

115TH CONGRESS
1ST SESSION

H. R. 2048

To amend title XIX of the Social Security Act to incentivize the development of community-based interventions to reduce health disparities among certain populations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 6, 2017

Mr. BEN RAY LUJÁN of New Mexico introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To amend title XIX of the Social Security Act to incentivize the development of community-based interventions to reduce health disparities among certain populations, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be referred to as the “Eliminating
5 Health Disparities Act of 2017”.

1 **SEC. 2. HEALTH DISPARITIES ELIMINATION STATE PLAN**
2 **OPTION.**

3 Title XIX of the Social Security Act (42 U.S.C. 1396
4 et seq.) is amended by adding at the end the following:

5 **“SEC. 1947. HEALTH DISPARITIES ELIMINATION PROGRAM**
6 **STATE PLAN OPTION.**

7 “(a) IN GENERAL.—Notwithstanding section
8 1902(a)(1) (relating to statewideness), section
9 1902(a)(10)(B) (relating to comparability), and any other
10 provision of this title that the Secretary determines is nec-
11 essary to waive in order to implement this section, begin-
12 ning fiscal year 2018, a State, at its option as a State
13 plan amendment, may establish a Health Disparities
14 Elimination Program for purposes of reducing health dis-
15 parities among targeted populations in communities
16 served by qualified community health systems under which
17 the State provides incentive payments to qualified commu-
18 nity health systems for initiatives approved under sub-
19 section (c), if the State meets the requirements specified
20 in subsection (c).

21 “(b) STATE PLAN AMENDMENT.—Each State seek-
22 ing a State plan amendment under this section shall sub-
23 mit such amendment to the Secretary for approval. The
24 Secretary shall approve any such amendment that meets
25 the requirements of subsection (c) and includes—

1 “(1) State goals for reducing health disparities
2 through the Health Disparities Elimination Program
3 to be established by the State;

4 “(2) any requirements for the development and
5 approval of action plans described in subsection
6 (c)(1);

7 “(3) eligibility criteria for any qualified commu-
8 nity health system seeking to establish a health dis-
9 parities elimination initiative (in this section referred
10 to as an ‘initiative’) pursuant to this section;

11 “(4) the methodology for determining the
12 amount of incentive payments to be made to a quali-
13 fied community health system through an initiative,
14 based on the size of the target population to be
15 served through the initiative and the potential of the
16 initiative for reducing health disparities; and

17 “(5) the period during which initiatives may be
18 implemented, in accordance with subsection (c)(3).

19 “(c) STATE REQUIREMENTS.—The requirements
20 specified in this subsection with respect to a State are the
21 following:

22 “(1) HEALTH SYSTEM ACTION PLAN.—The
23 State shall require that a qualified community
24 health system submit an action plan for an initiative
25 to the State agency with responsibility for admin-

1 istering the State plan under this title for approval
2 that identifies—

3 “(A) the target population or populations
4 to be served by the initiative;

5 “(B) specific, evidence-based projects that
6 the system will undertake through the initiative
7 to reduce health disparities for such population
8 or populations;

9 “(C) targets and benchmarks associated
10 with such projects that must be met in order to
11 receive incentive payments pursuant to this sec-
12 tion;

13 “(D) measures for evaluating the effective-
14 ness of the initiative in reducing health dispari-
15 ties with respect to the goals established by the
16 State pursuant to subsection (b)(1); and

17 “(E) the amount of any proposed initial in-
18 centive payments to be made pursuant to this
19 section to support startup costs of the initiative.

20 “(2) PRIORITY IN SELECTION OF HEALTH SYS-
21 TEMS FOR PARTICIPATION.—In selecting qualified
22 community health systems to establish an initiative
23 under a State plan amendment approved under this
24 section, the State shall give priority to health sys-
25 tems—

1 “(A) that have submitted action plans
2 (under paragraph (1)) that include the use of
3 evidence-based interventions shown to reduce or
4 eliminate health disparities;

5 “(B) that demonstrate the potential to
6 have a high impact in the elimination of health
7 disparities, improved health care access, im-
8 proved health outcomes, or health care savings
9 compared to the total incentive funding re-
10 quested;

11 “(C) that have prior experience working on
12 projects with the goal of reducing health dis-
13 parities;

14 “(D) that demonstrate long-term commit-
15 ment to providing health services to the target
16 population or populations; and

17 “(E) with a demonstrated need for addi-
18 tional financial resources in order to strengthen
19 and advance existing efforts of the health sys-
20 tem to reduce health disparities.

21 “(3) DURATION OF ACTION PLAN.—

22 “(A) IN GENERAL.—The State may not
23 approve an action plan submitted under para-
24 graph (1) for a period exceeding 5 years.

1 “(B) REPORT.—At the end of any such pe-
2 riod, the State shall require each participating
3 qualified community health system to submit a
4 report to the State describing the effectiveness
5 of its initiative using the measures described in
6 paragraph (1)(D).

7 “(C) EXTENSION.—A State may extend
8 the initiative of such health system upon ap-
9 proval of a new action plan to extend, improve,
10 or expand the initiative, if the State determines
11 that the initiative has proved effective, taking
12 into account the report submitted under sub-
13 paragraph (B).

14 “(d) STATE REPORT AND EVALUATION.—

15 “(1) IN GENERAL.—A State with a State plan
16 amendment approved under this section shall submit
17 to the Secretary, in a time and manner to be speci-
18 fied by the Secretary—

19 “(A) an annual report on the progress of
20 the Health Disparities Elimination Program of
21 the State towards meeting the goals of the
22 State described under subsection (b)(1); and

23 “(B) not less than once every 5 years, an
24 evaluation of the effectiveness of the Health
25 Disparities Elimination Program of the State.

