is titled the Ryan White CARE Act Amendments of 1995. The Senate recedes.

2. ELIGIBILITY AND EFFECTIVE DATES

The Conferees agreed to make October 1, 1996 the general effective date for the Act. However, the amendments limiting eligible areas to those with a population of 500,000 or higher, continuing the eligibility of current EMAs, and all formula changes (including the provisions on single appropriations and funding for Special Projects of National Significance) are effective immediately upon passage of the Act. The Secretary is required to make a report to Congress on the single appropriations provision by July 1, 1996.

It is the intent of the Conferees that, beginning in fiscal year 1996 and continuing through the reauthorization period, no new metropolitan area with fewer than 500,000 people be eligible for Part A funds. On October 1, 1996, the period for counting AIDS cases to determine eligibility is reduced to the most recent five calendar years. The Conferees wish to make clear, however, that metropolitan areas, once eligible to receive Part A funds, and all metropolitan areas currently receiving such funds, shall remain eligible regardless of fluctuations in the five year case count over time.

3. PLANNING COUNCIL ROLES AND RESPONSIBILITIES

The Senate bill prohibits the Planning Council from being chaired solely by an employee of the grantee. The House bill contains no such prohibition. The House recedes.

The House bill provides that the planning council may not be directly involved in the administration of a grant to a provider under Section 2601(a) nor designate particular entities as recipients of grants. Planning council members must also agree to comply with measures relating to conflicts of interest. The Senate bill does not contain such provisions. The Senate recedes with an amendment that the duties of the planning council, in addition to establishing funding priorities, include making recommendations concerning how best to meet established priorities.

It is the intent of the Conferees that the planning council provide guidance to the grantee regarding the types of organizations that may best meet each service priority established by the planning council. Types of organizations may, for example, include outpatient clinics, community-based organizations that historically have served affected communities and other types of organizations that meet criteria outlined in the legislation (i.e., cost effectiveness, priority of the affected community, etc.) While the conferees expect the grantee through the grant making process to satisfy the target population, service, and service delivery priorities established by the planning council, they do not intend that the planning council select which particular organizations receive funding, either by specific direction or by narrowly describing a type of organization. The legislation clearly states that such a planning council role is prohibited. The Conferees expect that the planning council will help to guide the grantee in how best to meet the established service priorities.

4. GRIEVANCE PROCEDURES

The Senate bill mandates that planning councils establish operating procedures which include specific policies for resolving disputes, responding to grievances, and minimizing and managing conflicts of interest. The House bill contains no such mandate. The House recedes with an amendment that the operating procedures relating to conflict of interest and grievance procedures be locally developed and included in the eligible area's application for Part A formula funds.

The Senate bill includes a requirement that the Secretary develop grievance procedures specific to each part of the Act, to resolve egregious violations of each part, and to establish appropriate enforcement mechanisms. The House bill contains no such provision. The Senate recedes with an amendment to require the Secretary to convene a process involving grantees and outside experts to develop models and prototypes for locally established grievance procedures, and lay out key elements that should be addressed in setting up grievance and arbitration processes at the local level.

The Committee wishes to emphasize that the grievance procedures should be locally established, with assistance from the Secretary. The procedures are to be reviewed by the Health Resources and Services Administration to ensure that they adequately address potential conflicts and grievances. While the bill does not require the Secretary to establish federal grievance procedures, the Committee emphasizes that the Secretary has the power, under this Act and existing law on federal contracts and grants, to withhold funds for violations of the Act.

5. SUPPLEMENTAL GRANTS

The Senate bill requires that the supplemental grant application demonstrate that

the planning council include representatives of the requisite population groups, service providers, and affected communities. The House bill does not include such a provision. The House recedes.

The House bill requires that the supplemental grant application demonstrate that both formula and supplemental grant funds from the previous year were distributed according to the priorities established by the planning council. The Senate bill does not contain such a provision. The Senate recedes.

6. SEVERE NEED

The Conferees agreed to clarify the meaning of "severe need" for the purposes of supplemental funding under Title I. The Secretary is directed to develop a quantitative measurement of that need and incorporate it into supplemental funding allocation decisions. The development of a quantitative measurement of severe need is not intended to replace existing factors the Secretary may use to determine supplemental awards, such as comprehensive planning, magnitude of the epidemic, planning council functioning and CEO responsibilities, program and fiscal performance, needs assessment and the match between needs and service priorities.

