



Senate Public Health and Welfare Committee

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Summary SB 5 PN 144

Senate Bill 5, establishing the Community-Based Health Care (CHC) Act, would create the Community-Based Health Care (CHC) Program in the Department of Health to provide grants to community-based health care clinics. The Department of Public Welfare is given the responsibility of administering the grant program for hospital health clinics.

Department of Health Administered Program:

A CHC clinic is defined as a non-profit health care center that provides comprehensive health care services primarily to low-income and uninsured individuals. CHC clinics include:

- federally qualified health centers as defined by federal law,
- federally qualified health center look-alikes,
- rural health clinics certified by Medicare,
- hospital health clinics as provided for in the act,
- free or partial-pay health clinics that provide services using volunteer and non-volunteer providers, and
- nurse-managed clinics that serve a federally designated medically underserved area or population or are in a primary health care professional shortage area.

The grants would be used to improve and expand health care access and services, reduce unnecessary utilization of hospital emergency services, and encourage collaboration between CHC clinics, hospitals and other health care providers.

The methodology for allocation of grant awards would be developed by the Health Department based on the following distribution:

- 50% for the expansion of an existing clinic or the development of new community-based health care clinics
- 25% for improvements in prenatal, obstetric, postpartum, and newborn care
- 20% for improved access and services, including patient transportation, which are intended to reduce unnecessary emergency room use and
- 5% for the establishment of collaborative relationships among community-based health care clinics, hospitals and other health care providers.

No more than 15% of the total funds available for the program may be awarded to applicants within the same city, town, borough, or township. Further, funds must be distributed in a manner that improves access and expands services in all geographic areas of Pennsylvania. The Department is permitted to reallocate

the funds among the categories if sufficient grant requests are not received to allocate all the funds available in a specific category.

Grants administered by the Department of Health would require a 25% matching commitment, which can be in the form of cash or equivalent in-kind services. In addition, the Department of Health would be required to seek available Federal funds, as well as any available grants and funding from other sources, to supplement the amounts made available under the act.

The Department of Health must submit an annual report to the majority and minority chairs of the Senate Public Health and Welfare Committee and the majority and minority chairs of the House Health Committee by November 30 of each year. The report would include information on grantees and type of clinic, grant amounts, use of the grant monies, impact of the grant on improved delivery and quality, including a specific documentation of low-income and uninsured patients served and services provided, and an accountability assessment of the benefits of the assistance and any recommendations for changes to the program. The report would be posted on the Department's internet site.

The Department would also audit the grants provided to ensure that the funds were used in accordance with the act and the terms and standards adopted by the Department of Health. The Department would establish and maintain an online database of community-based health care clinics and a toll-free telephone number for individuals to receive information about the clinics.

Department of Public Welfare Administered Program:

The legislation directs the Department of Public Welfare (DPW) to administer a grant program for hospital based clinics. DPW is responsible for developing an application for funding, determining eligibility and making payments to hospital based clinics. DPW would distribute funds obtained for hospital clinics through disproportionate share payments to hospitals to provide financial assistance that will assure readily available and coordinated comprehensive health care. The Department is also required to maximize any federal funding available.

The Department of Public Welfare shall distribute available funds as follows:

- 30% to eligible hospital health clinics in counties of the first and second class,
- 50% to clinics in counties of the third, fourth and fifth classes, and
- 20% to clinics in counties of the sixth, seventh, and eighth classes.

Mobile Prenatal and Natal Care Demonstration Project

Hospitals or health care providers may submit applications to the Department of Health to operate mobile units to provide prenatal, obstetric, postpartum and newborn care to individuals. One grant application may be approved by the Department for no more than \$100,000 in each of the following settings:

- Urban
- Suburban
- Rural
- Underserved area most likely to benefit from a mobile clinic

The Department shall file a report by May 1, 2016 with the chair and minority chair of the Senate Public Health and Welfare Committee and the chairs and minority

chairs of the House Health and House Human Services Committees. The report shall include the name of each grantee, the amount of the award, the use and a summary of how access and services were expanded and improved. It shall also include the types of services offered, the amount spent on each and any recommendations for changes to the program.

Effective Date

This act shall take effect in 90 days.