

115TH CONGRESS
2D SESSION

S. 2278

To amend the Public Health Service Act to provide grants to improve health care in rural areas.

IN THE SENATE OF THE UNITED STATES

JANUARY 4, 2018

Mr. ROBERTS (for himself, Ms. HEITKAMP, Mr. BARRASSO, Mr. CASEY, Mr. GRASSLEY, and Ms. BALDWIN) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To amend the Public Health Service Act to provide grants to improve health care in rural areas.

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 cited as the “State Offices of Rural
5 Health Reauthorization Act of 2018”.

6 **SEC. 2. STATE OFFICES OF RURAL HEALTH.**

7 Section 338J of the Public Health Service Act (42
8 U.S.C. 254r) is amended to read as follows:

1 **“SEC. 338J. GRANTS TO STATE OFFICES OF RURAL HEALTH.**

2 “(a) IN GENERAL.—The Secretary, acting through
3 the Director of the Federal Office of Rural Health Policy
4 (established under section 711 of the Social Security Act),
5 shall make grants to each State Office of Rural Health
6 for the purpose of improving health care in rural areas.

7 “(b) REQUIREMENT OF MATCHING FUNDS.—

8 “(1) IN GENERAL.—Subject to paragraph (2),
9 the Secretary may not make a grant under sub-
10 section (a) unless the State office of rural health in-
11 volved agrees, with respect to the costs to be in-
12 curred in carrying out the purpose described in such
13 subsection, to provide non-Federal contributions to-
14 ward such costs in an amount equal to \$3 for each
15 \$1 of Federal funds provided in the grant.

16 “(2) WAIVER OR REDUCTION.—The Secretary
17 may waive or reduce the non-Federal contribution if
18 the Secretary determines that requiring matching
19 funds would limit the State office of rural health’s
20 ability to carry out the purpose described in sub-
21 section (a).

22 “(3) DETERMINATION OF AMOUNT OF NON-
23 FEDERAL CONTRIBUTION.—Non-Federal contribu-
24 tions required in paragraph (1) may be in cash or
25 in kind, fairly evaluated, including plant, equipment,
26 or services. Amounts provided by the Federal Gov-

1 ernment, or services assisted or subsidized to any
2 significant extent by the Federal Government, may
3 not be included in determining the amount of such
4 non-Federal contributions.

5 “(c) CERTAIN REQUIRED ACTIVITIES.—Recipients of
6 a grant under subsection (a) shall use the grant funds for
7 purposes of—

8 “(1) maintaining within the State office of
9 rural health a clearinghouse for collecting and dis-
10 seminating information on—

11 “(A) rural health care issues;

12 “(B) research findings relating to rural
13 health care; and

14 “(C) innovative approaches to the delivery
15 of health care in rural areas;

16 “(2) coordinating the activities carried out in
17 the State that relate to rural health care, including
18 providing coordination for the purpose of avoiding
19 redundancy in such activities; and

20 “(3) identifying Federal and State programs re-
21 garding rural health, and providing technical assist-
22 ance to public and nonprofit private entities regard-
23 ing participation in such programs.

24 “(d) REQUIREMENT REGARDING ANNUAL BUDGET
25 FOR OFFICE.—The Secretary may not make a grant

1 under subsection (a) unless the State involved agrees that,
2 for any fiscal year for which the State office of rural
3 health receives such a grant, the office operated pursuant
4 to subsection (a) of this section will be provided with an
5 annual budget of not less than \$150,000.

6 “(e) CERTAIN USES OF FUNDS.—

7 “(1) RESTRICTIONS.—The Secretary may not
8 make a grant under subsection (a) unless the State
9 office of rural health involved agrees that the grant
10 will not be expended—

11 “(A) to provide health care (including pro-
12 viding cash payments regarding such care);

13 “(B) to conduct activities for which Fed-
14 eral funds are expended—

15 “(i) within the State to provide tech-
16 nical and other nonfinancial assistance
17 under section 330A(f);

18 “(ii) under a memorandum of agree-
19 ment entered into with the State office of
20 rural health under section 330A(h); or

21 “(iii) under a grant under section
22 338I;

23 “(C) to purchase medical equipment, to
24 purchase ambulances, aircraft, or other vehicles,

1 or to purchase major communications equip-
2 ment;

3 “(D) to purchase or improve real property;
4 or

5 “(E) to carry out any activity regarding a
6 certificate of need.

7 “(2) AUTHORITIES.—Activities for which a
8 State office of rural health may expend a grant
9 under subsection (a) include—

10 “(A) paying the costs of maintaining an
11 office of rural health for purposes of subsection
12 (a);

13 “(B) subject to paragraph (1)(B)(iii), pay-
14 ing the costs of any activity carried out with re-
15 spect to recruiting and retaining health profes-
16 sionals to serve in rural areas of the State; and

17 “(C) providing grants and contracts to
18 public and nonprofit private entities to carry
19 out activities authorized in this section.

20 “(3) LIMIT ON INDIRECT COSTS.—The Sec-
21 retary may impose a limit of no more than 15 per-
22 cent on indirect costs claimed by the recipient of the
23 grant.

1 “(f) REPORTS.—The Secretary may not make a
2 grant under subsection (a) unless the State office of rural
3 health involved agrees—

4 “(1) to submit to the Secretary reports or per-
5 formance data containing such information as the
6 Secretary may require regarding activities carried
7 out under this section; and

8 “(2) to submit such a report or performance
9 data not later than September 30 of each fiscal year
10 immediately following any fiscal year for which the
11 State office of rural health has received such a
12 grant.

13 “(g) REQUIREMENT OF APPLICATION.—The Sec-
14 retary may not make a grant under subsection (a) unless
15 an application for the grant is submitted to the Secretary
16 and the application is in such form, is made in such man-
17 ner, and contains such agreements, assurances, and infor-
18 mation as the Secretary determines to be necessary to
19 carry out such subsection.

20 “(h) NONCOMPLIANCE.—The Secretary may not
21 make payments under subsection (a) to a State office of
22 rural health for any fiscal year subsequent to the first fis-
23 cal year of such payments unless the Secretary determines
24 that, for the immediately preceding fiscal year, the State
25 office of rural health has complied with each of the agree-

1 ments made by the State office of rural health under this
2 section.

3 “(i) AUTHORIZATION OF APPROPRIATIONS.—

4 “(1) IN GENERAL.—For the purpose of making
5 grants under subsection (a), there are authorized to
6 be appropriated such sums as may be necessary for
7 each of fiscal years 2018 through 2022.

8 “(2) AVAILABILITY.—Amounts appropriated
9 under paragraph (1) shall remain available until ex-
10 pended.”.

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