The Conferees believe that a comparison of severe need across EMAs should be part of the review of applications for supplemental grants and compare service delivery costs and complexity of delivering services due to comorbidity and other factors listed in the legislation. The Conferees emphasize that the list of factors is not all inclusive and recognizes that data needed to quantify these factors may not be available. The Secretary may consider other factors, to account appropriately for differences in the cost and complexity of service delivery across eligible areas. Those factors which are associated with nationwide quantitative data, however, should be given the highest importance. The Conferees intend that the Secretary have flexibility in developing this quantitative mechanism to carry out comparisons across eligible areas.

In the past, supplemental awards have been allocated on the basis of the formula grant. By including criteria for severe need, the conferees intend that those eligible areas with the greatest public health challenges be given appropriate consideration for larger supplemental awards.

7. WOMEN, INFANTS, AND CHILDREN

The House bill requires Part A and Part B grantees to utilize a portion of their funds to provide health and support services to women, infants, and children. The grantees are required to utilize at least 5 percent of such funds or a percentage of funds equal to the ratio of women, infants, and children with AIDS to the entire population with AIDS, whichever is less. The Senate bill does not contain such provisions. The Senate recedes with an amendment to strike the 15 percent comparison and, in the case of Part A grantees, to require that the grantee utilize the appropriate percentage of funds in accordance with the priorities established by the planning council.

The House bill requires that these funds be used primarily for the prevention of perinatal HIV transmission. The Senate bill does not contain such a provision. The House recedes with an amendment that language be included which indicates that services funded by the set-aside may include treatments to prevent the perinatal transmission of HIV.

It is the intent of the conferees that funding be allocated based on the demographics of the epidemic in a local area, and that spending for services for women, infants, and children be equal, on a percentage basis, to

the percentage of women, infants, and children with AIDS.

8. ADMINISTRATIVE COSTS

Both the House and Senate bills maintain the administrative costs caps for Part A grantees and the Senate bill defines these costs. For Part B, the Senate bill defines administrative costs and modifies existing administrative cost caps for grantees. Part B grantees are limited to spending not more than 10% of the award they receive in a fiscal year on administrative costs and 10% of that award on planning and evaluation activities. However, total spending on administration, planning, and evaluation cannot exceed 15% of the award a grantee receives in a fiscal year. The House recedes to the definition of administrative costs and to the 15% cap.

Regarding entities receiving funds from Part A or Part B grantees, the Senate limits expenditures for administrative activities to 12.5% for each such entity. The bill specifically defines administrative costs for these entities. The House bill limits such expenditures to 10% as measured across all entities receiving funding from Part A or Part B grantees, without regard to whether an individual entity is above or below that percentage. For example, if a state or eligible area awards \$1 million to 10 service providers, regardless of the amount an individual provider spends on administration, the amount spent on administration added across all 10 providers cannot exceed \$100,000 (10% of \$1 million). For Part B grantees, entities subject to this cost cap include the lead agencies of consortia in carrying out their administrative duties associated with the operation of the consortium. The Senate recedes with an amendment to include the Senate bill's definition of administrative costs.

The Conferees wish to emphasize that grantees and subcontractors that can restrain administrative costs to less than 10% should do so. The set amount should be regarded as a ceiling, not a floor.

9. SINGLE APPLICATION

The Senate bill allows the Secretary to phase in the use of single application for formula and supplemental Part A funds and the awarding of a single grant. The House bill makes this allowance contingent upon the request of an individual grantee. The House recedes.

It is the intent of the conferees that the Secretary have the authority to implement mechanisms necessary to make a single grant based on a single application. It is the understanding of the conferees that the use of such a grant and application will reduce the administrative burdens on the Secretary, grantees, and individual providers. Under current methods, these entities often must track two separate funding streams that accrue to a single provider for the same services.

Use of a single grant or single application, however, must not result in a delay in allocating funding under the Act.

10. USE OF PART B FUNDS

The House bill adds a fifth eligible use of Part B funds, allowing states to fund services directly. The Senate bill does not include such a provision. The Senate recedes with an amendment that, in order to fund these services outside an existing consortia system, the state must demonstrate to the Secretary that utilizing other service delivery mechanisms is more effective. In making that determination, the State must consult with service provider representatives and recipients of services.

