

# DOCUMENT RESUME

ED 111 969

CE 004 712

TITLE Health Manpower Act of 1975, Senate, Ninety-Fourth Congress, First Session.  
 INSTITUTION Congress of the U.S., Washington, D.C. Senate.  
 PUB DATE 15 Jul 75  
 NOTE 138p.  
 EDRS PRICE MF-\$0.76 HC-\$6.97 Plus Postage  
 DESCRIPTORS Educational Facilities; \*Federal Aid; \*Federal Legislation; Grants; \*Health Occupations Education; Health Personnel; \*Medical Education; Scholarships  
 IDENTIFIERS Health Manpower Act 1975

## ABSTRACT

The document consists of Senate hearings for the Health Manpower Act of 1975, an act to amend the Public Health Service Act to revise and extend the programs of assistance under Title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes. Major sections of the document are: Title I, Extension of Current Authorities through Fiscal Year 1975; Title II, General Provisions; Title III, Assistance for Construction of Teaching Facilities; Title IV, Student Assistance, National Health Service Corps; Title V, Grants for Health Professions Schools; Title VI, Special Project Grants and Contracts; Title VII, Public and Allied Health Personnel; and Title VIII, Miscellaneous. (Author/EA)

\*\*\*\*\*  
 \* Documents acquired by ERIC include many informal unpublished \*  
 \* materials not available from other sources. ERIC makes every effort \*  
 \* to obtain the best copy available. Nevertheless, items of marginal \*  
 \* reproducibility are often encountered and this affects the quality \*  
 \* of the microfiche and hardcopy reproductions ERIC makes available \*  
 \* via the ERIC Document Reproduction Service (EDRS). EDRS is not \*  
 \* responsible for the quality of the original document. Reproductions \*  
 \* supplied by EDRS are the best that can be made from the original. \*  
 \*\*\*\*\*

ED111969

THIS DOCUMENT HAS BEEN REPRO-  
DUCED EXACTLY AS RECEIVED FROM  
THE PERSON OR ORGANIZATION ORIGIN-  
ATING IT. POINTS OF VIEW OR OPINIONS  
STATED DO NOT NECESSARILY REPRESENT  
OFFICIAL NATIONAL INSTITUTE OF  
EDUCATION POSITION OR POLICY

CE

94TH CONGRESS  
1ST SESSION

# H. R. 5546

JUL 31 1975

IN THE SENATE OF THE UNITED STATES

JULY 15 (legislative day, JULY 10), 1975

Read twice and referred to the Committee on Labor and Public Welfare

## AN ACT

To amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, 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 SHORT TITLE; REFERENCE TO ACT; EFFECTIVE DATE;

4 TABLE OF CONTENTS

5 SECTION 1. (a) This Act may be cited as the "Health  
6 Manpower Act of 1975".

7 (b) Whenever in this Act an amendment or repeal is

712004712

1 expressed in terms of an amendment to, or repeal of, a sec-  
 2 tion or other provision, the reference shall be considered to  
 3 be made to a section or other provision of the Public Health  
 4 Service Act.

5 (c) Except as otherwise specifically provided, the  
 6 amendments made by titles II, III, IV, V, VI, and VII shall  
 7 take effect July 1, 1975. The amendments made by such titles  
 8 to provisions of titles III and VII of the Public Health Serv-  
 9 ice Act are made to such provisions as amended by title I.

#### TABLE OF CONTENTS

Sec. 1. Short title; reference to Act; effective date; table of contents.

#### TITLE I—EXTENSION OF CURRENT AUTHORITIES THROUGH FISCAL YEAR 1975

Sec. 101. Extension.

#### TITLE II—GENERAL PROVISIONS

Sec. 201. New general provisions.

Sec. 202. Advisory council.

Sec. 203. Advance funding authority.

Sec. 204. Records and audit.

Sec. 205. Delegation of authority.

Sec. 206. Active service under Soldiers' and Sailors' Civil Relief Act.

#### TITLE III—ASSISTANCE FOR CONSTRUCTION OF TEACHING FACILITIES

Sec. 301. Grant authority; authorizations.

Sec. 302. Grant amounts.

Sec. 303. Loan guarantees and interest subsidies.

Sec. 304. Technical and conforming amendments.

#### TITLE IV—STUDENT ASSISTANCE; NATIONAL HEALTH SERVICE CORPS

Sec. 401. Student loan agreements.

Sec. 402. Loan provisions.

Sec. 403. Authorization of appropriations.

Sec. 404. Distribution of assets.

Sec. 405. Loans to schools.

Sec. 406. Technical and conforming amendments.

Sec. 407. Public health traineeships.

Sec. 408. Scholarships.

Sec. 409. Revision of National Health Service Corps Program.

## TABLE OF CONTENTS—Continued

## TITLE V--GRANTS FOR HEALTH PROFESSIONS SCHOOLS

- Sec. 501. Grant amounts; authorizations.
- Sec. 502. Grant requirements.
- Sec. 503. Start-up grants.
- Sec. 504. Financial distress grants.
- Sec. 505. Technical and conforming amendments.

## TITLE VI--SPECIAL PROJECT GRANTS AND CONTRACTS

- Sec. 601. Family medicine and general practice of dentistry.
- Sec. 602. Family medicine training project grants.
- Sec. 603. Assistance to disadvantaged students.
- Sec. 604. Area health education centers.
- Sec. 605. Project grants and contracts for schools of optometry, pharmacy, and podiatry.
- Sec. 606. Computer technology.
- Sec. 607. Emergency medical services training.
- Sec. 608. Education of United States students returning from foreign medical schools.
- Sec. 609. Physicians assistants and expanded function dental auxiliaries.
- Sec. 610. General provisions.
- Sec. 611. Repeals and technical amendment.

## TITLE VII--PUBLIC AND ALLIED HEALTH PERSONNEL

- Sec. 701. Public and allied health personnel.

## TITLE VIII--MISCELLANEOUS

- Sec. 801. Study of distribution of physicians.
- Sec. 802. Quality assurances respecting education and training of allied health personnel.
- Sec. 803. Allied health personnel study.
- Sec. 804. Study of funding alternatives for health professions education.
- Sec. 805. Recovery.

## 1 TITLE I--EXTENSION OF CURRENT AUTHORI-

## 2 TIES THROUGH FISCAL YEAR 1975

## 3 EXTENSION

- 4 SEC. 101. (a) Sections 312 (a), 313 (a), and 313 (c)
- 5 (relating to traineeships for public health personnel and
- 6 graduate training in public health) are each amended by
- 7 striking out "for the fiscal year ending June 30, 1974" and

1 inserting in lieu thereof "each for the fiscal years ending  
2 June 30, 1974, and June 30, 1975".

3 (b) Section 329 (h) (relating to the National Health  
4 Service Corps) is amended by striking out "for the fiscal  
5 year ending June 30, 1974" and inserting in lieu thereof  
6 "each for the fiscal years ending June 30, 1974, and  
7 June 30, 1975".

8 (c) Section 720 (relating to grants for construction of  
9 teaching facilities) is amended by striking out "for the fiscal  
10 year ending June 30, 1974" and inserting in lieu thereof  
11 "each for the fiscal years ending June 30, 1974, and June  
12 30, 1975".

13 (d) Section 729 (relating to loan guarantees and inter-  
14 est subsidies) is amended—

15 (1) by striking out "1974" in subsections (a) and  
16 (b) and inserting in lieu thereof "1975",

17 (2) by inserting after "1974" in subsection (c)  
18 the following: ", and in the next fiscal year".

19 (e) Section 747(d) (relating to loans for students in  
20 foreign medical schools) is amended by striking out "two"  
21 and inserting in lieu thereof "three".

22 (f) The section 767 entitled "GRANTS FOR TRAINING,  
23 TRAINEESHIPS, AND FELLOWSHIPS IN FAMILY MEDICINE"  
24 is amended by striking out "for the fiscal year ending June

1 30, 1974" and inserting in lieu thereof "each for the fiscal  
2 years ending June 30, 1974, and June 30, 1975".

3 (g) The section 768 entitled "GRANTS FOR SUPPORT  
4 OF POST-GRADUATE TRAINING PROGRAMS FOR PHYSICIANS  
5 AND DENTISTS" is amended—

6 (1) by striking out "for the fiscal year ending  
7 June 30, 1974" in subsection (a) and inserting in lieu  
8 thereof "each for the fiscal years ending June 30, 1974,  
9 and June 30, 1975"; and

10 (2) by inserting "and the next fiscal year" after  
11 "1974," in subsection (b) (3) (B).

12 (h) Section 769 (a) (relating to grants for training for  
13 health professions teaching personnel) is amended by striking  
14 out "for the fiscal year ending June 30, 1974" and inserting  
15 in lieu thereof "each for the fiscal years ending June 30,  
16 1974, and June 30, 1975".

17 (i) Section 769A (relating to grants for computer tech-  
18 nology) is amended by striking out "for the fiscal year end-  
19 ing June 30, 1974" and inserting in lieu thereof "each for  
20 the fiscal years ending June 30, 1974, and June 30, 1975",

21 (j) Paragraphs (1) and (2) of section 770 (j) (relat-  
22 ing to capitation grants) are each amended by striking out  
23 "for the fiscal year ending June 30, 1974" and inserting in

1 lieu thereof "each for the fiscal years ending June 30, 1974,  
2 and June 30, 1975".

3 (k) Section 771 (relating to start-up assistance) is  
4 amended (1) by striking out "two" in subsection (a) (6)  
5 and inserting in lieu thereof "three", (2) by striking out  
6 "July 1, 1974" in subsection (b) (2) and inserting in lieu  
7 thereof "July 1, 1975", and (3) by striking out "June 30,  
8 1975" in such subsection and inserting in lieu thereof  
9 "June 30, 1976".

10 (l) Section 772 (d) (relating to special project grants  
11 and contracts) is amended by striking out "for the fiscal  
12 year ending June 30, 1974" and inserting in lieu thereof  
13 "each for the fiscal years ending June 30, 1974, and June  
14 30, 1975".

15 (m) Section 773 (a) (relating to financial distress  
16 grants) is amended by striking out "for the fiscal year end-  
17 ing June 30, 1974" the first time it appears and inserting in  
18 lieu thereof "each for the fiscal years ending June 30, 1974,  
19 and June 30, 1975".

20 (n) Section 774 (c) (relating to education initiative  
21 awards) is amended by striking out "for the fiscal year end-  
22 ing June 30, 1974" and inserting in lieu thereof "each for  
23 the fiscal years ending June 30, 1974, and June 30, 1975".

24 (o) Section 780 (relating to scholarship grants) is  
25 amended (1) by striking out "the next fiscal year" in sub-

1 section (b) and inserting in lieu thereof "the next two fiscal  
 2 years", (2) by striking out "1974" in such subsection and  
 3 subsection (c) (1) (B) and inserting in lieu thereof "1975",  
 4 (3) by striking out in subsections (b) and (c) (1) (B)  
 5 "June 30, 1975" and inserting in lieu thereof "June 30,  
 6 1976" and (4) by striking out "two" in subsection (c) (1)  
 7 (A) and inserting in lieu thereof "three".

8 (p) The section 785 entitled "SCHOLARSHIP GRANTS  
 9 FOR STUDY ABROAD" is amended (1) by striking "two" in  
 10 subsection (e) (1) and inserting in lieu thereof "three", (2)  
 11 by striking out "1975" in subsection (e) (2) and inserting  
 12 in lieu thereof "1976", and (3) by striking out in such sub-  
 13 section "1974" and inserting in lieu thereof "1975".

