

107TH CONGRESS
1ST SESSION

H. R. 2743

To require managed care organizations to contract with providers in medically underserved areas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 2, 2001

Mrs. CHRISTENSEN (for herself, Mr. CUMMINGS, Mr. CLYBURN, Ms. BROWN of Florida, Mrs. MEEK of Florida, Ms. JACKSON-LEE of Texas, Ms. MCKINNEY, Mr. HILLIARD, Ms. EDDIE BERNICE JOHNSON of Texas, Ms. LEE, Mr. THOMPSON of Mississippi, Mr. RUSH, Mr. HASTINGS of Florida, Mr. RANGEL, Mr. DAVIS of Illinois, Ms. KILPATRICK, Mr. MEEKS of New York, Ms. MILLENDER-MCDONALD, Ms. WATSON of California, Mr. WYNN, Mrs. JONES of Ohio, Mr. PAYNE, Ms. CARSON of Indiana, Mr. FORD, Mr. CONYERS, Mr. OWENS, Mrs. CLAYTON, Mr. BISHOP, Mr. TOWNS, and Mr. JACKSON of Illinois) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To require managed care organizations to contract with providers in medically underserved areas, and for other purposes.

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

1 **SECTION 1. SHORT TITLE; FINDINGS.**

2 (a) **SHORT TITLE.**—This Act may be cited as the
3 “Medically Underserved Access to Care Act of 2001”.

4 (b) **FINDINGS.**—Congress finds the following:

5 (1) Minority individuals living in medically un-
6 derserved areas are generally less well-off
7 socioeconomically, and are often sicker than the pop-
8 ulation that managed care organizations tradition-
9 ally serve.

10 (2) Many managed care organizations are not
11 equipped to deal effectively with minorities in under-
12 served areas and consequently may offer lower qual-
13 ity health care in such areas.

14 (3) Often managed care organizations do not
15 contract with physicians and other community-based
16 service providers who traditionally serve medically
17 underserved areas.

18 (4) There is a concern among minority physi-
19 cians that selective marketing practices and referral
20 processes may keep minority and community-based
21 physicians out of some managed care organizations.

22 (5) Managed care organizations sometimes ex-
23 clude physicians and other community-based health
24 care providers who traditionally provide service to
25 underserved areas; this is particularly the case
26 among minority physicians who may be well estab-

1 lished in their community based practices but are
2 not board certified.

3 **SEC. 2. REQUIREMENT FOR SERVICE TO AREAS THAT IN-**
4 **CLUDE A MEDICALLY UNDERSERVED POPU-**
5 **LATION.**

6 (a) REQUIREMENT.—

7 (1) IN GENERAL.—A managed care organiza-
8 tion offering a managed care plan shall establish and
9 maintain adequate arrangements, as defined under
10 regulations of the Secretary, with a sufficient num-
11 ber, mix, and distribution of health care profes-
12 sionals and providers to assure that covered items
13 and services are available and accessible to each en-
14 rollee under the plan—

15 (A) in the service area of the organization;

16 (B) in a variety of sites of service;

17 (C) with reasonable promptness (including
18 reasonable hours of operation and after-hours
19 services);

20 (D) with reasonable proximity to the resi-
21 dences and workplaces of enrollees; and

22 (E) in a manner that—

23 (i) takes into account the diverse
24 needs of enrollees; and

1 (ii) reasonably assures continuity of
2 care.

3 (2) TREATMENT OF ORGANIZATIONS SERVING
4 CERTAIN AREAS.—For a managed care organization
5 that serves a medically underserved area, the organi-
6 zation shall be treated as meeting the requirement
7 of paragraph (1) if the organization has arrange-
8 ments with a sufficient number, mix, and distribu-
9 tion of health care professionals and providers hav-
10 ing a history of serving such areas.

11 (b) ENFORCEMENT OF REQUIREMENTS.—

12 (1) APPLICATION TO GROUP HEALTH PLANS.—

13 (A) PUBLIC HEALTH SERVICE ACT.—For
14 purposes of applying title XXVII of the Public
15 Health Service Act, the requirements of sub-
16 section (a) shall be treated as though they were
17 included in the subpart 2 of part A of such title
18 (42 U.S.C. 300gg–4 et seq.).

19 (B) EMPLOYEE RETIREMENT INCOME SE-
20 CURITY ACT OF 1974.—For purposes of applying
21 part 7 of subtitle B of title I of the Employee
22 Retirement Income Security Act of 1974, the
23 requirements of subsection (a) shall be treated
24 as though they were included in subpart B of
25 such part (29 U.S.C. 1185 et seq.).

1 (C) INTERNAL REVENUE CODE OF 1986.—
2 For purposes of applying chapter 100 of the In-
3 ternal Revenue Code of 1986, the requirements
4 of subsection (a) shall be treated as though
5 they were included in subchapter B of such
6 chapter.

7 (2) APPLICATION TO INDIVIDUAL HEALTH IN-
8 SURANCE COVERAGE.—For purposes of applying
9 title XXVII of the Public Health Service Act, the re-
10 quirements of subsection (a) also shall be treated as
11 though they were part of subpart 2 of part B of
12 such title (42 U.S.C. 300gg–51 et seq.).