The House bill eliminates the requirement that states with more than 1% of all cases of AIDS expend at least 50% of their Part B

funds on consortia. The Senate does not eliminate this provision. The Senate recedes.

The Conferees want to emphasize that the purpose of the Act is to provide health care services to individuals with HIV and AIDS. It is the expectation of the conferees that states will maximize the funds spent directly on health care services.

The Conferees wish to emphasize that the eligible funding areas under Part B are flexible enough to allow states to implement an appropriate array of services. With Part B funds, states can establish treatment programs, health insurance continuation programs, home health care programs and consortia. The Conferees expect states to use funds to provide or ensure the provision of services eligible for funding under Part A. Where consortia exist or are established under this part, in areas that would have been eligible for direct part A funding prior to enactment of this Act, they should function as planning bodies for local service delivery, much as planning councils function under Part A.

The Conferees also emphasize that the elimination of the requirement that states with more than 1% of national AIDS cases expend at least 50% of their Part B award on consortia is not to be interpreted to mean that Part A medical services should not be provided to beneficiaries who reside outside an eligible area. Eliminating the 50% expenditure requirement provides more flexibility to respond to local needs.

11. MINIMUM DRUG FORMULARY

The Senate bill requires the Secretary to develop a minimum drug formulary for suggested use by the states which must document their success in implementing the developed formulary. The House bill requires some portion of Part B funds to be used to fund drug assistance programs, including measures for the prevention and treatment of opportunistic infections. The Senate recedes with an amendment to strike references in Section 2612(a)(2) and Section 2616(a) to "treatments that have been determined to prolong life" and replace them with "therapeutics to treat HIV disease".

These amendments expand State flexibility to provide a broader range of treatments through State drug treatment programs funded by Ryan White Care Act funds, by allowing State drug treatment programs to provide any therapeutics that treat HIV and AIDS, rather than only those that "have been determined to prolong life." This is intended to increase access for persons with HIV and AIDS to treatments targeted toward various aspects of the disease, to prolong life. Such treatments may, for example, by addressing certain specific symptoms of HIV and AIDS, improve an individual's quality of life. With this flexibility, states will be able to improve access to the growing range of treatment options for HIV and AIDS, enabling patients to benefit from recent advances in the treatment of the disease.

The Senate bill requires the Secretary to review the current status of State drug reimbursement programs and assess barriers to the expanded availability of prophylactic treatments for opportunistic infections. The House bill does not contain such provisions. The House recedes with an amendment to replace "prophylactic treatment" with "treatments described in subsection (a)" and to require states to document their progress in making those treatments available.

In addition, the amendments require the Secretary to evaluate the effectiveness of State drug treatment programs in removing barriers to the availability of this wider range of therapeutics to treat HIV and AIDS, and also to evaluate the extent to which State drug treatment programs coordinate

with other recipients of Ryan White Care Act funds to remove barriers to the availability of treatments for HIV and AIDS. States also are required to document their progress in making treatments available to those eligible for assistance under the Ryan White Care Act, namely low-income individuals who have been medically diagnosed with HIV or AIDS. These requirements for evaluation and documentation are designed to assure that these funds are being used efficiently and effectively to achieve the goals of the Ryan White Care Act, specifically in the area of improving access for low income individuals to medical treatments for HIV and AIDS.

The Conferees emphasize that the Secretary is encouraged to advise states on classes of drugs that have been found effective in preventing and treating HIV disease as part of the assessment of barriers to expanded availability of therapeutics. For the purposes of this section, the Conferees include as therapeutics as pharmaceuticals (including the necessary equipment to utilize them) and other therapies which prevent the onset of opportunistic infections or deterioration of health.

12. STATEWIDE COORDINATED STATEMENT OF NEED

The Senate bill requires the state public health agency administering Part B funds to convene an annual meeting for the development of a coordinated statement of need. The House bill does not define the Statewide Coordinated Statement of Need. The House recedes with an amendment to require a periodic convening of such a meeting and to remove the parentheticals which describe required attendees.

The Conferees intend for this activity to result in a joint written statement developed in partnership with all CARE Act grantees within the State which identifies unmet need, epidemiological trends, barriers to care and other appropriate issues which impact on service availability.