14 (q) Section 786 (relating to physician shortage area  
 15 scholarships) is amended (1) by striking out "for the fiscal  
 16 year ending June 30, 1974" and inserting in lieu thereof  
 17 "each for the fiscal years ending June 30, 1974, and  
 18 June 30, 1975", (2) by striking out "1975" and inserting  
 19 in lieu thereof "1976", and (3) by striking out "1974" and  
 20 inserting in lieu thereof "1975".

21 (r) (1) Section 792 (b) (relating to special improve-  
 22 ment grants) is amended by striking out "for the fiscal year  
 23 ending June 30, 1974" and inserting in lieu thereof "each  
 24 for the fiscal years ending June 30, 1974, and June 30,  
 25 1975".



(2) Section 792 (c) (1) (relating to special projects) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(3) Section 793 (a) (relating to traineeships for advanced training) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

(4) Section 794A (b) (relating to assistance for recruitment) is amended by striking out "for the fiscal year ending June 30, 1974" and inserting in lieu thereof "each for the fiscal years ending June 30, 1974, and June 30, 1975".

## TITLE II—GENERAL PROVISIONS

### NEW GENERAL PROVISIONS

SEC. 201. (a) Sections 701 through 711 are repealed.

(b) Sections 724, 725, 799, and 799A are transferred to part A of title VII and are redesignated as sections 701, 702, 703, and 704, respectively.

(c) (1) The heading for part A of title VII is amended to read as follows:

"PART A—GENERAL PROVISIONS"

(2) The heading for part II of title VII is repealed.

(d) Section 701 (as so redesignated) is amended—  
(1) by striking out "As used in this part and

1 parts C, E, and F—" and inserting in lieu thereof "For  
2 purposes of this title:";

3 (2) by inserting "or an equivalent degree" after  
4 "degree in public health" in paragraph (4); and

5 (3) by adding at the end the following new para-  
6 graphs:

7 " (7) (A) The term 'program for the training of  
8 physician assistants' means an educational program  
9 which (i) has as its objective the education of individuals  
10 who will, upon completion of their studies in the pro-  
11 gram, be qualified to effectively provide primary health  
12 care under the supervision of a physician and (ii) meets  
13 guidelines prescribed by the Secretary in accordance  
14 with subparagraph (B).

15 " (B) After consultation with appropriate profes-  
16 sional organizations, the Secretary shall prescribe guide-  
17 lines for programs for the training of physician assistants.  
18 Such guidelines shall, as a minimum, require that such  
19 a program—

20 " (i) extend for at least one academic year and  
21 consist of—

22 " (I) supervised clinical practice, and

23 " (II) at least four months (in the aggre-  
24 gate) of classroom instruction,

1 directed toward preparing students to deliver pri-  
2 mary health care; and

3 “(ii) have an enrollment of not less than eight  
4 students.

5 “(8) (A) The term ‘programs for the training of  
6 nurse practitioners’ means educational programs for reg-  
7 istered nurses (irrespective of the type of school of nurs-  
8 ing in which the nurses received their training) which  
9 (i) have as their objective the education of nurses (in-  
10 cluding pediatric and geriatric nurses) who will, upon  
11 completion of their studies in such programs, be qualified  
12 to effectively provide primary health care, including pri-  
13 mary health care in homes and in ambulatory care facili-  
14 ties, long-term care facilities, and other health care  
15 institutions, and (ii) meet guidelines prescribed by the  
16 Secretary in accordance with subparagraph (B).

17 “(B) After consultation with appropriate educa-  
18 tional organizations and professional nursing and medical  
19 organizations, the Secretary shall prescribe guidelines  
20 for programs for the training of nurse practitioners. Such  
21 guidelines shall, as a minimum, require that such a  
22 program—

23 “(i) extend for at least one academic year and  
24 consist of—

25 “(I) supervised clinical practice and

1                   “(II) at least four months (in the aggre-  
 2                   gate) of classroom instruction,  
 3                   directed toward preparing nurses to deliver primary  
 4                   health care; and

5                   “(ii) have an enrollment of not less than eight  
 6                   students.

7                   “(9) (A) The term ‘program for the training of ex-  
 8                   panded function dental auxiliaries’ means an educa-  
 9                   tional program which (i) has as its objective the educa-  
 10                  tion of individuals who will, upon completion of an  
 11                  accredited program of studies, be qualified to assist in  
 12                  the provision of primary dental care under the super-  
 13                  vision of a dentist and (ii) meets guidelines prescribed  
 14                  by the Secretary in accordance with subparagraph (B).

15                  “(B) After consultation with appropriate profes-  
 16                  sional organizations, the Secretary shall prescribe guide-  
 17                  lines for programs for the training of expanded function  
 18                  dental auxiliaries. Such guidelines shall, as a minimum,  
 19                  require that such a program—

20                       “(i) extend for at least one academic year and  
 21                       consist of—

22                               “(I) supervised clinical practice, and

23                               “(II) at least four months (in the  
 24                               aggregate) of classroom instruction,

1 directed toward preparing students to deliver  
2 primary dental care; and

3 “(ii) have an enrollment of not less than eight  
4 students.”

5 (c) The Secretary of Health, Education, and Welfare  
6 shall within ninety days of the date of the enactment of  
7 this Act prescribe the guidelines for programs for the  
8 training of physician assistants, nurse practitioners, and ex-  
9 panded function dental auxiliaries specified in the amend-  
10 ment made by subsection (d) (3) of this section.

11 ADVISORY COUNCIL

12 SEC. 202. (a) The second sentence of subsection (a)  
13 of section 702 (as so redesignated) is amended to read as  
14 follows: “Of the appointed members of the Council (1)  
15 twelve shall be representatives of the health professions  
16 schools assisted under programs authorized by this title, in-  
17 cluding at least six persons experienced in university admin-  
18 istration and at least one representative of schools of medi-  
19 cine, osteopathy, dentistry, veterinary medicine, optometry,  
20 pharmacy, podiatry, and public health, and entities which  
21 may receive a grant under section 791, (2) two shall be  
22 full-time students enrolled in health professions schools, and  
23 (3) six shall be members of the general public.”

24 (b) (1) The amendment made by subsection (a) with  
25 respect to composition of the National Advisory Council

1 on Health Professions Education shall apply with respect  
 2 to appointments made to the Council after June 30, 1975,  
 3 and the Secretary of Health, Education, and Welfare shall  
 4 make appointments to the Council after such date in a  
 5 manner which will bring about, at the earliest feasible  
 6 time, the Council composition prescribed by the amendment.

7 (2) Section 702 (as so redesignated) is amended by  
 8 striking out "E, and F" in subsection (a) and inserting in  
 9 lieu thereof "E, F, and G".

10 (3) Section 702 (as so redesignated) is amended by  
 11 striking out "parts A and G" in subsections (b) and (c) and  
 12 inserting in lieu thereof "part H".

### 13 ADVANCE FUNDING AUTHORITY

14 SEC. 203. Section 703 (as so redesignated) is amended  
 15 to read as follows:

#### 16 "ADVANCE FUNDING

17 "SEC. 703. An appropriation under an authorization of  
 18 appropriations for grants or contracts under this title for any  
 19 fiscal year may be made at any time before that fiscal year  
 20 and may be included in an Act making an appropriation  
 21 under such authorization for another fiscal year; but no funds  
 22 may be made available from any appropriation under such  
 23 authorization for obligation for such grants or contracts before  
 24 the fiscal year for which such appropriation is authorized."

## 1 RECORDS AND AUDITS

2 SEC. 204. Part A of title VII is amended by adding  
3 after section 704 (as so redesignated) the following new  
4 section:

## 5 "RECORDS AND AUDITS

6 "SEC. 705. (a) Each recipient of a grant or contract  
7 under this title shall keep such records as the Secretary may  
8 prescribe, including records which fully disclose the amount  
9 and disposition by such recipient of the funds paid to it  
10 under such grant or contract, the total cost of the project or  
11 undertaking for which such grant or contract is made, and  
12 the amount of the portion of the cost of the project or  
13 undertaking supplied by other sources, and such other records  
14 as will facilitate an effective audit.

15 "(b) Each recipient of a grant or contract under this  
16 title shall provide for an annual financial audit of any books,  
17 accounts, financial records, files, and other papers or property  
18 which relate to the disposition or use of the funds received  
19 under such grant or contract. For purposes of assuring  
20 accurate, current, and complete disclosure of the disposition  
21 or use of the funds received under such a grant or contract,  
22 each such audit shall be conducted in accordance with such  
23 requirements concerning the individual or agency which con-  
24 ducts the audit, and such standards applicable to the perform-  
25 ance of the audit, as the Secretary may by regulation provide.

1 The report of each such audit shall be filed with the Secretary  
 2 at such time and in such manner as he may by regulation  
 3 prescribe.

4 “(c) The recipient of a scholarship or traineeship under  
 5 this title or a grant under subsection (f) or (g) of section  
 6 747 shall not with respect to the scholarship, traineeship, or  
 7 grant be required to keep the records prescribed under sub-  
 8 section (a) or provide for the audit prescribed by subsection  
 9 (b).”.

#### 10 DELEGATION OF AUTHORITY

11 SEC. 205. Part A of title VII is amended by adding  
 12 after section 705 (added by section 204) the following new  
 13 section:

#### 14 “DELEGATION

15 “SEC. 706. The Secretary may delegate the authority  
 16 to administer any program authorized by this title to the  
 17 administrator of a central or regional office or offices of the  
 18 Department of Health, Education, and Welfare, except that  
 19 the authority—

20 “(1) to review, and prepare comments on the merit  
 21 of, any application for a grant or contract under any  
 22 such program for purposes of presenting such applica-  
 23 tion to the National Advisory Council on Health Pro-  
 24 fessions Education, and



1           “(2) to make such a grant or enter into such a  
2       contract,  
3       shall not be delegated to any administrator of, or officer in, a  
4       regional office or offices of the Department.”.

5           ACTIVE SERVICE UNDER SOLDIERS’ AND SAILORS’

6                               CIVIL RELIEF ACT

7       SEC. 206. Section 212 is amended by adding after  
8       subsection (d) the following new subsection:

9           “(e) Active service of commissioned officers of the  
10       Service shall be deemed to be active military service in the  
11       Armed Forces of the United States for the purposes of all  
12       rights, privileges, immunities, and benefits now or hereafter  
13       provided under the Soldiers’ and Sailors’ Civil Relief Act of  
14       1940 (50 App. U.S.C. 501 et seq.).”.

15       TITLE III—ASSISTANCE FOR CONSTRUCTION OF  
16                               TEACHING FACILITIES

17                           GRANT AUTHORITY; AUTHORIZATIONS

18       SEC. 301. Section 720 is amended to read as follows:

19           “GRANT AUTHORITY; AUTHORIZATIONS OF

20                           APPROPRIATIONS

21       “SEC. 720. (a) The Secretary may make grants to assist  
22       in the construction of teaching facilities (including teaching  
23       hospitals) for the training of physicians, dentists, pharma-  
24       cists, optometrists, podiatrists, veterinarians, and professional  
25       public health personnel.

1       “(b) For payments under grants under this part, there  
2 is authorized to be appropriated \$25,000,000 for fiscal year  
3 1976, \$25,000,000 for fiscal year 1977, and \$25,000,000  
4 for fiscal year 1978.”.