1 “(2) CONTENTS.—The evaluation described in
2 paragraph (1)(B) shall include—

3 “(A) an assessment of the effectiveness of
4 initiatives receiving incentive payments pursu-
5 ant to this section during the period covered by
6 the report in meeting the goals of the State de-
7 scribed under subsection (b)(1); and

8 “(B) a description of the activities of such
9 initiatives.

10 “(3) PUBLICATION.—The Secretary shall pub-
11 lish on the public Web site of the Centers for Medi-
12 care & Medicaid Services each evaluation submitted
13 under paragraph (1)(B).

14 “(e) FUNDING.—

15 “(1) STATE FUNDING.—

16 “(A) IN GENERAL.—For the purpose of
17 making allocations to States under subpara-
18 graph (C), there is appropriated for fiscal year
19 2018 and each subsequent fiscal year, out of
20 any money in the Treasury not otherwise ap-
21 propriated, an amount equal to one half of one
22 percent of the total of the Federal share of ex-
23 penditures with respect to all State plans under
24 this title in the most recent fiscal year for
25 which complete expenditure data is available.

1 “(B) INCENTIVE PAYMENT FUND.—The
2 Secretary shall deposit all funds appropriated
3 under subparagraph (A) into an incentive pay-
4 ment fund. Such funds shall remain available
5 until expended.

6 “(C) ALLOCATION AMONG STATES.—Of
7 the total amount appropriated for this section
8 for a fiscal year, the Secretary shall, except as
9 provided in subparagraph (D), allocate for such
10 fiscal year to each State an amount in propor-
11 tion to the ratio of—

12 “(i) the State’s total expenditures
13 under the State plan under this title in the
14 most recent fiscal year for which complete
15 expenditure data is available; to

16 “(ii) the sum of all States’ total ex-
17 penditures under all State plans under this
18 title in the fiscal year described in clause
19 (i).

20 “(D) FUNDS NOT USED BY THE STATE.—
21 If the Secretary determines, on the basis of in-
22 formation available on the first day of a fiscal
23 year, that any allocation under subparagraph
24 (C) to a State for such fiscal year will not be
25 required because a State does not have a State

1 plan amendment approved under subsection (b)
2 for such fiscal year, then such State's allocation
3 shall be treated as an unused allocation for
4 such fiscal year and re-allocated in accordance
5 with subparagraph (E)(i).

6 “(E) QUALIFYING STATES.—

7 “(i) RE-ALLOCATION TO QUALIFYING
8 STATES.—In addition to the allocation
9 available to a State under subparagraph
10 (C), the Secretary shall allocate to each
11 qualifying State for a fiscal year, out of
12 the sum of unused allocations, as described
13 in subparagraph (D), for such fiscal year,
14 an amount in proportion to the ratio of—

15 “(I) each such State's total ex-
16 penditures under the State plan under
17 this title in the most recent fiscal year
18 for which complete expenditure data is
19 available; to

20 “(II) the sum of all such States'
21 total expenditures under all State
22 plans of such States under this title in
23 the fiscal year described in subclause
24 (I).

1 “(ii) AVAILABILITY OF FUNDS.—Allo-
2 cations made to a qualifying State under
3 clause (i) and subparagraph (C) shall re-
4 main available until expended.

5 “(iii) DEFINITIONS.—In this section,
6 the term ‘qualifying State’ means a State
7 with a State plan amendment approved
8 under this section that—

9 “(I) has in effect an agreement
10 with one or more qualified community
11 health system initiatives; and

12 “(II) in any fiscal year other
13 than the first fiscal year for which
14 such State receives an allocation
15 under subparagraph (C) that is not
16 re-allocated under subparagraph (D),
17 has a Health Disparities Elimination
18 Program established under this sec-
19 tion that, as determined by the Sec-
20 retary, has made measurable progress
21 towards meeting the State’s goals, as
22 described under subsection (b)(1),
23 based on reports and evaluations sub-
24 mitted under subsection (d).

25 “(2) PAYMENTS.—

1 “(A) IN GENERAL.—Subject to the provi-
2 sions of this section, the Secretary shall pay to
3 each State with a State plan amendment ap-
4 proved under this section, from its allocation
5 under paragraph (1)(C) and, in the case of a
6 qualifying State, from its allocation under para-
7 graph (1)(E)(i), an amount for each quarter
8 equal to 90 percent of the sum expended by the
9 State in such quarter for incentive payments
10 made to qualified community health systems for
11 initiatives approved pursuant to this section.

12 “(B) STATUS OF INCENTIVE PAYMENTS.—
13 Incentive payments made under a State plan
14 amendment approved under this section shall
15 not be considered payment for health care items
16 or services and shall not count towards any
17 limit with respect to the maximum amount of
18 payments that may be made to a provider
19 under the State plan under this title (or under
20 a waiver of such plan).

21 “(f) DEFINITIONS.—In this section:

22 “(1) The term ‘health disparity’ means a dis-
23 parity in care provided to a health disparity popu-
24 lation, as defined in section 903(d) of the Public
25 Health Service Act (42 U.S.C. 299a–1(d)).

1 “(2) The term ‘qualified community health sys-
2 tem’ means—

3 “(A) a hospital described in a report sub-
4 mitted under section 1900(b)(6)(B)(ii)(III); or

5 “(B) an affiliated group of health care pro-
6 viders anchored by such hospital.

7 “(3) The term ‘State’ means each of the several
8 States and the District of Columbia.

9 “(4) The term ‘target population’ means a pop-
10 ulation of individuals that has empirically experi-
11 enced disparities in health care access and quality
12 and shall not be limited by source of coverage or
13 lack thereof.”.

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