The Conferees wish to emphasize that the Statewide Coordinated Statement of Need and the process to create it should not supplant existing planning processes utilized by grantees under this Act. It is meant to augment such planning and should be used as a tool to maximize coordination, integration, and effective linkages among the individual entities funded by the Act. For existing grantees, local plans and programs shall be considered consistent with the Coordinated Statement of Need if the grantees can show a good faith effort to participate in crafting the statement and a good faith consideration of the statement in their planning and decision making processes. New grantees must demonstrate their good faith consideration of the statement in making their applications for funding.

13. COORDINATION

The Senate bill requires the Public Health Service to coordinate the activities of the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the Substance Abuse and Mental Health Services Administration regarding the local development of a complete continuum of HIV-related services for individuals with HIV disease or at risk for HIV disease. The House bill requires the Secretary to submit a report to Congress on coordination of agency activities. The Senate recedes with an amendment that the report be submitted biennially beginning October 1, 1996.

14. EARLY INTERVENTION PROGRAMS

The Senate bill stipulates that early intervention funds are for primary care services for people with HIV. The House bill lists four

types of services that are eligible for early intervention funds. The Senate recedes with an amendment that the House listed services are for people with HIV.

The Senate requires that 50% of early intervention grants to primary health care facilities, including migrant health centers, centers that provide health services for the homeless, and other federally-qualified health centers, be expended on-site or at sites where other primary care services are rendered. The House bill does not contain such a provision. The House recedes.

The conferees recognize that some grantees operate as consortia to provide services specifically designed for HIV/AIDS. These programs and the guidelines developed must meet the needs of people living with HIV/AIDS and assure that direct services are provided consistent with the needs of consumers.

The Senate bill provides planning and development grants to public and nonprofit entities that are not direct providers of primary health care to provide HIV-specific care services. The House bill provides the grants to all eligible public and private nonprofit entities to provide early intervention services. The Senate recedes with an amendment to add "HIV" to "early intervention services".

The Senate bill requires the Secretary to give preference to entities that would provide HIV primary care services in rural or under-served communities. The House bill requires preference to entities that currently provide HIV primary care services in rural and under-served communities. The Senate recedes with an amendment to delete "HIV" from "HIV primary care services".

The Senate bill requires family planning and hemophilia center grantees to ensure the availability of early intervention services through a series of linkages to community-based primary care providers and to establish mechanisms for referrals and follow-up. The House bill does not contain such a provision. The House recedes.

The Senate bill increases the cap on administrative costs to 10% and expands those costs to include planning, evaluation, and technical assistance. The House bill contains no such provision. The House recedes with an amendment to lower the cap to 7.5% and eliminate inclusion of technical assistance.

15. TITLE IV

The House bill titles Section 2671, Coordinated Services and Access to Research for Women, Infants, and Children. The Senate bill titles this section, Grants for Coordinated Services and Access to Research for Children, Youth, and Families. The Senate recedes with an amendment to add "Grants for" at the beginning of the title, and "and Youth" at the end of the title.

The House bill makes grants available to primary health care providers to provide opportunities for women, infants, and children to participate as subjects in research of potential clinical benefit. The Senate bill makes available such grants to facilitate voluntary participation of those groups in research protocols at the facility or by direct referral. The Senate recedes with an amendment to include youth in the eligible population group.

The House bill requires entities to provide outpatient health care to women, infants, and children. The Senate bill requires that health care and support services be provided to children, youth, and women with HIV disease and the families of such individuals. The Senate recedes with an amendment to require applicants to provide to patients and their families case management, transportation, child care, and other incidental services as may be necessary to enable the pa-

tient and the family to participate in the applicant's program, and referrals to inpatient hospital services, treatment for substance abuse, mental health services, and other support services as appropriate.

The House bill requires the grant applicant to make reasonable efforts to identify prospective patients who would be appropriate participants in research projects and to offer patients the opportunity to participate in projects. The Senate bill requires a broader list of assurances from the applicant, including that the grant will be used primarily to serve children, youth, and women; and that the applicant will arrange with research entities to collaborate in the conduct of facilitation of voluntary patient participation in qualified research protocols. The Senate recedes with an amendment to require entities to identify appropriate patients through the use of criteria provided by the entity for that purpose.

The House bill requires that applicant and the project of research comply with accepted standards of protection for human subjects including the provision of written informed consent. The Senate bill requires the Secretary to establish procedures which ensure those requirements. The Senate recedes.

The Conferees wish to emphasize that receipt of services by a patient shall not be conditioned upon consent to participate in research.