5                               GRANT AMOUNTS

6       SEC. 302. (a) (1) Subsection (a) of section 722 is  
7 amended to read as follows:

8       “(a) The amount of any grant under this part for con-  
9 struction of a project shall be such amount as the Secretary  
10 determines to be appropriate after obtaining advice of the  
11 Council, except that (1) no grant for any project may exceed  
12 80 per centum of the necessary costs of construction, as  
13 determined by the Secretary of such project, and (2) any  
14 grant for a construction project for teaching facilities for  
15 the training of physicians located in a State which has no  
16 such facilities shall cover 80 per centum of its construction  
17 costs unless the Secretary determines a grant for such por-  
18 tion of such costs is not needed.”.

19       (2) The amendment made by paragraph (1) shall take  
20 effect with respect to grants made under part B of title VII  
21 of the Public Health Service Act from appropriations under  
22 section 720 of such Act for fiscal years beginning after  
23 June 30, 1975.

24       (b) Subsection (d) of section 722 is amended by strik-  
25 ing out “(within the meaning of part A of this title)”.

1 (c) Subsection (e) of section 721 is amended by adding  
 2 at the end the following new sentence: "In considering  
 3 applications submitted for a grant under this part for the  
 4 cost of construction of teaching facilities for the training of  
 5 physicians, the Secretary shall give special consideration to  
 6 projects in States which have no such facilities."

7 LOAN GUARANTEES AND INTEREST SUBSIDIES

8 SEC. 303. (a) Subsections (a) and (b) of section 729  
 9 are each amended by striking out "June 30, 1975" and  
 10 inserting in lieu thereof "September 30, 1978".

11 (b) The second sentence of section 729 (e) is amended  
 12 by striking out "and" after "June 30, 1973," and by  
 13 striking out the period at the end thereof and inserting  
 14 in lieu thereof a comma and the following: "\$2,000,000  
 15 in fiscal year 1976, \$3,000,000 in fiscal year 1977, and  
 16 \$3,000,000 in fiscal year 1978."

17 (c) (1) The third sentence of section 729 (a) is  
 18 amended to read as follows: "No such loan guarantee may,  
 19 except under special circumstances and under such condi-  
 20 tions as are prescribed by regulations, apply to any amount  
 21 which, when added to any grant under this part or any other  
 22 law of the United States, exceeds 90 per centum of the cost  
 23 of the construction of the project."

24 (2) The amendment made by paragraph (1) shall  
 25 apply with respect to loans guaranteed under section 729 (a)

1 of the Public Health Service Act (redesignated section  
2 727 (b) by section 304 (b) of this Act) after June 30, 1975.

3 (d) Subsections (a) and (b) of section 729 are each  
4 amended by inserting "or the Federal Financing Bank"  
5 after "non-Federal lender".

6 **TECHNICAL AND CONFORMING AMENDMENTS**

7 **SEC. 304.** (a) Section 721 (c) is amended—

8 (1) by striking out "section 770 (f) of this Act"  
9 in paragraph (2) and inserting in lieu thereof "section  
10 771";

11 (2) by striking out the sentence at the end of  
12 paragraph (2);

13 (3) by striking out paragraph (5) and redesignat-  
14 ing paragraphs (6) and (7) as paragraphs (5) and  
15 (6), respectively;

16 (4) by striking out "and" at the end of paragraph  
17 (5) (as so redesignated), by striking out the period at  
18 the end of paragraph (6) (as so redesignated) and  
19 inserting in lieu thereof "; and", and by inserting after  
20 paragraph (6) the following:

21 "(7) the application contains or is supported by  
22 adequate assurance that any laborer or mechanic em-  
23 ployed by a contractor or subcontractors in the per-  
24 formance of work on the construction of the facility  
25 will be paid wages at rates not less than those prevail-

1 ing on similar construction in the locality as determined  
 2 by the Secretary of Labor in accordance with the Act  
 3 of March 3, 1931 (40 U.S.C. 276a-276a-5, known as  
 4 the Davis-Bacon Act).

5 The Secretary of Labor shall have with respect to the labor  
 6 standards specified in paragraph (7) the authority and func-  
 7 tions set forth in Reorganization Plan Numbered 14 of 1950  
 8 (15 F.R. 3176; 5 U.S.C. Appendix) and section 2 of the  
 9 Act of June 13, 1934 (40 U.S.C. 276c)."; and

10 (5) by striking out "725" in the last sentence and  
 11 inserting in lieu thereof "702".

12 (b) Sections 726, 727, 728, and 729 are redesignated  
 13 as sections 724, 725, 726, and 727, respectively.

14 TITLE IV—STUDENT ASSISTANCE; NATIONAL  
 15 HEALTH SERVICE CORPS

16 STUDENT LOAN AGREEMENTS

17 SEC. 401. (a) Subsection (b) of section 740 is amended  
 18 (A) by striking out "and" at the end of paragraph (4),  
 19 (B) by redesignating paragraph (5) as paragraph (6),  
 20 and (C) by inserting after paragraph (4) the following new  
 21 paragraph:

22 "(5) provide that the school shall advise, in writing,  
 23 each applicant for a loan from the student loan fund of  
 24 the provisions of section 741 under which outstanding

1 loans from the student loan fund may be paid (in whole  
2 or in part) by the Secretary; and”.

3 LOAN PROVISIONS

4 SEC. 402. (a) Subsection (a) of section 741 is amended  
5 to read as follows:

6 “(a) Loans from a student loan fund established under  
7 an agreement under section 740 may not exceed for any stu-  
8 dent for any academic year (or its equivalent) the sum of—

9 “(1) the cost of tuition for each year at the school  
10 for which such fund was established, and

11 “(2) \$2,500.”

12 (b) Subsection (c) of section 741 is amended by  
13 striking out “3 per centum” and inserting in lieu thereof  
14 “7 per centum”.

15 (c) The amendment made by subsections (a) and (b)  
16 shall apply with respect to loans made after June 30, 1975,  
17 from student loan funds established under section 740 of the  
18 Public Health Service Act.

19 (d) In the case of any individual who, on or after  
20 November 18, 1971, and before the date of the enactment of  
21 this Act, met the requirements of subparagraphs (A) and  
22 (B) of section 741 (f) (1) of the Public Health Service Act  
23 and who practiced his profession in an area described in sub-  
24 paragraph (C) of such section (as in effect before the date of

1 the enactment of this Act) while a member of the National  
 2 Health Service Corps or as an officer of the Regular or  
 3 Reserve Corps of the Public Health Service or as a civilian  
 4 employee of the Public Health Service, the individual shall,  
 5 for purposes of section 741 (f) of such Act, be deemed to  
 6 have entered into the agreement required by such subpara-  
 7 graph (C) with respect to that practice.

#### 8 AUTHORIZATION OF APPROPRIATIONS

9 SEC. 403. Effective with respect to appropriations under  
 10 section 742 of the Public Health Service Act for fiscal years  
 11 beginning after June 30, 1975, subsection (a) of section  
 12 742 is amended to read as follows:

13 “(a) For the purpose of making Federal capital con-  
 14 tributions into the student loan funds of schools which have  
 15 established such funds under an agreement under section 740,  
 16 there are authorized to be appropriated \$30,000,000 for  
 17 fiscal year 1976, \$30,000,000 for fiscal year 1977, and  
 18 \$30,000,000 for fiscal year 1978. For fiscal year 1979  
 19 and each of the two succeeding fiscal years there are author-  
 20 ized to be appropriated such sums as may be necessary to  
 21 enable students who have received a loan under this part for  
 22 any academic year ending before September 30, 1978, to  
 23 continue or complete their education.”

#### 24 DISTRIBUTION OF ASSETS

25 SEC. 404. Section 743 is amended by striking out “June  
 26 30, 1977” and “September 30, 1977” each place they occur

1 and inserting in lieu thereof "September 30, 1981" and  
2 "December 31, 1981", respectively.

3 LOANS TO SCHOOLS

4 SEC. 405. (a) Section 744 is repealed.

5 (b) The health professions education fund created  
6 within the Treasury by section 744(d)(1) of the Public  
7 Health Service Act shall remain available to the Secretary of  
8 Health, Education, and Welfare for the purpose of meeting  
9 his responsibilities respecting participations in obligations  
10 acquired under section 744 of such Act. The Secretary shall  
11 continue to deposit in such fund all amounts received by him  
12 as interest payments or repayments of principal on loans  
13 under such section 744. If at any time the Secretary deter-  
14 mines the moneys in the fund exceed the present and any  
15 reasonable prospective future requirements of such fund, such  
16 excess may be transferred to the general fund of the  
17 Treasury.

18 (c) There are authorized to be appropriated without  
19 fiscal year limitation such sums as may be necessary to  
20 enable the Secretary to make payments under agreements  
21 entered into under section 744(b) of the Public Health  
22 Service Act before June 30, 1975.

23 (d) Section 742(b) is amended (1) by striking out  
24 " , and for loans pursuant to section 744" in paragraph  
25 (1) ; and (2) by striking out "whether as Federal capital



1 contributions or as loans to schools under section 744)"  
 2 in paragraph (3).

3 (e) Section 743 (b) is amended by striking out "(other  
 4 than so much of such fund as relates to payments from the  
 5 revolving fund established by section 744 (d) )".

6 TECHNICAL AND CONFORMING AMENDMENTS

7 SEC. 406. (a) Section 746 is repealed.

8 (b) Section 740 is amended (A) by striking out "of  
 9 Health, Education, and Welfare" in subsection (a); and  
 10 (B) by striking out ", except as provided in section 746,"  
 11 in paragraphs (2) and (3) of subsection (b).

12 (c) Section 745 is redesignated as section 744.

13 (d) (1) The heading for part C of title VII is amended  
 14 to read as follows:

15 "PART C—STUDENT ASSISTANCE".

16 (2) The heading for subpart I of part C of title VIII  
 17 is amended to read as follows:

18 "SUBPART I—STUDENT LOANS".

19 PUBLIC HEALTH TRAINEESHIPS

20 SEC. 407. Part C of title VII is amended by adding at  
 21 the end of the following new subpart:

22 "Subpart III—Traineeships for Students in Schools of

23 Public Health

## 1 "TRAINEESHIPS

2 "SEC. 751. (a) The Secretary may make grants to  
3 schools of public health for traineeships to train students  
4 enrolled in such schools.

5 "(b) (1) No grant for traineeships may be made under  
6 subsection (a) unless an application therefor has been sub-  
7 mitted to, and approved by, the Secretary. Such application  
8 shall be in such form, be submitted in such manner, and  
9 contain such information, as the Secretary by regulation may  
10 prescribe. Traineeships under such a grant shall be awarded  
11 in accordance with such regulations as the Secretary shall  
12 prescribe. The amount of any such grant shall be determined  
13 by the Secretary and payments under such a grant may be  
14 made in advance or by way of reimbursement and at such  
15 intervals and on such conditions as the Secretary finds  
16 necessary.

17 "(2) Traineeships awarded under grants made under  
18 subsection (a) shall provide for such stipends and allowances  
19 (including travel and subsistence expenses and dependency  
20 allowances) for the trainees as the Secretary may deem  
21 necessary.

1       “(c) For payments under grants under subsection (a)  
2   there are authorized to be appropriated \$6,000,000 for fiscal  
3   year 1976, \$6,000,000 for fiscal year 1977, and \$6,000,000  
4   for fiscal year 1978.”.

