
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 524 Session of
2013

INTRODUCED BY BAKER, M. K. KELLER, MICOZZIE, GINGRICH, PICKETT,
CAUSER, HARHART, CUTLER, MAJOR, KORTZ, HESS, WATSON,
READSHAW, HENNESSEY, THOMAS, MILLARD, FRANKEL, CALTAGIRONE,
SWANGER AND MURT, FEBRUARY 5, 2013

REFERRED TO COMMITTEE ON HEALTH, FEBRUARY 5, 2013

AN ACT

1 Establishing the Community-Based Health Care Provider Access
2 (CHCPA) Program in the Department of Health; providing for
3 hospital health clinics and for a tax credit; and making
4 appropriations.

5 The General Assembly finds and declares as follows:

6 (1) The purpose of the Community-Based Health Care
7 Provider Access Program is to provide access to quality
8 community-based health care to improve the health of local
9 residents.

10 (2) Community health workers play an important role by
11 helping individuals who utilize community services understand
12 how to navigate the health care system. They provide
13 information to patients about staying healthy and managing
14 diseases, emphasizing prevention and primary care, resulting
15 in more appropriate use of the health care system, leading to
16 lower overall costs of care and reducing the burden of
17 uncompensated care.

18 (3) Specifically this act seeks to:

1 (i) Expand and improve health care access and
2 services, such as preventative care, chronic care and
3 disease management, prenatal, obstetric, postpartum and
4 newborn care, dental treatment, behavioral health, mental
5 health and substance abuse and primary services resulting
6 in improved health statuses of Commonwealth residents
7 regardless of insurance status or ability to pay.

8 (ii) Reduce unnecessary utilization of hospital
9 emergency services by providing an effective alternative
10 health care delivery system.

11 (iii) Encourage collaborative relationships among
12 community-based health care clinics, hospitals and other
13 health care providers.

14 (4) Community health centers serve millions of patients
15 nationally. Federally qualified health centers (FQHCs) alone
16 served 521,194 individuals as medical home and family
17 physician in this Commonwealth. Health centers are located in
18 areas where care is needed but scarce, their costs rank among
19 the lowest, and they reduce the need for more expensive
20 inpatient and specialty care. Only six states served more
21 individuals in FQHCs (California, Florida, Illinois, New
22 York, Texas and Washington). Pennsylvania has no direct
23 funding of health centers.

24 (5) Ninety-one percent of patients served in community
25 health centers are of low income, with 71% being families
26 with incomes at or below poverty levels. Nearly two-thirds of
27 individuals accessing community care are racial and ethnic
28 minorities. About 39% of health center patients are
29 uninsured, and another 35% depend on Medicaid. About half of
30 health center patients reside in rural areas, while the other

1 half tend to live in economically depressed inner-city
2 communities.

3 (6) Expanding and strengthening community-based health
4 centers will continue to improve the health outcomes for this
5 Commonwealth's medically vulnerable, as well as narrow health
6 disparities.

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2 The General Assembly of the Commonwealth of Pennsylvania
3 hereby enacts as follows:

4 CHAPTER 1

5 HEALTH CARE ASSISTANCE

6 SUBCHAPTER A

7 PRELIMINARY PROVISIONS

8 Section 101. Short title.

9 This act shall be known and may be cited as the Community-
10 Based Health Care Provider Access (CHCPA) Act.

11 Section 102. Definitions.

12 The following words and phrases when used in this act shall
13 have the meanings given to them in this section unless the
14 context clearly indicates otherwise:

15 "Advanced practice nurse." A registered nurse with a
16 master's or doctoral degree licensed to practice as a certified
17 registered nurse practitioner, clinical nurse specialist or
18 certified nurse-midwife.

19 "Chronic care and disease management." A model of care that
20 includes the following:

21 (1) The provision of effective health management through
22 support and information that also promotes self-care for
23 patients with chronic conditions so they can effectively
24 manage their health.

25 (2) The use of evidence-based medicine to ensure
26 appropriate treatment decisions by health care providers.

27 (3) Tracking clinical information for individual and
28 general patient populations to guide treatment and
29 effectively anticipate community health care problems.

30 (4) Ensuring patients get the care they need by

1 clarifying roles and tasks of health care providers and
2 encouraging coordination of care for all who treat patients,
3 having centralized, up-to-date information about the patient
4 and ensuring that follow-up care is provided as a standard
5 procedure.

6 (5) Forming partnerships and alliances with State,
7 local, business, religious and other organizations to support
8 or expand care for those with chronic disease.