The House bill requires that for the third or subsequent fiscal year for which an applicant seeks a grant, the applicant must assure that a significant number, as determined by the Secretary, of women, infants, and children who are patients of the applicant are participating in research projects. The Senate bill does not contain such a provision. The Senate recedes.

Under the House bill, if the grantee is temporarily unable to comply with the "significant number" requirement, the Secretary may grant a reasonable amount of time for the grantee to reestablish compliance, under certain circumstances. The Senate bill does not contain such a provision. The Senate recedes.

In the House bill, the Secretary may waive the "significant numbers" requirement for an applicant who received a grant in fiscal year 1995 if the applicant is making a reasonable effort toward meeting this goal. The authority for the Secretary to issue this waiver expires on October 1, 1998, and waivers issued before October 1, 1998, expire on or before that date. The Senate bill does not contain such a provision. The Senate recedes with an amendment to provide that applicants must, not later than the end of the second fiscal year, meet the requirement that a significant number of women, infants, children, and youth participate in research projects.

The Conferees intend that the Secretary interpret the term "significant number" in a relative way. For grantees located in areas where there is access to many research activities, the "significant number" will be higher than for grantees located in more remote areas where research for women, infants, and children is less accessible. The Conferees intend that the Secretary take into account a variety of factors in determining "significant numbers", including: the number and type of clients serviced by the grantee, and the nature and availability of research programs accessible to patients of the grantee, and other factors the Secretary considers to be relevant.

The Senate bill includes a provision requiring submission of an application in such form as the Secretary determines is necessary. The House bill does not contain such a provision. The House recedes.

The House bill includes a section on Provisions Regarding Conduct of Research, allowing for the project of research to be conducted by the applicant or by an entity with

which the applicant has made arrangements. The Senate bill does not contain such a provision. The Senate recedes.

The House bill requires that the grant may not be expended for the conduct of any research project, that the research entity must be appropriately qualified to conduct the project, and that the research project must be in accordance with the priorities determined and listed by the Secretary in consultation with public and private research entities, providers and recipients of services under Part B. An entity shall be considered qualified if any research protocol of the entity has been recommended for funding under this Act pursuant to technical and scientific peer review through the National Institutes of Health. Under certain circumstances, the Secretary may give priority to a research protocol not on the list of high priority research. The Senate bill requires the Secretary to establish mechanisms, including an independent research review panel, to ensure that the research projects are of potential clinical benefit and meet accepted standards of research design. The Senate recedes with an amendment to allow grantees to fund services that facilitate and coordinate client access to comprehensive care services and research projects.

The Senate bill allows the Secretary to waive the requirements regarding coordination, statewide coordinated statement of need, and appropriate research opportunities if the applicant provides assurances that the requirements will be met by the end of the second grant year, or, in the case of existing grantees, within one year. The House bill does not contain such a provision. The Senate recedes.

The Senate bill contains a provision on Evaluations and Data Collection, requiring the Secretary to review the programs carried out under the section at the end of each fiscal year. The review may include recommendations on improving access to and participation in research protocols. The House bill does not contain such a provision. The House recedes with an amendment to title this section "Review Regarding Access To And Participation in Programs;" to require the review to be completed not later than 180 days after the end of the fiscal year; to state that the purpose of the review shall be to develop recommendations on procedures to allocate services and opportunities among patients of the entity and other procedures and policies of the entity regarding the participation of women, infants, children, and youth in research programs; and to require the Secretary to provide for evaluations of programs carried out by the entity.

The Senate bill allows the Secretary to establish reporting requirements necessary to administer the program and carry out the reviews, measure outcomes, and document clients served, services provided and participation in research protocols. The House bill does not contain such provisions. The Senate recedes.

The Senate bill includes a definition of qualified research entities and qualified research protocols. The House bill does not contain such a provision. The Senate recedes.

The House bill requires the Secretary to develop a plan that provides for the coordination of the activities of the National Institutes of Health (NIH) with the activities of this section, including that the projects of research conducted or supported by NIH are made aware of applicants and grantees of this section and that those projects as appropriate enter into arrangements for purposes of this section. The Senate bill does not contain such a provision. The Senate recedes.