## SCHOLARSHIPS

6 SEC. 408. (a) Subparts I, II, and III of part F of title  
7 VII are repealed.

(b) The Secretary of Health, Education, and Welfare during the period beginning July 1, 1975, and ending September 30, 1978, may (1) make grants under section 780 of the Public Health Service Act (as in effect before the date of the enactment of this Act) to public and nonprofit private schools of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, and pharmacy to enable such schools to continue making payments under scholarship awards to students who initially received such awards out of grants made to the schools under such section 780 for fiscal years ending before July 1, 1975, and (2) make scholarship grants under section 784 of such Act (as in effect before the date of the enactment of this Act) to individuals who initially received such grants before July 1, 1975.

(c) (1) Section 747 is repealed, section 225 is transferred to subpart II of part C of title VII, is redesignated section 747, and is amended to read as follows:

1 "PUBLIC HEALTH AND NATIONAL HEALTH SERVICE  
2 CORPS SCHOLARSHIP TRAINING PROGRAM

3 "SEC. 747. (a) The Secretary shall establish the Public  
4 Health and National Health Service Corps Scholarship  
5 Training Program (hereinafter in this section referred to as  
6 the 'Program') to obtain trained physicians, dentists, and  
7 nurses and, if needed by the National Health Service Corps  
8 or other unit of the Service, graduates of schools of veter-  
9 inary medicine, podiatrists, optometrists, pharmacists, grad-  
10 uates of schools of public health, graduates of programs in  
11 health administration, graduates of programs for the train-  
12 ing of physician assistants, expanded function dental aux-  
13 iliaries, and nurse practitioners, and other health-related  
14 specialists.

15 "(b) To be eligible for acceptance in the Program, an  
16 applicant for the Program must—

17 "(1) be accepted for enrollment, or be enrolled, as  
18 a full-time student (A) in an accredited (as determined  
19 by the Secretary) educational institution in a State and  
20 (B) in (i) a course of study offered by such institution  
21 and approved by the Secretary which leads to a degree  
22 in medicine, osteopathy, dentistry, nursing, or other  
23 health-related specialty as determined by the Secretary  
24 or (ii) a program offered by such institution for the

1 training of physician assistants, expanded function den-  
2 tal auxiliaries, or nurse practitioners;

3 “(2) be eligible for, or hold, an appointment as a  
4 commissioned officer in the Regular or Reserve Corps  
5 of the Service or be eligible for selection for noncom-  
6 missioned service in the Service; and

7 “(3) agree in writing to serve, as prescribed by  
8 subsection (d) of this section, in the National Health  
9 Service Corps, the Indian Health Service or other parts  
10 of the Public Health Service or the Department of  
11 Health, Education, and Welfare, or other medical enti-  
12 ties designated by the Secretary.

13 To remain as a participant in the Program an individual  
14 must pursue at such an institution such an approved course  
15 of study or such a program of training and maintain an ac-  
16 ceptable (as determined by the institution under regulations  
17 of the Secretary) level of academic standing in it.

18 “(c) (1) (A) Each participant in the Program shall  
19 while pursuing such a course of study or such a program of  
20 training receive a scholarship for each academic year of the  
21 course or program of training, not to exceed four years. A  
22 participant's scholarship shall consist of (i) an amount equal  
23 to the basic pay and allowances of a commissioned officer  
24 of the Service on active duty in pay grade O-1 with less  
25 than two years of service, and (ii) payment of the tuition

1 expenses of the participant and all other reasonable educa-  
2 tional expenses incurred by the participant, including fees,  
3 books, and laboratory expenses.

4 “(B) The Secretary may contract with any institution  
5 in which participants in the Program are enrolled for the  
6 payment to the institution (rather than to the participants)  
7 of the tuition and other educational expenses of such par-  
8 ticipants. Payment to such institutions may be made without  
9 regard to section 3648 of the Revised Statutes (31 U.S.C.  
10 529).

11 “(2) If the Secretary determines that an institution  
12 has increased its total enrollment for the sole purpose of  
13 accepting participants in the Program, he may provide for  
14 additional payments to the institution to cover the portion  
15 of the increased costs of the additional enrollment which are  
16 not covered by the institution's regular tuition and fees.

17 “(d) (1) Each participant in the Program shall provide  
18 service as prescribed by paragraph (2) for a period of time  
19 (hereinafter in this section referred to as a ‘period of obli-  
20 gated service’) equal to—

21 “(A) one year of such service for each academic  
22 year of training for which a scholarship was received  
23 under the Program, or

24 “(B) two years,  
25 whichever is greater. For a participant in the Program

1 receiving a degree from a school of medicine, osteopathy,  
2 or dentistry, the period of obligated service applicable to  
3 such participant shall begin upon completion of the training  
4 required for such degree, except that the Secretary shall,  
5 at the request of the participant, defer the beginning of such  
6 service for the period of time required for the participant to  
7 complete internship, residency, or other advanced clinical  
8 training. For participants receiving degrees in other health  
9 professions the obligated service period shall commence upon  
10 completion of their academic training. Periods of internship,  
11 residency, or other advanced clinical training shall not be  
12 creditable in satisfying a service obligation under this sub-  
13 section.

14 “(2) (A) Except as provided in subparagraphs (B),  
15 (C), and (D), an individual obligated to provide service on  
16 account of participation in the Program shall provide such  
17 service for the applicable period of obligated service as a  
18 member of the National Health Service Corps or the Indian  
19 Health Service in the clinical practice of such individual's  
20 profession.

21 “(B) If at the time an individual is required by the  
22 Secretary to begin such individual's period of obligated  
23 service neither the National Health Service Corps nor the  
24 Indian Health Service has a position available for a mem-  
25 ber of the profession for which such individual was trained,

1 such individual shall serve as a member of the Public Health  
2 Service in the clinical practice of such individual's profession  
3 in connection with the delivery of health services under the  
4 authority of section 321 (relating to hospitals), 322 (re-  
5 lating to care and treatment of seamen and others), 323  
6 (relating to care and treatment of Federal prisoners), 324  
7 (relating to examination and treatment of certain Federal  
8 employees), 325 (relating to examination of aliens), or 326  
9 (relating to services to certain Federal employees) or part D  
10 of title III (relating to services for persons with Hansen's  
11 disease).

12 “(C) If at the time an individual is required by the  
13 Secretary to begin such individual's period of obligated  
14 service—

15 “(i) the Corps and the Indian Health Service have  
16 no positions available for a member of the profession for  
17 which such individual was trained, and

18 “(ii) the Public Health Service has no need for  
19 such individual in connection with the delivery of health  
20 services under the authorities referred to in subparagraph  
21 (B),

22 such individual shall serve in the clinical practice of such  
23 individual's profession for such period in a medical facility of  
24 a State correctional facility, State mental hospital, commu-  
25 nity mental health center, migrant health center, community



1 health center, or other medical entity designated by the Sec-  
 2 retary as having a priority need for health personnel.

3 “(D) If at the time an individual is required by the  
 4 Secretary to begin his period of obligated service—

5 “(i) the Corps and the Indian Health Service have  
 6 no positions available for a member of the profession for  
 7 which such individual was trained,

8 “(ii) the Public Health Service has no need for such  
 9 individual in connection with the delivery of health serv-  
 10 ices under the authorities referred to in subparagraph  
 11 (B), and

12 “(iii) no entity designated under subparagraph (C)  
 13 has positions available for a member of the profession for  
 14 which such individual was trained,

15 such individual shall serve for such period as a member of the  
 16 Public Health Service in such unit of the Department as the  
 17 Secretary may prescribe.

18 “(e) If, for any reason, an individual fails to either begin  
 19 such individual's service obligation under this section in  
 20 accordance with subsection (d) or to complete such service  
 21 obligation, the United States shall be entitled to recover  
 22 from such individual an amount determined in accordance  
 23 with the formula

$$24 \quad A = 2\phi \left( \frac{t-s}{t} \right)$$

25 in which 'A' is the amount the United States is entitled to

1 recover, 'φ' is the sum of the amount paid under this section  
 2 to or on behalf of such person and the interest on such  
 3 amount which would be payable if at the time it was paid  
 4 it was a loan bearing interest at the maximum legal prevail-  
 5 ing rate; 't' is the total number of months in such person's  
 6 service obligation; and 's' is the number of months of such  
 7 obligation served by him in accordance with subsection (d).  
 8 Any amount which the United States is entitled to recover  
 9 under this subsection shall, within the three-year period be-  
 10 ginning on the date the United States becomes entitled to  
 11 recover such amount, be paid to the United States.

12 " (f) (1) (A) The Secretary shall release any partici-  
 13 pant in the Program from such participant's service obliga-  
 14 tion under subsection (d) if such participant enters into a  
 15 written agreement with the Secretary to engage on a full-  
 16 time basis in the private practice of such participant's  
 17 profession—

18 " (i) in an area in a State in which is located a  
 19 medically underserved population designated under sec-  
 20 tion 330; and .

21 " (ii) for a period of—

22 " (I) one year for each academic year of train-  
 23 ing for which the Program participant received a  
 24 scholarship under the Program, or

1           “(II) two years,

2           whichever is greater.

3           “(B) An agreement described in subparagraph (A)  
4 shall—

5           “(i) provide that during the period of private prac-  
6 tice by a participant pursuant to the agreement—

7           “(I) any individual who receives health serv-  
8 ices provided by the participant in connection with  
9 such private practice will be charged for such serv-  
10 ices at the usual and customary rate prevailing  
11 in the area in which such services are provided,  
12 except that if such individual is unable to pay such  
13 charge such individual shall be charged at a reduced  
14 rate or not charged any fee; and

15           “(II) the participant in providing health serv-  
16 ices in connection with such private practice shall  
17 not discriminate against any individual on the basis  
18 of such individual's ability to pay for such services  
19 or because payment for the health services provided  
20 to such individual will be made under the insurance  
21 program established under part A or B of title  
22 XVIII of the Social Security Act or under a State  
23 plan for medical assistance approved under title  
24 XIX of such Act; and

25           “(ii) contain such additional provisions as the

1 Secretary may require to carry out the purposes of this  
2 subsection.

3 For purposes of clause (i) (I), the Secretary shall by regu-  
4 lation prescribe the method for determining an individual's  
5 ability to pay a charge for health services and the method  
6 for determining the amount of the fee (if any) to be charged  
7 such individual based on such ability.

8 “(2) (A) The Secretary may make one grant to any  
9 individual—

10 “(i) who has entered into an agreement under  
11 paragraph (1), and

12 “(ii) who has agreed to extend the period of prac-  
13 tice under such agreement by a period of not less than  
14 one year,

15 to assist such individual in meeting the costs of beginning  
16 the practice of his profession in accordance with such agree-  
17 ment, including the costs of acquiring equipment and reno-  
18 vating facilities for use in providing health services, and  
19 of hiring nurses and other personnel to assist in providing  
20 health services. No such grant may be used for the purchase  
21 or construction of any building.

22 “(B) The amount of the grant to any individual under  
23 subparagraph (A) shall be—

24 “(i) \$12,500, if such individual agrees to extend  
25 the period of practice under the agreement under para-

1 graph (1) for a period of at least one year but less than  
2 two years; or

3 “(ii) \$25,000, if such individual agrees to extend  
4 the period of practice under the agreement under para-  
5 graph (1) for a period of at least two years.

6 “(3) The Secretary may not enter into any agreement  
7 under paragraph (1) or make any grant under paragraph  
8 (2) unless an application therefor has been submitted to,  
9 and approved by, the Secretary.