9 "Community-based health care clinic." A nonprofit health
10 care center located in this Commonwealth that provides
11 comprehensive health care services without regard for a
12 patient's ability to pay and that:

13 (1) meets either of the following criteria:

14 (i) serves a federally designated medically
15 underserved area, a medically underserved population or a
16 health professional shortage area; or

17 (ii) serves a patient population with a majority of
18 that population having an income less than 200% of the
19 Federal poverty income guidelines; and

20 (2) includes any of the following:

21 (i) A federally qualified health center as defined
22 in section 1905(1)(2)(B) of the Social Security Act (49
23 Stat. 620, 42 U.S.C. § 1396d(1)(2)(B)) or a federally
24 qualified health center look-alike.

25 (ii) A rural health clinic as defined in section
26 1861(aa)(2) of the Social Security Act (49 Stat. 620, 42
27 U.S.C. § 1395x(aa)(2)), certified by Medicare.

28 (iii) A hospital health clinic.

29 (iv) A free or partial-pay health clinic that
30 provides services by volunteer and nonvolunteer health

1 care providers.

2 (v) A nurse-managed health care clinic that is
3 managed by advanced practice nurses and is associated
4 with a nursing education program, a federally qualified
5 health center or an independent nonprofit health or
6 social services agency.

7 (vi) A not-for-profit dental clinic.

8 "Community health needs assessment." An assessment conducted
9 by a community-based health improvement partnership under
10 section 111.

11 "Department." Except as provided under section 122, the
12 Department of Health of the Commonwealth.

13 "Fund." The Community-Based Health Care Provider Access
14 (CHCPA) Fund.

15 "Health care provider." A health care facility or health
16 care practitioner as defined in the act of July 19, 1979
17 (P.L.130, No.48), known as the Health Care Facilities Act, a
18 group practice or a community-based health care provider. A
19 health care provider licensed to practice a component of the
20 healing arts by a licensing board within the Department of State
21 who provides health care services at a community-based health
22 care clinic.

23 "Hospital." An entity located in this Commonwealth that is
24 licensed as a hospital under the act of July 19, 1979 (P.L.130,
25 No.48), known as the Health Care Facilities Act.

26 "Medical assistance." A State program of medical assistance
27 established under Article IV(f) of the act of June 13, 1967
28 (P.L.31, No.21), known as the Public Welfare Code.

29 "Nurse-managed health care clinic." A nurse practice
30 arrangement, managed by advanced practice nurses, that provides

1 health care services to vulnerable populations and is associated
2 with a school, college or department of nursing, a federally
3 qualified health center or an independent nonprofit health or
4 social services agency.

5 "Patient." A natural person receiving health care in or from
6 a health care provider at a community-based health care clinic.

7 "Program." The Community-Based Health Care Provider Access
8 (CHCPA) Program.

9 SUBCHAPTER B

10 COMMUNITY-BASED HEALTH CARE PROVIDER ACCESS (CHCPA)

11 Section 111. Community-Based Health Care Provider Access
12 (CHCPA) Program.

13 (a) Establishment.--The Community-Based Health Care Provider
14 Access (CHCPA) Program is established within the department to:

15 (1) Improve availability and access to and provide
16 quality community-based health care and reduce unnecessary
17 utilization of emergency health care services by providing
18 and supporting the development and provision of appropriate
19 alternatives offered by or through community-based health
20 care providers, while reducing duplicative services.

21 (2) Expand and improve health care access and services
22 to provide medically necessary preventative care, chronic
23 care and disease management in an effort to optimize both
24 individual health outcomes and the use of health care
25 resources, obstetric services, including prenatal, postpartum
26 and newborn care, dental treatment, pharmacy services and
27 behavioral health care services provided in this Commonwealth
28 through community-based health care providers.

29 (3) Encourage collaborative relationships among
30 community-based health care clinics, hospitals and other

1 health care providers, as well as provide outreach into the
2 community to identify individuals who would qualify for the
3 program and integrate them into the program.

4 (4) Assist in covering the reasonable costs of providing
5 health care services, outreach and care management
6 opportunities to individuals eligible to receive services
7 from or through community-based health care providers.

8 (5) Provide for the establishment of a case manager
9 system for each eligible individual to assist the individual
10 in meeting the individual's health care needs.

11 (6) Monitor the changes in health status of the low-
12 income residents in the community.

13 (b) Grant award methodology.--A methodology for the
14 allocation of grant awards shall be developed by the department
15 based on the following distribution:

16 (1) Fifty percent for the expansion of an existing or
17 the development of a new community-based health care clinic
18 using criteria that include:

19 (i) The actual and projected number of total
20 patients, new patients and patient visits for all
21 patients served or to be served, including the number of
22 low-income and uninsured patients, who fall below 200% of
23 the Federal poverty income guidelines.