The Conferees emphasize that Part D was enacted to provide funds for coordinated

health and social services in association with voluntary participation in research programs. Such research will lead to a greater understanding of HIV disease among women, infants and children and to the development of preventive and therapeutic measures appropriate for those populations. The Conferees recognize that participation of children, youth, and pregnant women in HIV research programs is more successful when projects are convenient to women and children with HIV disease, when they are sensitive to needs for nontraditional services such as child care and transportation services, and when the opportunities to participate in research are provided within an established, comprehensive and community based HIV care system. For this reason, it is the intent of the Conferees that entities receiving grants under this program provide or arrange for innovative comprehensive HIV care for children, youth, women, and families with or affected by HIV.

It is the intent of the Conferees for this program to be flexible but to organize, coordinate and support a broad range of HIV services linking institutional and community-based providers. Grantees may provide a wide range of health services and may make referrals for, or provide services to, facilitate access to care.

16. AIDS DENTAL SCHOOL TRAINING

The House bill reauthorizes the current program and transfers it from Title 7 of the Public Health Service Act to Title 26. The Senate bill does not reauthorize the program. The Senate recedes.

17. EVALUATION OF RYAN WHITE PROGRAMS

The House bill authorizes funding for the evaluation of Ryan White programs to come from the 1% Public Health Service set aside. The Senate bill does not contain such a provision. The Senate recedes.

18. SPECIAL PROJECTS OF NATIONAL SIGNIFICANCE

The Senate bill includes service delivery grants as special projects and describes those grants, which include programs that support family-based care networks critical to the delivery of care in minority communities and programs that build organizational capacity in disenfranchised communities. The House bill does not specifically define such grants. The House recedes with an amendment to replace the term "disenfranchised communities" with "minority communities".

19. AIDS EDUCATION AND TRAINING CENTERS

The House bill includes as an eligible activity the training of health providers in the prevention of perinatal HIV transmission and prevention and treatment of opportunistic infections. The Senate bill does not include such language. The Senate recedes.

By including the AIDS Education and Training Centers in the CARE Act reauthorization, the conferees reaffirm that this is an important federal program and will serve an important role in the future.

20. FORMULAS

The Senate bill distributes Part A funds to eligible metropolitan areas with a formula based only on weighted AIDS case counts. The Senate formula caps funding losses such that no eligible area will receive less than 98% of its FY 95 award in FY 96, 97% of its FY 95 award in FY 97, 95.5% of its FY 95 award in FY 98, 94% of its FY 95 award in FY 99, and 92.5% of its FY 95 award in FY 2000. The House bill uses the same weighted AIDS case count, but includes in its formula the Medicare Hospital Wage Index for each metropolitan area as a measure of service delivery cost. The House formula caps funding losses such that no eligible area will receive

less than 99% of its FY 95 award in FY 96, 98% of its FY 95 award in FY 97, 97% of its FY 95 award in FY 98, 96% of its FY 95 award in FY 99, and 95% of its FY 95 award in FY 2000. The House recedes with an amendment to replace the Senate funding loss caps with losses such that no eligible area will receive less than 100% of its FY 95 award in FY 96, 99% of its FY 95 award in FY 97, 98% of its FY 95 award in FY 98, 96.5% of its FY 95 award in FY 99, and 95% of its FY 95 award in FY 2000.

The conferees feel that the formula changes for Part A, including the hold harmless provisions, adequately respond to the geographic diversification of the epidemic while simultaneously protecting against major disruptions in service delivery. The Committee understands that the formula changes will reduce the amount of supplemental funds that have been traditionally available to all Part A grantees because supplemental funds will be used to fund the hold harmless provisions. The Committee further understands that this reduction in the availability of supplemental funds could result in resource shifts beyond those built into the revised formula depending on the quality of the supplemental application as determined by the review process.

The Senate bill distributes Part B funds to states based on a formula that calculates two distribution factors: the state factor, based on weighted AIDS case counts for each state and the non-EMA factor based on weighted AIDS case counts for areas within the state outside of Part A eligible areas. Each of these distribution factors is weighted equally. The Senate bill also includes a provisions to cap funding losses such that no state will receive less than 98% of its FY 95 award in FY 96, 97% of its FY 95 award in FY 97, 95.5% of its FY 95 award in FY 98, 94% of its FY 95 award in FY 99, and 92.5% of its FY 95 award in FY 2000. The House bill retains the Part B formula contained in current law and sets aside 7% of available funds for distribution to states without Part A eligible areas, based on the relative case counts within those states. The House recedes with an amendment to weight the state factor in the Senate formula by a constant of .8 and the non-EMA factor by a constant of .2, and to substitute the Senate loss caps with the same loss caps used in the House version of the Part A formula.