10 “(4) (A) In the case of any individual who entered  
11 into an agreement under paragraph (1), the Secretary shall  
12 pay to such individual, as soon as practicable after the close  
13 of each calendar quarter in which such individual practiced  
14 his profession in accordance with such agreement, an amount  
15 which is equal to the excess (if any) of—

16 “(i) the amount of basic pay and allowances which  
17 such individual would have received for the period of  
18 such practice during such calendar quarter and the  
19 preceding calendar quarters in the same calendar year  
20 if during that same period of practice such individual  
21 was a commissioned officer of the Public Health Service  
22 serving in the National Health Service Corps during a  
23 period of obligated service under subsection (d), over

24 “(ii) the sum of the net income (as determined  
25 under regulations prescribed by the Secretary) derived

1 by such individual during that period of practice (from  
2 the private practice of his profession in accordance with  
3 such agreement) and the amount (if any) paid to such  
4 individual under this paragraph with respect to the  
5 portion of that period of practice which occurred in such  
6 preceding calendar quarters.

7 “(B) If after the close of any calendar year—

8 “(i) the amount described in subparagraph (A)  
9 (ii) which was received by the individual for the period  
10 in such year in which he practiced his profession in  
11 accordance with an agreement under paragraph (1),  
12 exceeds

13 “(ii) the amount of basic pay and allowances  
14 which the individual would have received for such  
15 period if during such period he was a commissioned  
16 officer of the Public Health Service serving in the Na-  
17 tional Health Service Corps during a period of obligated  
18 service under subsection (d),

19 the Secretary shall be entitled to recover from the such  
20 individual an amount equal to the lesser of the amount of  
21 such excess or the amount paid to the such individual under  
22 subparagraph (A) for the period in such year in which he  
23 practiced his profession in accordance with an agreement  
24 under paragraph (1).

1       “(C) The Secretary may not make any payment to any  
2 individual under subparagraph (A) unless—

3           “(i) an application therefor has been submitted to  
4 the Secretary in such manner and containing such  
5 information as he shall by regulation prescribe; and

6           “(ii) such individual keeps such records as the  
7 Secretary may prescribe and makes such records avail-  
8 able to the Secretary for any examination he may  
9 require.

10       “(g) (1) The Secretary may make one grant to any  
11 individual (other than an individual who entered into an  
12 agreement under subsection (f) (1) )—

13           “(A) who has completed his period of obligated  
14 service under the Program, and

15           “(B) who has agreed in writing to engage on a full-  
16 time basis in the private practice of his profession in  
17 accordance with subsection (f) (1) for a period of not  
18 less than one year,

19 to assist such individual in meeting the costs of beginning the  
20 practice of such individual's profession in accordance with  
21 such agreement, including the costs of acquiring equipment  
22 and renovating facilities for use in providing health services,  
23 and of hiring nurses and other personnel to assist in providing  
24 health services. Such grant may not be used for the purchase  
25 or construction of any building.

1       “(2) The amount of the grant under paragraph (1) to  
2 any individual shall be—

3               “(A) \$12,500, if such individual agrees to practice  
4 his profession in accordance with subsection (f) (1) for  
5 a period of at least one year but less than two years; or

6               “(B) \$25,000, if such individual agrees to practice  
7 his profession in accordance with subsection (f) (1) for  
8 a period of at least two years.

9       “(3) The Secretary may not make a grant under para-  
10 graph (1) unless an application therefor has been submitted  
11 to, and approved by, the Secretary.

12       “(h) If the Secretary determines that an individual  
13 has violated an agreement under subsection (f) (1) or (g)  
14 (1) (B), he shall, as soon as practicable after making such  
15 determination notify the individual of such determination.  
16 If within one hundred and twenty days after the date of  
17 giving such notice, such individual is not practicing his pro-  
18 fession in accordance with the agreement under subsection  
19 (f) (1) or (g) (1) (B), as the case may be, and has not  
20 provided assurances satisfactory to the Secretary that he  
21 will not knowingly violate such agreement again, the United  
22 States shall be entitled to recover from such individual an  
23 amount determined under subsection (e), except that in  
24 applying the formula contained in such subsection—

25               “(1) in the case of an agreement under subsection



1 (f) (1), 'φ' shall be the sum of the amount paid under  
2 this section (other than any amount paid under subsec-  
3 tion (f) (4)) to or on behalf of such person and the  
4 interest on such amount which would be payable if at  
5 the time it was paid it was a loan bearing interest at  
6 the maximum legal prevailing rate, 't' shall be the num-  
7 ber of months that such individual agreed to practice  
8 his profession under such agreement, including the num-  
9 ber of months that the period of practice under such  
10 agreement was extended under subsection (f) (2) (A),  
11 and 's' shall be the number of months that such indi-  
12 vidual practiced his profession in accordance with such  
13 agreement; and

14 " (2) in the case of an agreement under subsection  
15 (g) (1) (B), 'φ' shall be the sum of the amount of the  
16 grant made under subsection (g) to such person and  
17 the interest on such amount which would be payable  
18 if at the time it was paid it was a loan bearing interest  
19 at the maximum legal prevailing rate, 't' shall be the  
20 number of months that such individual agreed to prac-  
21 tice his profession under such agreement, and 's' shall  
22 be the number of months that such individual practiced  
23 his profession in accordance with such agreement.

24 " (i) (1) When a person undergoing training in the Pro-

1 gram is dismissed for failure to meet academic standing re-  
2 quirements or for disciplinary reasons or voluntarily termi-  
3 nates academic training, he shall be liable for repayment  
4 to the Government for an amount equal to the scholarship  
5 which he received under the Program.

6 “(2) (A) Any obligation of any individual under para-  
7 graph (1) or under subsection (e) or (h) shall be canceled  
8 upon the death of such individual.

9 “(B) The Secretary shall by regulation provide for the  
10 waiver or suspension of any obligation under paragraph (1)  
11 or under subsection (e) or (h) applicable to any individ-  
12 ual whenever compliance by such individual is impossible or  
13 would involve extreme hardship to such individual and if  
14 enforcement of such obligation with respect to any individual  
15 would be against equity and good conscience.

16 “(j) Notwithstanding any other provision of law, per-  
17 sons undergoing academic training under the Program shall  
18 not be counted against any employment ceiling affecting the  
19 Department of Health, Education, and Welfare.

20 “(k) The Secretary shall issue regulations for the im-  
21 plementation of this section.

22 “(l) To carry out the Program, there are authorized to  
23 be appropriated \$40,000,000 for fiscal year 1976, \$80,-  
24 000,000 for fiscal year 1977, and \$120,000,000 for fiscal

1 year 1978. Sums appropriated under this subsection for any  
2 fiscal year shall remain available for obligation in the suc-  
3 ceeding fiscal year.”.

4 (2) Effective July 1, 1975, the heading for subpart II  
5 of part C of title VII is amended to read as follows:

6 “Subpart II—Student Scholarships”.

7 (3) (A) Except as provided in subparagraph (B), the  
8 amendment made by paragraph (1) of this subsection shall  
9 apply with respect to scholarships awarded under the Public  
10 Health and National Health Service Corps Scholarship Pro-  
11 gram from appropriations for such Program for fiscal years  
12 beginning after June 30, 1975.

13 (B) The provisions of section 225 (f) (1) of the Public  
14 Health Service Act (as in effect on June 30, 1975) prescrib-  
15 ing the financial obligation of a participant in the Public  
16 Health and National Health Service Corps Scholarship Train-  
17 ing Program who fails to complete an active duty service  
18 obligation incurred under that Program shall apply to any  
19 individual who received a scholarship under such Program  
20 for any academic year beginning before June 30, 1975, ir-  
21 respective of whether such individual received such a scholar-  
22 ship after that date, unless such individual agrees to meet  
23 his active duty service obligation (or the remaining part  
24 thereof) through the private practice of his profession under

1 an agreement entered into under section 747 (f) of the Pub-  
 2 lic Health Service Act (as amended by this section), in  
 3 which case the provisions of section 747 (h) of such Act (as  
 4 added by this section) shall apply to such individual if he  
 5 violates such agreement.

6 (C) Periods of internship or residency served before  
 7 June 30, 1976, in a facility of the National Health Service  
 8 Corps or other facility of the Public Health Service in  
 9 accordance with an agreement entered into under section  
 10 225 (b) of the Public Health Service Act (as in effect  
 11 before that date) shall be creditable in satisfying a service  
 12 obligation incurred under the Public Health and National  
 13 Health Service Corps Scholarship Training Program as  
 14 revised by paragraph (1) of this subsection.

15 REVISION OF NATIONAL HEALTH SERVICE CORPS PROGRAM

16 SEC. 409. (a) (1) Part C of title III is amended by  
 17 inserting immediately below the heading for such part the  
 18 following:

19 "Subpart I—General Provisions".

20 (2) Sections 331 and 332 of part D of such title are  
 21 redesignated as sections 338 and 339, respectively.

22 (b) Part C of title III is amended by striking out sec-  
 23 tion 329 and inserting in lieu thereof the following:

24 "Subpart II—National Health Service Corps Program

1                   “NATIONAL HEALTH SERVICE CORPS

2           “SEC. 329. (a) There is established, within the Service,  
3 the National Health Service Corps (hereinafter in this sub-  
4 part referred to as the ‘Corps’) which (1) shall consist of  
5 those officers of the Regular and Reserve Corps of the Service  
6 and such other personnel as the Secretary may designate, and  
7 (2) shall be utilized by the Secretary under this subpart to  
8 improve the delivery of health services to medically under-  
9 served populations.

10           “(b) (1) The Secretary shall conduct at medical and  
11 nursing schools and other schools of the health professions  
12 and at entities which train allied health personnel, recruiting  
13 programs for the Corps. Such programs shall include the  
14 wide dissemination of written information on the Corps and  
15 visits to such schools and entities by personnel of the Corps.

16           “(2) The Secretary may reimburse applicants for posi-  
17 tions in the Corps for actual expenses incurred in traveling  
18 to and from their places of residence to an area in which  
19 they would be assigned for the purpose of evaluating such  
20 area with regard to being assigned in such area. The Secre-  
21 tary shall not reimburse an applicant for more than one  
22 such trip.

23           “(3) Commissioned officers and other personnel of the  
24 Corps assigned under section 331 to provide health services  
25 for medically underserved populations shall not be counted

1 against any employment ceiling affecting the Department of  
2 Health, Education, and Welfare.

3 “(c) (1) The Secretary may, under regulations pre-  
4 scribed by him, adjust the monthly pay of each physician  
5 and dentist member of the Corps who is directly engaged in  
6 the delivery of health services to a medically underserved  
7 population as follows:

8 “(A) During the first thirty-six months in which  
9 such a member is so engaged in the delivery of health  
10 services, his monthly pay shall be increased by an  
11 amount (not to exceed \$1,000) which when added to  
12 the member's monthly pay and allowance will provide a  
13 monthly income competitive with the average monthly  
14 income from a practice of an individual who is a member  
15 of the profession of the Corps member, who has equiva-  
16 lent training, and who has been in practice for a period  
17 equivalent to the period during which the Corps member  
18 has been in practice.

19 “(B) During the period beginning upon the expi-  
20 ration of the thirty-six months referred to in subpara-  
21 graph (A) and ending with the month in which the  
22 member's monthly pay and allowances is equal to or  
23 exceeds the monthly income he received for the last  
24 of such thirty-six months, the member shall receive in  
25 addition to his monthly pay and allowances an amount

1       which when added to such monthly pay and allowances  
 2       equals the monthly income he received for such last  
 3       month.

4       For purposes of subparagraphs (A) and (B), the term  
 5       'monthly pay' includes special pay received under chapter  
 6       5 of title 37 of the United States Code.