24 (ii) The addition or expansion of ancillary health
25 care services, such as dental, behavioral health and
26 pharmacy.

27 (iii) The development or enhancement of preventive
28 and chronic care and disease management techniques.

29 (2) Twenty-five percent for improvements in prenatal,
30 obstetric, postpartum and newborn care.

1 (3) Twenty percent for improved access and services,
2 including patient transportation, intended to reduce
3 unnecessary emergency room utilization.

4 (4) Five percent for the establishment of collaborative
5 relationships among community-based health care clinics,
6 hospitals and other health care providers.

7 (c) Limitation.--No more than 25% of the grants awarded
8 under subsection (b) shall go to federally qualified health
9 centers or federally qualified health center look-alikes.

10 (d) Distribution.--Funds shall be distributed in a manner
11 that improves access and expands services in all geographic
12 areas of this Commonwealth.

13 (e) Reallocation.--The department shall reallocate funds
14 among the categories described in subsection (b) if sufficient
15 grant requests are not received to use all the funds available
16 in a specific category.

17 (f) Amount of grants.--A grant under this subsection shall
18 not exceed \$500,000, and shall require a matching commitment of
19 25% of the grant, which can be in the form of cash or equivalent
20 in-kind services.

21 (g) Federal funds.--The department shall seek any available
22 Federal funds, as well as any available grants and funding from
23 other sources, to supplement amounts made available under this
24 subchapter to the extent permitted by law.

25 Section 112. Powers and duties of department.

26 The department shall have the following powers and duties:

27 (1) To administer the program.

28 (2) To develop an allocation methodology under section
29 111(b).

30 (3) Within 90 days of the effective date of this

1 section, to develop and provide a grant application form
2 consistent with this act. The department shall provide
3 applications for grants under this section to all known
4 community-based health care clinics. A grant under this
5 section may be extended over two State fiscal years at the
6 request of the community-based health care clinic.

7 (4) To calculate and make grants to qualified community-
8 based health care clinics.

9 (5) To provide an annual report no later than November
10 30 to the chair and minority chair of the Public Health and
11 Welfare Committee of the Senate and the chair and minority
12 chair of the Health and Human Services Committee of the House
13 of Representatives. The report shall include accountability
14 measures for all of the following:

15 (i) The total dollar amount for each grant awarded,
16 listing the type of community-based health care clinic
17 and the name of the grantee.

18 (ii) A summary of the use of the grant by each
19 grantee.

20 (iii) A summary of how each grant expanded access
21 and services in accordance with the criteria set forth in
22 section 111(a) and (b), including a specific
23 documentation of low-income and uninsured patients
24 served, and the total amount of funds allocated in each
25 distribution category under section 111(b).

26 (iv) The impact of the grant on improving the
27 delivery and quality of health care in the community.

28 (v) An accountability assessment of the benefits of
29 the assistance provided under this subchapter and any
30 recommendations for changes to the program.

1 The report shall be made available for public inspection and
2 posted on the department's publicly accessible Internet
3 website.

4 (6) To audit grants awarded under this subchapter to
5 ensure that funds have been used in accordance with this
6 subchapter and the terms and standards adopted by the
7 department.

8 (7) To establish and maintain an online database of
9 community-based health care clinics.

10 (8) To establish a toll-free telephone number for
11 individuals to obtain information about community-based
12 health care clinics.

13 Section 113. Hospital health clinics.

14 (a) Program.--The Department of Public Welfare shall be
15 responsible for administering the program as it relates to
16 hospital health clinics in accordance with the requirements of
17 this act and shall have the following additional duties:

18 (1) To develop an application and collect such data and
19 information as may be necessary to determine the eligibility
20 of hospital health clinics for payments under this section
21 using the criteria set forth in section 111(a) and (b).

22 (2) To review an application and make a final
23 determination regarding a hospital health clinic's
24 eligibility for funding within 90 days of receipt.

25 (3) To make payments to hospital health clinics in
26 accordance with the payment calculation set forth in
27 subsection (e).

28 (b) Submission of application.--In order to qualify for
29 funding pursuant to this section, a hospital health clinic shall
30 submit the required application to the Department of Public

1 Welfare no later than 90 days after the effective date of this
2 act.

3 (c) Funding.--

4 (1) For fiscal year 2012-2013 and each year thereafter,
5 upon Federal approval of an amendment to the Medicaid State
6 plan, the Department of Public Welfare shall annually
7 distribute any available funds obtained under this act for
8 hospital health clinics through disproportionate share
9 payments to hospitals to provide financial assistance that
10 will assure readily available and coordinated comprehensive
11 health care to the citizens of this Commonwealth.