Neither the House bill nor the Senate bill contained a provision allowing for the adjustment of the weights used to determine the estimate of living AIDS cases over the required 120 month period, in either the Part A or Part B formulas. The Conferees feel that such an adjustment may be necessary over time as life expectancy and disease progression changes for people living with AIDS. Therefore the Conferees expect the Secretary, in consultation with the Centers for Disease Control, to evaluate the need to update those weights every two years beginning with the grant awards in FY 1998 and report to the appropriate congressional committees.

The Conferees intend that if funds are appropriated specifically for the Drug Assistance Program, such funds be allocated according to the states entire weighted case counts.

21. SINGLE APPROPRIATION

Under the Senate bill, after one year, if the Secretary is unable to devise a methodology to adjust the split in the single appropriation between Parts A and B, the single appropriation reverts to two separate appropriations, beginning in FY 1997. Under the House bill, the single appropriation and the 64%/36% split between the two Parts remains

in effect over the entire reauthorization period. The Secretary has the discretion to adjust the apportionment of the single appropriation between the two Parts. The House recedes with an amendment that, by July 1, 1996, the Secretary devise the methodology or recommend that such a methodology is not feasible. In addition, the appropriation committee will determine the relative allocation of funds for Part A and Part B for fiscal year 1996.

22. PERINATAL TESTING

The Senate bill mandates that states with an incidence of HIV among childbearing women of .25 or greater or an estimated number of births to HIV positive women in 1993 of 175 or greater have in effect regulations implementing the guidelines issued by the Centers for Disease Control (CDC) concerning voluntary HIV testing and counseling for pregnant women. The House bill does not contain such a provision. The House recedes with an amendment to require all states to implement the CDC guidelines.

In the Senate bill, for states providing such certification, \$10 million in grant funds are made available to implement the CDC guidelines, to provide outreach to at-risk pregnant women and to make available appropriate counseling and voluntary testing. The House bill makes available \$10 million in grants for states to offer HIV testing and counseling to pregnant women, to test newborns for HIV, and to collect data on pregnant women and newborns who have undergone HIV testing. In order to be eligible for these grants, the state by statute or regulation must require that all newborns whose biological mother has not undergone prenatal testing for HIV, be tested for HIV at birth and that the results be made available to the biological mother or guardian of the infant. The House recedes with an amendment to restrict access to these funds to states that have implemented the CDC guidelines and to prioritize the \$10 million to those states with high HIV seroprevalence rates among childbearing women.

In the Senate bill, the Secretary is required to evaluate the effect of these grants on reducing the perinatal transmission of HIV. In the House bill, in two years, if the Secretary establishes that testing newborns for HIV has become routine practice in the provision of health care, states, by regulation or statute, must require such testing of newborns and notification to the mother or guardian in order to receive Ryan White Part B funds. Alternatively, states can demonstrate that of newborns in the state, the HIV status of 95% of the infants is known. The House recedes with an amendment to require the following.

(1) Within four months of enactment of this Act, the CDC, in consultation with states, will develop and implement a reporting system for states to use in determining the rate of new cases of AIDS resulting from perinatal transmission and the possible causes for that transmission.

The Secretary of HHS is directed to contract with the Institute of Medicine to conduct an evaluation of the extent to which state efforts have been effective in reducing perinatal transmission of HIV and an analysis of the existing barriers to further reduction in such transmission. The Secretary shall report these findings to Congress along with any recommendation made by the Institute.

(2) Within two years following the implementation of such a system, the Secretary will make a determination whether mandatory HIV testing of all infants born in the U.S. whose mothers have not undergone prenatal HIV testing has become a routine practice. This determination will be made in con-

sultation with states and experts. If the Secretary determines that such mandatory testing has become a routine practice, after an additional 18 month period, a state will not receive Title 2 Ryan White funding unless it can demonstrate one of the following:

(A) A 50% reduction (or a comparable measure for low-incidence states) in the rate of new AIDS cases resulting from perinatal transmission, comparing the most recent data to 1993 data;

(B) At least 95% of women who have received at least two prenatal visits with a health care provider or provider group have been tested for HIV; or

(C) A program for mandatory testing of all newborns whose mothers have not undergone prenatal HIV testing.