7       “(2) In the case of a member of the Corps who is di-  
 8       rectly engaged in the provision of health services to a medi-  
 9       cally underserved population in accordance with a service  
 10      obligation incurred under the Public Health Service and  
 11      National Health Service Corps Scholarship Training Pro-  
 12      gram, the adjustment in pay authorized by paragraph (1)  
 13      may be made for such a member only upon satisfactory com-  
 14      pletion of such service obligation and the first thirty-six  
 15      months of his being so engaged in the delivery of health care  
 16      shall, for purposes of paragraph (1) (A), be deemed to  
 17      begin upon such satisfactory completion.

18      “DESIGNATION OF MEDICALLY UNDERSERVED POPULATIONS

19      “SEC. 330. (a) For purposes of this subpart—

20           “(1) the term ‘medically underserved population’  
 21      means (A) the population of an urban or rural area  
 22      (which need not conform to the geographical boundaries  
 23      of a political subdivision and which should be a rational  
 24      area for the delivery of health services) which the Sec-  
 25      retary determines has a critical health manpower short-

1 age, or (B) a population group determined by the Sec-  
2 retary to have such a shortage; and

3 “(2) the term ‘State’ includes Guam, American Sa-  
4 moa, and the Trust Territory of the Pacific Islands.

5 “(b) (1) The Secretary shall designate the medically  
6 underserved populations in the States. In determining  
7 whether to designate a population as a medically under-  
8 served population, the Secretary shall take into account the  
9 following:

10 “(A) The recommendations of each health systems  
11 agency designated under section 1515 for a health serv-  
12 ice area which includes all or any part of the area in  
13 which the population under consideration for designation  
14 resides.

15 “(B) If such area is within a health service area  
16 (or areas) for which no health systems agency has  
17 been designated, the recommendations of the State  
18 health planning and development agency designated  
19 under section 1521 for the State (or States) in which  
20 such area is located.

21 “(C) Ratios of available health manpower to the  
22 population under consideration for designation.

23 “(D) Indicators of the population’s access to  
24 health services.



1           “(E) Indicators of the health status of the popula-  
2           tion.

3           “(F) Indicators of such population’s need and  
4           demand for health services.

5           “(2) Any person may apply to the Secretary (in such  
6           manner as he may prescribe) for the designation (in accord-  
7           ance with the second sentence of paragraph (1)) of a  
8           population as a medically underserved population.

9           “ASSIGNMENT OF CORPS PERSONNEL

10          “SEC. 331. (a) (1) The Secretary may assign per-  
11          sonnel of the Corps to provide, under regulations prescribed  
12          by the Secretary, health services for a medically under-  
13          served population only if—

14               “(A) the State health agency of each State in which  
15               such population is located or the local public health  
16               agency or any other public or nonprofit private health  
17               entity serving such population makes application to the  
18               Secretary for such assignment, and

19               “(B) (i) the local government of the area in which  
20               such population resides certifies to the Secretary that  
21               such assignment of Corps personnel is needed for such  
22               population, and

23               “(ii) any State and district medical, osteopathic, or  
24               dental society for such area, or any other appropriate

1 health society (as the case may be) for such area, makes  
2 such a certification to the Secretary.

3 “(2) The Secretary may not approve an application  
4 under paragraph (1) (A) for an assignment unless the  
5 applicant agrees to enter into an arrangement with the Sec-  
6 retary in accordance with subsection (b) and has afforded—

7 “(A) each health systems agency designated under  
8 section 1515 for a health service area which includes  
9 all or any part of the area in which the population for  
10 which the application is submitted resides, and

11 “(B) if there is a part of such area within a health  
12 service area for which no health systems agency has  
13 been designated; the State health planning and develop-  
14 ment agency of the State (designated under section  
15 1521) in which such part is located,

16 an opportunity to review the application and submit its com-  
17 ments to the Secretary respecting the need for and proposed  
18 use of the Corps personnel requested in the application. In  
19 considering such an application, the Secretary shall take into  
20 consideration the need of the population for which the appli-  
21 cation was submitted for the health services which may be  
22 provided under this subpart; the willingness of the population  
23 and the appropriate governmental agencies or health entities  
24 serving it to assist and cooperate with the Corps in providing

1 effective health services to the population; and recommenda-  
2 tions from medical, osteopathic, dental, or other health  
3 societies or from medical personnel serving the population.

4 “(3) If with respect to any proposed assignment of  
5 Corps personnel for a medically underserved population the  
6 requirements of subparagraphs (A) and (B) of paragraph  
7 (1) are met except for the certification required by sub-  
8 paragraph (B) (ii) of such paragraph and if the Secretary  
9 finds from all the facts presented that such certification has  
10 clearly been arbitrarily and capriciously withheld, the Sec-  
11 retary may, after consultation with appropriate medical,  
12 osteopathic, dental, or other health societies, waive the  
13 application of the certification requirement to such proposed  
14 assignment.

15 “(b) (1) The Secretary shall require as a condition to  
16 the approval of an application under subsection (a) that the  
17 entity which submitted the application enter into an appro-  
18 priate arrangement with the Secretary under which—

19 “(A) the entity shall be responsible for charging in  
20 accordance with paragraph (3) for health services pro-  
21 vided by the Corps personnel to be assigned;

22 “(B) the entity shall take such action as may be  
23 reasonable for the collection of payments for such health  
24 services, including if a Federal agency, an agency of a  
25 State or local government, or other third party would be

1 responsible for all or part of the cost of such health serv-  
2 ices if it had not been provided by Corps personnel under  
3 this subpart, the collection, on a fee-for-service or other  
4 basis, from such agency or third party the portion of such  
5 cost for which it would be so responsible (and in deter-  
6 mining the amount of such cost which such agency or  
7 third party would be responsible, the health services pro-  
8 vided by Corps personnel shall be considered as being  
9 provided by private practitioners) ; and

10 “(C) the entity shall pay to the United States as  
11 prescribed by the Secretary for each calendar quarter  
12 (or other period as may be specified in the arrangement)  
13 during which any Corps personnel are assigned to such  
14 entity the sum of—

15 “(i) the pay (including amounts paid in ac-  
16 cordance with 329 (c) ) and allowances of such  
17 Corps personnel for the portion of such quarter  
18 (or other period) during which assigned to the  
19 entity;

20 “(ii) if such entity received a grant under sec-  
21 tion 332 for the assistance period (as defined in sub-  
22 section (c) ) for which such personnel are assigned,  
23 an amount which bears the same ratio to the amount  
24 of such grant as the number of days in such quarter  
25 (or other period) during which any Corps person-

1        nel were assigned to the entity bears to the number  
 2        of days in the assistance period after such entity  
 3        received such grant; and

4                “(iii) if during such quarter (or other period)  
 5        any member of the Corps assigned to such entity is  
 6        providing obligated service pursuant to an agree-  
 7        ment under the Public Health and National Health  
 8        Service Corps Scholarship Training Program, for  
 9        each such member an amount which bears the same  
 10       ratio to the amount paid under such Program to or  
 11       on the behalf of such member as the number of days  
 12       of obligated service provided by such member during  
 13       such quarter (or other period) bears to the number  
 14       of days in his period of obligated service under such  
 15       Program.

16    The Secretary may waive in whole or in part the application  
 17    of the requirement of subparagraph (C) to an entity if he  
 18    determines that the entity is financially unable to meet such  
 19    requirement or if he determines that compliance with such  
 20    requirement would unduly limit the ability of the entity to  
 21    maintain the quality of the services it provides.

22                “(2) The excess (if any) of the amount collected by an  
 23    entity in accordance with paragraph (1) (B) over the  
 24    amount paid to the United States in accordance with para-

1 graph (1) (C) shall be used by the entity to expand or  
2 improve the provision of health services to the population for  
3 which the entity submitted an application under subsection  
4 (a) or to recruit and retain health manpower to provide  
5 health services for such population.

6 “(3) Any person who receives health services provided  
7 by Corps personnel under this subpart shall be charged for  
8 such services on a fee-for-service or other basis at a rate  
9 approved by the Secretary, pursuant to regulations, to re-  
10 cover the value of such services; except that if such person  
11 is determined under regulations of the Secretary to be unable  
12 to pay such charge, the Secretary shall provide for the fur-  
13 nishing of such services at a reduced rate or without charge.

14 “(4) Funds received by the Secretary under an arrange-  
15 ment entered into under paragraph (1) shall be deposited  
16 in the Treasury as miscellaneous receipts and shall be dis-  
17 regarded in determining the amounts of appropriations to be  
18 requested under section 335 and the amounts to be made  
19 available from appropriations made under such section to  
20 carry out this subpart.

21 “(c) The Secretary may assign Corps personnel to  
22 provide health services for a medically underserved popu-  
23 lation only during a period (hereinafter in this subpart  
24 referred to as the ‘assistance period’) not exceeding four

1 years from the date of the first assignment of Corps person-  
2 nel for such population after the date of the approval of  
3 the application for such assignment.

4 “(d) Upon expiration of an approved assistance period  
5 for a medically underserved population, no new assignment  
6 of Corps personnel may be made for such population unless  
7 an application is submitted in accordance with subsection  
8 (a) for such new assignment. The Secretary may not ap-  
9 prove such an application unless—

10 “(1) the application and certification requirements  
11 of subsection (a) are met;

12 “(2) the Secretary has conducted an evaluation  
13 of the continued need for health manpower of the popu-  
14 lation for which the application is submitted, of the  
15 utilization of the manpower by such population, of the  
16 growth of the health care practice of the Corps personnel  
17 assigned for such population, and of community support  
18 for the assignment; and

19 “(3) the Secretary has determined that such popu-  
20 lation has made continued efforts to secure its own health  
21 manpower, that there has been sound fiscal management  
22 of the health care practice of the Corps personnel as-  
23 signed for such population, including efficient collection  
24 of fee-for-service, third-party, and other funds available

1 to such population, and that there has been appropriate  
2 and efficient utilization of such Corps personnel.

3 “(e) Corps personnel shall be assigned to provide health  
4 services for a medically underserved population on the basis  
5 of the extent of the population’s need for health services and  
6 without regard to the ability of the members of the popula-  
7 tion to pay for health services.

8 “(f) In making an assignment of Corps personnel the  
9 Secretary shall seek to match characteristics of the assignee  
10 (and the assignee’s spouse (if any)) and of the population  
11 to which such assignee may be assigned in order to increase  
12 the likelihood of the assignee remaining to serve the popula-  
13 tion upon completion of his assignment period. The Secretary  
14 shall, before the beginning of the last nine months of the as-  
15 signment period of a member of the Corps, review such  
16 member’s assignment and the situation in the area to which  
17 he was assigned for the purpose of determining the advis-  
18 ability of extending the period of such member’s assignment.

19 “(g) (1) The Secretary shall (A) provide assistance to  
20 persons seeking assignment of Corps personnel under this  
21 section, and (B) conduct such information programs in areas  
22 in which such populations reside as may be necessary to  
23 inform the public and private health entities serving those  
24 areas of the assistance available to such populations by virtue



1 of their designation under section 330 as medically under-  
2 served.

3       “(2) The Secretary shall provide technical assistance  
4 to all medically underserved populations, to which Corps  
5 personnel are not assigned, to assist in the recruitment of  
6 health manpower for such populations. The Secretary shall  
7 also give such populations current information respecting  
8 public and private programs under which they may receive  
9 assistance in securing health manpower for them.