12 (2) The Secretary of Public Welfare shall determine the
13 funds available and make appropriate adjustments based on the
14 number of qualifying hospitals with hospital health clinics.

15 (d) Maximization.--The Department of Public Welfare shall
16 seek to maximize any Federal funds, including funds obtained
17 under Title XIX of the Social Security Act (49 Stat. 620, 42
18 U.S.C. § 1396 et seq.).

19 (e) Payment calculation.--

20 (1) Thirty percent of the total amount available shall
21 be allocated to eligible hospital health clinics of hospitals
22 located in counties of the first and second class. The total
23 amount available for each hospital health clinic at a
24 hospital in these counties shall be allocated on the basis of
25 each hospital's percentage of medical assistance and low-
26 income hospital health clinic visits compared to the total
27 number of medical assistance and low-income hospital health
28 clinic visits for all hospitals in these counties.

29 (2) Fifty percent of the total amount available shall be
30 allocated to eligible hospital health clinics of hospitals

1 located in counties of the third, fourth and fifth class. The
2 total amount available for each hospital health clinic at a
3 hospital in these counties shall be allocated on the basis of
4 each hospital's percentage of medical assistance and low-
5 income hospital health clinic visits compared to the total
6 number of medical assistance and low-income hospital health
7 clinic visits for all hospitals in these counties.

8 (3) Twenty percent of the total amount available shall
9 be allocated to eligible hospital health clinics of hospitals
10 located in counties of the sixth, seventh and eighth class.
11 The total amount available for each hospital health clinic at
12 a hospital in these counties shall be allocated on the basis
13 of each hospital's percentage of medical assistance and low-
14 income hospital health clinic visits compared to the total
15 number of medical assistance and low-income hospital health
16 clinic visits for all hospitals in these counties.

17 (4) Any hospital that has reached its disproportionate
18 share limit under Title XIX of the Social Security Act shall
19 receive its share of the State funds available under this
20 act.

21 (f) Definition.--As used in this section, the term "low-
22 income" means under 200% of the Federal poverty income
23 guidelines.

24 Section 114. Community-Based Health Care Provider Access
25 (CHCPA) Fund.

26 (a) Establishment.--The Community-Based Health Care Provider
27 Access (CHCPA) Fund is established in the State Treasury.

28 (b) Funding sources.--Funding sources for the fund shall
29 include all of the following:

30 (1) Transfers or appropriations to the fund.

1 (2) Money received from the Federal Government or other
2 sources.

3 (3) Money required to be deposited in the fund pursuant
4 to other provisions under this act or any other law.

5 (4) Investment earnings from the fund, net of investment
6 costs.

7 (c) Use.--The department shall utilize the fund to carry out
8 the program.

9 Section 115. Report and program adjustment.

10 (a) Report.--The department shall provide a report to the
11 chair and minority chair of the Public Health and Welfare
12 Committee of the Senate and the chair and minority chair of the
13 Health and Human Services Committee of the House of
14 Representatives no later than July 1, 2014, that includes an
15 assessment of the effectiveness of the initial phase of the
16 program and describes any changes in the allocation of funds
17 described in section 111(b) that the department intends to make
18 beginning in the fourth year of the program.

19 (b) Consultation.--The department shall develop the program
20 changes anticipated by this subsection and included in the
21 report under subsection (a) after consultation with and
22 receiving input from community-based health care providers,
23 consumers and others with an interest in the provision of
24 community-based health care.

25 (c) Revision.--The department, after determining program
26 changes, shall make necessary revisions in the program
27 requirements and procedures and provide notice to prospective
28 applicants, such that grants can be awarded on a timely basis
29 beginning in the fourth year of the program.

30 (d) Providers.--A community-based health care provider that

1 receives a grant under this act shall report at least annually
2 to the department, which report shall include a description of:

3 (1) The community-based health care provider's efforts
4 to improve access to and the delivery and management of
5 health care services.

6 (2) The reduction of unnecessary and duplicative health
7 care services.

8 (3) Changes in overall health indicators and in
9 utilization of health care services among the communities and
10 individuals served by the community-based health care
11 providers, with particular emphasis on indicators, including,
12 but not limited to:

13 (i) The creation and maintenance of relationships
14 between health care providers and individuals directed at
15 establishing a medical home for such individuals and the
16 provision of preventative and chronic care management
17 services.