13 (3) MEDICARE.—The Secretary may not enter
14 into a contract under section 1857 of the Social Se-
15 curity Act (42 U.S.C. 1395w–27) with a
16 Medicare+Choice organization that is a managed
17 care organization unless the contract contains assur-
18 ances satisfactory to the Secretary that the organi-
19 zation will comply with the applicable requirements
20 of subsection (a).

21 (4) MEDICAID.—Notwithstanding any other
22 provision of law, no funds shall be paid to a State
23 under section 1903(a)(1) of the Social Security Act
24 (42 U.S.C. 1396b(a)(1)) with respect to medical as-
25 sistance provided through payment to a medicaid

1 managed care organization (as defined in section
2 1903(m)(1)(A) of such Act, 42 U.S.C.
3 1396b(m)(1)(A)) unless the contract with such orga-
4 nization contains assurances satisfactory to the Sec-
5 retary that the organization will comply with the ap-
6 plicable requirements of subsection (a).

7 **SEC. 3. ESTABLISHMENT OF GRANT PROGRAM.**

8 (a) IN GENERAL.—The Secretary shall establish a
9 program in the Office of Minority Health of the Depart-
10 ment of Health and Human Services to award competitive
11 grants to eligible nongovernmental agencies to enable such
12 agencies to develop outreach programs to—

13 (1) inform individuals in medically underserved
14 areas how to access managed care organizations in
15 their communities; and

16 (2) assist physicians and other health care pro-
17 fessionals who serve in medically underserved areas
18 to enroll as providers in managed care organizations
19 in their communities.

20 (b) ELIGIBILITY AND AMOUNT.—

21 (1) ELIGIBILITY.—The criteria necessary to re-
22 ceive a grant under this section shall be determined
23 by the Secretary.

1 (2) AMOUNT.—The amount of a grant awarded
2 to an agency under this section shall be determined
3 by the Secretary.

4 **SEC. 4. STUDY OF MINORITY PHYSICIAN PARTICIPATION IN**
5 **MANAGED CARE ORGANIZATIONS.**

6 (a) STUDY.—The Secretary shall provide for a study
7 to examine the participation of African-American and
8 other minority physicians in managed care organizations
9 and steps that can be taken to increase such participation.

10 (b) REPORT.—The Secretary shall submit a report to
11 Congress on such study not later than 1 year after the
12 date of the enactment of this Act.

13 **SEC. 5. DEFINITIONS.**

14 For purposes of this Act:

15 (1) ENROLLEE.—The term “enrollee” means,
16 with respect to a managed care plan offered by a
17 managed care organization, an individual enrolled
18 with the organization for coverage under such a
19 plan.

20 (2) HEALTH CARE PROFESSIONAL.—The term
21 “health care professional” means a physician or
22 other health care practitioner who is licensed under
23 State law with respect to the health care services the
24 practitioner furnishes.

1 (3) HEALTH PLAN.—The term “health plan”
2 means a group health plan or health insurance cov-
3 erage offered by a health insurance issuer.

4 (4) MANAGED CARE ORGANIZATION.—The term
5 “managed care organization” means any entity, in-
6 cluding a group health plan, health maintenance or-
7 ganization, or provider-sponsored organization, in re-
8 lation to its offering of a managed care plan, and in-
9 cludes any other entity that provides or manages the
10 coverage under such a plan under a contract or ar-
11 rangement with the entity.

12 (5) MANAGED CARE PLAN.—The term “man-
13 aged care plan” means a health plan offered by an
14 entity if the entity—

15 (A) provides or arranges for the provision
16 of health care items and services to enrollees in
17 the plan through participating health care pro-
18 fessionals and providers; or

19 (B) provides financial incentives (such as
20 variable copayments and deductibles) to induce
21 enrollees to obtain benefits through partici-
22 pating health care professionals and providers,
23 or both.

24 (6) MEDICALLY UNDERSERVED AREA.—The
25 term “medically underserved area” means an area

1 that is designated as a health professional shortage
2 area under section 332 of the Public Health Service
3 Act (42 U.S.C. 254e) or as a medically underserved
4 area for purposes of section 330 or 1302(7) of such
5 Act (42 U.S.C. 254e, 300e-1(7)).

6 (7) PARTICIPATING.—The term “participating”
7 means, with respect to a health care professional or
8 provider in relation to a health plan offered by an
9 entity, a physician or provider that furnishes health
10 care items and services to enrollees of the entity
11 under an agreement with the entity.

12 (8) PRIMARY CARE PROVIDER.—The term “pri-
13 mary care provider” means a health care profes-
14 sional who acts as a gatekeeper for the overall care
15 of an enrollee.

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

18 (10) OTHER GENERAL DEFINITIONS.—Except
19 as otherwise provided in this section, the definitions
20 contained in section 2791 of the Public Health Serv-
21 ice Act (42 U.S.C. 300gg-91) shall apply under this
22 section.

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