10 “PROVISION OF HEALTH SERVICES BY CORPS PERSONNEL

11       “SEC. 332. (a) In providing health services for a medi-  
12 cally underserved population under this subpart, Corps  
13 personnel shall utilize the techniques, facilities, and organiza-  
14 tional forms most appropriate for the area in which the  
15 population resides and shall, to the maximum extent feasible,  
16 provide such services (1) to all members of the population  
17 regardless of their ability to pay for the services, and (2)  
18 in connection with (A) direct health services programs  
19 carried out by the Service; (B) any other direct health  
20 services program carried out in whole or in part with Federal  
21 financial assistance; or (C) any other health services ac-  
22 tivity which is in furtherance of the purposes of this subpart.

23       “(b) (1) Notwithstanding any other provision of law,  
24 the Secretary (A) may, to the extent feasible, make such  
25 arrangements as he determines necessary to enable Corps

1 personnel in providing health services for a medically under-  
2 served population to utilize the health facilities of the area  
3 in which the population resides and if there are no health  
4 facilities in or serving such area, the Secretary may arrange  
5 to have Corps personnel provide health services in the near-  
6 est health facilities of the Service or the Secretary may lease  
7 or otherwise provide facilities in such area for the provision  
8 of health services, (B) may make such arrangements as he  
9 determines are necessary for the use of equipment and  
10 supplies of the Service and for the lease or acquisition of  
11 other equipment and supplies, and (C) may secure the  
12 temporary services of physicians, nurses, and allied health  
13 professionals.

14       “(2) If such an area is being served (as determined  
15 under regulations of the Secretary) by a hospital or other  
16 health care delivery facility of the Service, the Secretary  
17 shall, in addition to such other arrangements as the Secre-  
18 tary may make under paragraph (1), arrange for the utiliza-  
19 tion of such hospital or facility by Corps personnel in  
20 providing health services for the population, but only to the  
21 extent that such utilization will not impair the delivery of  
22 health services and treatment through such hospital or fa-  
23 cility to persons who are entitled to health services and  
24 treatment through such hospital or facility.

25       “(c) The Secretary may make one grant to any appli-

1 cant with an approved application under section 331 to  
2 assist it in meeting the costs of establishing medical practice  
3 management systems for Corps personnel, acquiring equip-  
4 ment for their use in providing health services, and estab-  
5 lishing appropriate continuing education programs and  
6 opportunities for them. No grant may be made under this  
7 subsection unless an application therefor is submitted to,  
8 and approved by, the Secretary. The amount of any grant  
9 shall be determined by the Secretary, except that no grant  
10 may exceed \$25,000.

11 “(d) Upon the expiration of the assignment of Corps  
12 personnel to provide health services for a medically under-  
13 served population, the Secretary may (notwithstanding any  
14 other provision of law) sell to the entity which submitted  
15 the last application approved under section 331 for the  
16 assignment of Corps personnel for such population equipment  
17 of the United States utilized by such personnel in providing  
18 health services. Sales made under this subsection shall be  
19 made for the fair market value of the equipment sold (as  
20 determined by the Secretary).

21 “REPORTS

22 “Sec. 333. The Secretary shall report to Congress no  
23 later than May 15 of each year—

24 “(1) the number and identity of all medically un-  
25 derserved populations in each of the States in the calen-

1       dar year preceding the year in which the report is  
2       made and the number of medically underserved popu-  
3       lations which the Secretary estimates will be designated  
4       under section 330 in the calendar year in which the  
5       report is made;

6       “(2) the number of applications filed under section  
7       331 in such preceding calendar year for assignment of  
8       Corps personnel and the action taken on each such  
9       application;

10       “(3) the number and types of Corps personnel  
11       assigned in such preceding year to provide health serv-  
12       ices for medically underserved populations, the number  
13       and types of additional Corps personnel which the Secre-  
14       tary estimates will be assigned to provide such services  
15       in the calendar year in which the report is submitted,  
16       and the need (if any) for additional personnel for the  
17       Corps;

18       “(4) the recruitment efforts engaged in for the  
19       Corps in such preceding year, including the programs  
20       carried out under section 329 (b) (1), and the number of  
21       qualified persons who applied for service in the Corps  
22       in each professional category;

23       “(5) the total number of patients seen and patient  
24       visits recorded during such preceding year in each area  
25       where Corps personnel were assigned;

1           “(6) the number of health personnel electing to  
2       remain, after termination of their service in the Corps, to  
3       provide health services to medically underserved popula-  
4       tions, the number of such personnel who do not make  
5       such election, and their reasons for not making such  
6       election;

7           “(7) the results of evaluations made under section  
8       331 (d) (2), and determinations made under section  
9       331 (d) (3), during such preceding year; and

10          “(8) the total amount (A) charged during such  
11       preceding year for health services by Corps personnel,  
12       (B) collected in such year by entities in accordance with  
13       arrangements under section 331 (b), and (C) paid to  
14       the Secretary in such year under such arrangements.

15                       “NATIONAL ADVISORY COUNCIL

16          “SEC. 334. (a) There is established a council to be  
17       known as the National Advisory Council on the National  
18       Health Service Corps (hereinafter in this section referred to  
19       as the ‘Council’). The Council shall be composed of fifteen  
20       members appointed by the Secretary as follows:

21               “(1) Four members shall be appointed from the  
22       general public to represent the consumers of health care,  
23       at least two of whom shall be members of a medically  
24       underserved population for which Corps personnel are  
25       providing health services under this subpart.

1           “(2) Three members shall be appointed from the  
2           medical, dental, and other health professions and health  
3           teaching professions.

4           “(3) One member shall be appointed from a State  
5           health planning and development agency designated  
6           under section 1521, one member shall be appointed from  
7           a Statewide Health Coordinating Council under section  
8           1524, and one member shall be appointed from a health  
9           systems agency designated under section 1515.

10          “(4) Three members shall be appointed from the  
11          Service, at least two of whom shall be members of the  
12          Corps directly engaged in the provision of health services  
13          for a medically underserved population.

14          “(5) Two members shall be appointed from the  
15          National Council on Health Planning and Development  
16          (established under section 1503).

17          The Council shall consult with, advise, and make recom-  
18          mendations to, the Secretary with respect to his responsi-  
19          bilities in carrying out this subpart, and shall review and  
20          comment upon regulations promulgated by the Secretary  
21          under this section subpart.

22          “(b) (1) Members of the Council shall be appointed  
23          for a term of three years, except that any member appointed  
24          to fill a vacancy occurring prior to the expiration of the  
25          term for which the member's predecessor was appointed shall

1 be appointed for the remainder of such term, and shall not  
2 be removed, except for cause. Members may be reappointed  
3 to the Council.

4       “(2) Members of the Council (other than members  
5 who are officers or employees of the United States, while  
6 attending meetings or conferences thereof or otherwise serv-  
7 ing on the business of the Council, shall be entitled to receive  
8 for each day (including traveltime) in which they are so  
9 serving the daily equivalent of the annual rate of basic pay  
10 in effect for grade GS-18 of the General Schedule; and  
11 while so serving away from their homes or regular places of  
12 business all members may be allowed travel expenses, includ-  
13 ing per diem in lieu of subsistence, as authorized by section  
14 5703 (b) of title 5 of the United States Code for persons in  
15 the Government Service employed intermittently.

16               “AUTHORIZATION OF APPROPRIATION

17       “SEC. 335. To carry out the purposes of this subpart,  
18 there are authorized to be appropriated \$30,000,000 for  
19 fiscal year 1976; \$36,000,000 for fiscal year 1977; and  
20 \$45,000,000 for fiscal year 1978.

21       “(2) An appropriation under an authorization under  
22 paragraph (1) of this subsection for any fiscal year may be  
23 made at any time before that fiscal year and may be in-  
24 cluded in an Act making an appropriation under an au-  
25 thorization under paragraph (1) for another fiscal year; but

1 no funds may be made available from any appropriation  
2 under such authorization for obligation under this subpart  
3 before the fiscal year for which such appropriation is  
4 authorized.”.

5 (c) (1) The amendments made by subsections (a) and  
6 (b) of this section shall take effect July 1, 1975.

7 (2) (A) Any area for which a designation under section  
8 329 (b) of the Public Health Service Act (as in effect on  
9 June 30, 1975) was in effect on such date and in which Na-  
10 tional Health Service Corps personnel were, on such date,  
11 providing, under an assignment made under such section (as  
12 so in effect), health care and services for persons residing  
13 in such area shall, effective July 1, 1975, be deemed under  
14 subpart II of part C of title III of such Act (as added by  
15 subsection (b) of this section) to (i) be an area in which  
16 is located a medically underserved population (as defined  
17 by section 330 of such Act (as so added)), and (ii) be  
18 qualified under section 331 of such Act (as so added) for  
19 the assignment of Corps personnel unless, as determined  
20 under subparagraph (B) of this paragraph, the assistance  
21 period applicable to such area (within the meaning of such  
22 section 331) has expired.

23 (B) The assistance period (within the meaning of such  
24 section 331) applicable to an area described in subparagraph  
25 (A) of this paragraph shall be deemed to have begun on the



1 date Corps personnel were first assigned to such area under  
2 section 329 of such Act (as in effect on June 30, 1975).

3 (C) In the case of any physician or dentist member of  
4 the Corps who was providing health care and services on  
5 June 30, 1975, under an assignment made under section  
6 329 (b) of such Act (as in effect on June 30, 1975), the  
7 number of the months during which such member provided  
8 such care and services before July 1, 1975, shall be counted  
9 in determining the application of the additional pay provi-  
10 sions of section 329 (c) of such Act (as added by subsection  
11 (b) of this section) to such number.

12 (3) The amendment made by subsection (b) which  
13 changed the name of the Advisory Council established under  
14 section 329 of the Public Health Service Act (and placed the  
15 authority for the Advisory Council in section 334 of such  
16 Act) shall not be construed as requiring the establishment  
17 of a new Advisory Council under such section 334; and the  
18 amendment made by such subsection with respect to the com-  
19 position of such Advisory Council shall apply with respect to  
20 appointments made to the Advisory Council after July 1,  
21 1975, and the Secretary of Health, Education, and Welfare  
22 shall make appointments to the Advisory Council after such  
23 date in a manner which will bring about, at the earliest  
24 feasible time, the Advisory Council composition prescribed  
25 by the amendment.

1 (d) (1) The Secretary of Health, Education, and  
2 Welfare shall report to Congress (A) not later than Oc-  
3 tober 1, 1975, the criteria used by him in designating medi-  
4 cally underserved populations under section 330 of the Pub-  
5 lic Health Service Act, and (B) not later than January 1,  
6 1976, the identity and number of medically underserved  
7 populations in each State meeting such criteria.

8 (2) The Secretary of Health, Education, and Welfare  
9 shall conduct or contract for studies of methods of assigning  
10 under section 331 of the Public Health Service Act (as added  
11 by subsection (b) of this section) National Health Service  
12 Corps personnel to medically underserved populations and  
13 of providing health care to such populations. Such studies  
14 shall be for the purpose of identifying (A) the characteristics  
15 of health manpower personnel who are more likely to remain  
16 in practice in areas in which medically underserved popula-  
17 tions are located, (B) the characteristics of areas which have  
18 been able to retain health manpower personnel, and (C) the  
19 appropriate conditions for assignment of nurse practitioners,  
20 physician's assistants, and expanded function dental auxili-  
21 aries in areas in which medically underserved populations  
22 are located.