18 (ii) Prenatal, postpartum, newborn and infant care.

19 (iii) Such other matters as may be specified by the
20 department.

21 SUBCHAPTER C

22 TAX CREDIT

23 Section 121. Scope of subchapter.

24 This subchapter deals with the community-based health care
25 clinic tax credit.

26 Section 122. Definitions.

27 The following words and phrases when used in this subchapter
28 shall have the meanings given to them in this section unless the
29 context clearly indicates otherwise:

30 "Business firm." An entity authorized to do business in this

1 Commonwealth and subject to taxes imposed under Article IV, VI,
2 VII, VIII, IX or XV of the act of March 4, 1971 (P.L.6, No.2),
3 known as the Tax Reform Code of 1971.

4 "Contribution." A donation of cash or personal property by
5 the business firm to the Commonwealth.

6 "Department." Notwithstanding section 102, the Department of
7 Community and Economic Development of the Commonwealth.

8 Section 123. Establishment of program.

9 A community-based health care clinic tax credit program is
10 established in order to fund the Community-Based Health Care
11 Provider Access (CHCPA) Program.

12 Section 124. Application.

13 (a) Application.--A business firm shall apply to the
14 department in a form and manner determined by the department for
15 a tax credit under section 125.

16 (b) Availability of tax credits.--Tax credits under this
17 subchapter shall be made available by the department on a first-
18 come, first-served basis within the limitations established
19 under section 126.

20 (c) Contributions.--A contribution shall be made no later
21 than 60 days following the approval of an application under
22 subsection (a).

23 Section 125. Tax credit.

24 (a) Grant.--The Department of Revenue shall grant a tax
25 credit against any tax due under Article IV, VI, VII, VIII, IX
26 or XV of the act of March 4, 1971 (P.L.6, No.2), known as the
27 Tax Reform Code of 1971, to a business firm that has applied
28 for, been approved for and made a contribution. In the taxable
29 year in which the contribution is made, the credit shall not
30 exceed 75% of the total amount contributed by the business firm.

1 The credit shall not exceed \$100,000 annually per business firm.

2 (b) Expense.--All money received from business firms in
3 accordance with this subchapter shall be expended solely for
4 community-based health care clinics pursuant to Subchapter A.
5 Section 126. Limitations.

6 (a) Amount.--The total aggregate amount of all tax credits
7 approved under this subchapter shall not exceed \$5,000,000 in a
8 fiscal year.

9 (b) Activities.--No tax credit shall be approved for
10 activities that are a part of a business firm's normal course of
11 business.

12 (c) Tax liability.--A tax credit granted for any one taxable
13 year may not exceed the tax liability of a business firm.

14 (d) Use.--A tax credit not used in the taxable year the
15 contribution was made may not be carried forward or carried back
16 and is not refundable or transferable.

17 Section 127. Report.

18 (a) Delivery.--The department shall provide a report to the
19 chair and minority chair of the Appropriations Committee of the
20 Senate, the chair and minority chair of the Public Health and
21 Welfare Committee of the Senate, the chair and minority chair of
22 the Appropriations Committee of the House of Representatives and
23 the chair and minority chair of the Health and Human Services
24 Committee of the House of Representatives.

25 (b) Substance.--The report shall include:

26 (1) The total amount of the tax credits awarded.

27 (2) The total amount of the contributions from all
28 business firms.

29 (3) The total number of additional persons served
30 through the program due to contributions from business firms,

1 by county.

2 CHAPTER 51

3 MISCELLANEOUS PROVISIONS

4 Section 5101. Appropriations.

5 (a) Department of Health.--The sum of \$35,000,000 from the
6 Community-Based Health Care Provider Access (CHCPA) Fund is
7 hereby appropriated to the Department of Health for the fiscal
8 year July 1, 2012, to June 30, 2013, to carry out the provisions
9 of Ch. 1 Subch. B, with the exception of funding under section
10 113.

11 (b) Department of Public Welfare.--The sum of \$10,000,000
12 from the Community-Based Health Care Provider Access (CHCPA)
13 Fund is appropriated to the Department of Public Welfare for the
14 fiscal year July 1, 2012, to June 30, 2013, to carry out the
15 provisions of Ch. 1 Subch. B and the funding of hospital health
16 clinics under section 113.

17 (c) Limitations on payments.--Payments to community-based
18 health care clinics for assistance under this act shall not
19 exceed the amount of funds available for the program, and any
20 payment under this act shall not constitute an entitlement from
21 the Commonwealth or a claim on any other funds of the
22 Commonwealth.

23 Section 5102. Effective date.

24 This act shall take effect in 90 days.