The House bill requires states by statute or regulation to prohibit health insurance companies from discontinuing coverage for a person solely on the basis that the person is infected with HIV or that the individual has been tested for HIV. The Senate bill does not contain such a provision. The Senate recedes with an amendment that only states which implement mandatory testing of newborn infants be required to implement such insurance regulations. The conferees intend for these insurance provisions to augment, and in no way diminish, existing federal or state law.

The House bill requirements on insurance regulations do not apply to persons who knowingly misrepresent their HIV status, facts regarding whether the person has been tested for HIV, and facts regarding whether the person has engaged in any behavior that places the person at risk for HIV. The Senate recedes with an amendment to delete the last two exemptions on testing and behavior.

The Conferees wish to emphasize that nothing in this provision should be construed to mean that states are required to implement HIV reporting.

23. SPOUSAL NOTIFICATION

The Senate bill prohibits the Secretary from making any grant under the Act to any state, political subdivision of any state, or other recipient of CARE Act funds within the state unless the state requires a good faith effort to notify the spouses of AIDS-infected patients that the patients are infected with HIV. The House bill does not contain such a provision. The House recedes with an amendment to tie the provision to Part B funds only, change "AIDS-infected patient" to "known HIV-infected patient", replace "such AIDS infected patients is infected with the human immunodeficiency virus" with "he or she may have been exposed to the human immunodeficiency virus and should seek testing," define HIV-infected as any person diagnosed with the human immunodeficiency virus, and change the definition of spouse to mean a current marriage partner or a person that was the marriage partner at any time within the ten years prior to the diagnosis of HIV infection.

The Conferees wish to emphasize that nothing in this provision should be construed to require states to implement HIV name reporting.

24. STUDY ON ALLOTMENT FORMULA

The Senate bill requires the Secretary to conduct a study of the funding formulas contained in the Act and submit a report to Congress. The House bill does not contain such a provision. The Senate recedes.

25. PROHIBITIONS ON THE USE OF FEDERAL FUNDS AND PROMOTION OF CERTAIN ACTIVITIES

The Senate bill prohibits funds appropriated under the Act from being used to promote or encourage, directly or indirectly, homosexuality or intravenous drug use. The House bill does not contain such a prohibition or definition. The Senate recedes.

The Senate bill prohibits funds appropriated under the Act from being used to develop materials designed to promote or encourage directly intravenous drug use or sexual activity, whether homosexual or heterosexual. The House bill does not contain such a provision. The House recedes.

26. OPTIONAL PARTICIPATION OF FEDERAL EMPLOYEES IN AIDS TRAINING

The Senate bill prohibits the federal government from requiring any employee to attend or participate in an AIDS or HIV training program if the employee refuses to participate. The House bill does not contain such a provision. The House recedes with an amendment that exempts from this provision federal training programs necessary to protect the health and safety of federal employees and those they serve.

This provision is intended to apply to those employees whose position requires knowledge of the universal precautions for the prevention of the transmission of the HIV virus.

27. LIMITATION ON APPROPRIATIONS

The Senate bill requires that of the total amounts of Federal funds expended in any fiscal year, funds expended for AIDS and HIV activities not exceed the amounts expended for activities related to cancer. The House bill does not contain such a provision. The House recedes.

The Conferees wish to make clear that the term "total amounts" includes all research, treatment and prevention funding, including amounts expended through the Medicare and Medicaid programs, whether administered by the federal government or paid to states in block grants.

TOM BLILEY,
MICHAEL BILIRAKIS,
TOM COBURN,
HENRY A. WAXMAN,
GERRY STUDDS,

Managers on the Part of the House.

NANCY LANDON
KASSEBAUM,
JIM JEFFORDS,
BILL FRIST,
EDWARD M. KENNEDY,
CHRISTOPHER J. DODD,

Managers on the Part of the Senate.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. MOLINARI (at the request of Mr. ARMEY) for today and the balance of the week, on account of maternity leave.

Mr. KINGSTON (at the request of Mr. ARMEY) for today, on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. UNDERWOOD) to revise and extend their remarks and include extraneous material:)

Mr. UNDERWOOD, for 5 minutes, today.
Mr. TOWNS, for 5 minutes, today.
Mr. FROST, for 5 minutes, today.
Mr. MARKEY, for 5 minutes, today.
Mr. LIPINSKI, for 5 minutes, today.
Mrs. CLAYTON, for 5 minutes, today.
Ms. FURSE, for 5 minutes, today.