23 (e) (1) Section 741 (f) (1) (C) is amended by striking  
24 out all that follows after "in a State" and inserting in lieu

1 thereof "in which is located a medically underserved popu-  
2 lation designated under section 330;"

3 (2) The amendment made by paragraph (1) shall  
4 apply with respect to agreements entered into under section  
5 741 (f) of the Public Health Service Act after June 30,  
6 1975.

## 7 TITLE V—GRANTS FOR HEALTH PROFESSIONS 8 SCHOOLS

### 9 GRANT AMOUNTS; AUTHORIZATIONS

10 SEC. 501. (a) Subsection (a) of section 770 is amended  
11 to read as follows:

12 "(a) GRANT COMPUTATION.—The Secretary shall  
13 make annual grants to schools of medicine, osteopathy,  
14 dentistry, public health, veterinary medicine, optometry,  
15 pharmacy, and podiatry for the support of the education  
16 programs of such schools. The amount of the annual grant to  
17 each such school with an approved application shall be com-  
18 puted for each fiscal year as follows:

19 "(1) Each school of medicine and osteopathy shall  
20 receive—

21 "(A) for fiscal years 1976 and 1977, \$2,100  
22 for each full-time student enrolled in such school in  
23 such year; and

24 "(B) for each succeeding fiscal year \$2,000

1           for each full-time student enrolled in such school in  
2           such year.

3           “(2) Each school of dentistry shall receive—

4           -       “(A) for fiscal years 1976 and 1977, \$2,100  
5           for each full-time student enrolled in such school in  
6           such year; and

7           “(B) for each succeeding fiscal year \$2,000  
8           for each full-time student enrolled in such school in  
9           such year.

10          “(3) (A) Each school of public health shall receive  
11          an amount equal to the product of—

12               “(i) \$1,500, and

13               “(ii) the sum of (I) the number of full-time  
14           students enrolled in such school in such year, and  
15           (II) the number of full-time equivalents of part-  
16           time students, determined pursuant to subparagraph  
17           (B), for such school for such year.

18          “(B) For purposes of subparagraph (A) the num-  
19          ber of full-time equivalents of part-time students for a  
20          school of public health for any year is a number equal  
21          to—

22               “(i) the total number of credit hours of instruc-  
23           tion in such year for which part-time students of such  
24           school, who are pursuing a course of study leading

1 to a graduate degree in public health or an equivalent  
2 degree, have enrolled, divided by

3 “(ii) the greater of (I) the number of credit  
4 hours of instruction which a full-time student of such  
5 school was required to take in such year, or (II) 9,  
6 rounded to the next highest whole number.

7 “(4) Each school of veterinary medicine shall re-  
8 ceive \$1,500 for each full-time student enrolled in such  
9 school in such year.

10 “(5) Each school of optometry shall receive \$700  
11 for each full-time student enrolled in such school in such  
12 year.

13 “(6) Each school of pharmacy (other than a school  
14 of pharmacy with a course of study of more than four  
15 years) shall receive \$700 for each full-time student en-  
16 rolled in such school in such year. Each school of phar-  
17 macy with a course of study of more than four years  
18 shall receive \$700 for each full-time student enrolled in  
19 the last four years of such school. For purposes of sec-  
20 tions 771, 772, and 782, a student enrolled in the first  
21 year of the last four years of such school shall be con-  
22 sidered a first-year student.

23 “(7) Each school of podiatry shall receive \$1,100  
24 for each full-time student enrolled in such school in such  
25 year.”.

1 (b) Subsection (c) of section 770 is amended to read as  
2 follows:

3 “(c) APPORTIONMENT OF APPROPRIATIONS.—Not  
4 withstanding subsections (a) and (b), if the aggregate of  
5 the amount of the grants to be made in accordance with such  
6 subsections for any fiscal year to schools of medicine, oste-  
7 opathy, dentistry, public health, veterinary medicine, optom-  
8 etry, pharmacy, or podiatry with approved applications  
9 exceeds the total of the amounts appropriated under sub-  
10 section (f) for such grants, the amount of a school's grant  
11 with respect to which such excess exists shall for such fiscal  
12 year be an amount which bears the same ratio to the  
13 amount determined for the school under such subsections  
14 as the total of the amounts appropriated for that year under  
15 subsection (f) for grants to schools of the same category  
16 as such school bears the amount required to make grants in  
17 accordance with such subsections to the schools of that  
18 category with approved applications.”.

19 (c) (1) Subsections (d), (e), (f), and (g) of section  
20 770 are repealed.

21 (2) Subsection (h) of section 770 is (A) redesignated  
22 as subsection (d), and (B) is amended to read as follows:

23 “(d) ENROLLMENT DETERMINATIONS.—

24 “(1) For purposes of this section and sections 771  
25 and 772, regulations of the Secretary shall include pro-

1       visions relating to the determination of the number of  
2       students enrolled in a school or in a particular year-class  
3       in a school on the basis of estimates, on the basis of the  
4       number of students who in an earlier year were enrolled  
5       in a school or in a particular year-class, or on such other  
6       basis as he deems appropriate for making such determi-  
7       nation, and shall include methods of making such deter-  
8       mination when a school or a year-class was not in  
9       existence in an earlier year at a school.

10       “(2) For purposes of this section and section 771,  
11       772, and 782 the term ‘full-time students’ (whether such  
12       term is used by itself or in connection with a particular  
13       year-class) means students pursuing a full-time course  
14       of study leading to a degree of doctor of medicine, doctor  
15       of dentistry or an equivalent degree, doctor of osteop-  
16       athy, bachelor of science in pharmacy or an equivalent  
17       degree, doctor of optometry or an equivalent degree.  
18       doctor of veterinary medicine or an equivalent degree,  
19       or doctor of podiatry or an equivalent degree or to a  
20       graduate degree in public health or equivalent degree.  
21       In the case of a training program of a school designed to  
22       permit the students enrolled in such program to com-  
23       plete, within six years after completing secondary school,  
24       the requirements for degree of doctor of medicine, doctor  
25       of dentistry or an equivalent degree, or doctor of osteop-

1 athy, the term 'full-time students' shall only include  
2 students enrolled on a full-time basis in the last four  
3 years of such program and for purposes of sections 771,  
4 772, and 782, students enrolled in the first of the last four  
5 years of such program shall be considered as first-year  
6 students."

7 (3) Subsection (i) of section 770 is (1) amended by  
8 inserting ", public health" after "osteopathy", and (2) re-  
9 designated as subsection (c).

10 (4) Subsection (j) of section 770 is redesignated as  
11 subsection (f) and is amended to read as follows:

12 "(f) AUTHORIZATIONS OF APPROPRIATIONS.—

13 "(1) There are authorized to be appropriated  
14 \$165,000,000 for fiscal year 1976, \$170,000,000 for  
15 fiscal year 1977, and \$167,000,000 for fiscal year 1978,  
16 for payments under grants under this section to schools  
17 of medicine, osteopathy, and dentistry based on the  
18 number of full-time students enrolled in such schools.

19 "(2) There are authorized to be appropriated \$10,-  
20 500,000 for fiscal year 1976, \$10,750,000 for fiscal year  
21 1977, and \$11,000,000 for fiscal year 1978, for pay-  
22 ments under grants under this section to schools of public  
23 health.

24 "(3) There are authorized to be appropriated  
25 \$9,250,000 for fiscal year 1976, \$9,750,000 for fiscal



1 year 1977, and \$10,500,000 for fiscal year 1978, for  
2 payments under grants under this section to schools of  
3 veterinary medicine.

4 “(4) There are authorized to be appropriated  
5 \$21,700,000 for fiscal year 1976, \$22,600,000 for fiscal  
6 year 1977, and \$23,500,000 for fiscal year 1978, for  
7 payments under grants under this section to schools of  
8 optometry and pharmacy.

9 “(5) There are authorized to be appropriated  
10 \$2,000,000 for fiscal year 1976, \$2,100,000 for fiscal  
11 year 1977, and \$2,100,000 for fiscal year 1978, for  
12 payments under grants under this section to schools of  
13 podiatry.

14 “(6) No funds appropriated under any provision  
15 of this Act (other than this subsection) may be used to  
16 make grants under this section.”.

17 (d) For fiscal year 1976, and for each of the next two  
18 fiscal years, there are authorized to be appropriated such  
19 sums as may be necessary to continue to make annual grants  
20 to schools of medicine, osteopathy, dentistry, veterinary  
21 medicine, optometry, pharmacy, and podiatry under section  
22 770 (a) of the Public Health Service Act (as in effect on  
23 June 31, 1975) based on the number of enrollment bonus  
24 students (determined in accordance with subsections (d)  
25 and (e) of section 770 of such Act (as so in effect) ) en-

1 rolled in such schools who were first-year students in such  
 2 schools for school years beginning before June 30, 1975,  
 3 except that the amount of any grant made to such a school  
 4 from sums appropriated under this subsection may not ex-  
 5 ceed the amount of the grant the school received in the fiscal  
 6 year ending June 30, 1975, based on the number of such  
 7 students enrolled in it.

8 (e) The heading for part E of title VII is amended to  
 9 read as follows:

10 "PART E—GRANTS TO IMPROVE THE QUALITY OF  
 11 SCHOOLS OF MEDICINE, OSTEOPATHY, DENTISTRY,  
 12 PUBLIC HEALTH, VETERINARY MEDICINE, OPTOM-  
 13 ETRY, PHARMACY, AND PODIATRY".

14 (f) The amendments made by subsections (a), (b),  
 15 and (c) shall apply with respect to appropriations under  
 16 section 770 of the Public Health Service Act, and grants  
 17 under that section, for fiscal years ending after June 30,  
 18 1975.

#### 19 GRANT REQUIREMENTS

20 SEC. 502. Part E of title VII is amended (1) by re-  
 21 designating section 771 as section 772, and (2) by adding  
 22 after section 770 the following new section:

#### 23 "ELIGIBILITY FOR CAPITATION GRANTS

24 "SEC. 771. (a) IN GENERAL.—The Secretary shall not  
 25 make a grant under section 770 to any school in a fiscal

1 year beginning after June 30, 1975, unless the application  
2 for the grant meets the following requirements:

3       “(1) The application shall contain or be sup-  
4       ported by assurances satisfactory to the Secretary that  
5       the first-year enrollment of full-time students in the  
6       school in the school year beginning after the fiscal year  
7       in which the grant applied for is to be made will not be  
8       less than the first-year enrollment of such students in  
9       the school in the preceding school year.

10       “(2) The application shall contain or be supported  
11       by assurances satisfactory to the Secretary that the  
12       applicant will expend in carrying out its functions as a  
13       school of medicine, osteopathy, dentistry, public health,  
14       veterinary medicine, optometry, pharmacy, or podiatry,  
15       as the case may be, during the fiscal year for which such  
16       grant is sought, an amount of funds (other than funds  
17       for construction as determined by the Secretary) from  
18       non-Federal sources which is at least as great as the  
19       amount of funds expended by such applicant for such  
20       purpose (excluding expenditures of a nonrecurring  
21       nature) in the fiscal year preceding the fiscal year for  
22       which such grant is sought.

23       “(3) (A) The application shall contain or be sup-  
24       ported by assurances satisfactory to the Secretary that  
25       the school (i) will enter into a legally enforceable agree-

1        ment with each student who is enrolled in the school in  
2        a school year beginning after June 30, 1976, and who  
3        was not enrolled in the school in a school year beginning  
4        before such date under which the student agrees to pay,  
5        in equal annual installments in accordance with subpara-  
6        graph (B), to the United States an amount equal to the  
7        total amount which the school received under section 770  
8        because of the enrollment of the student in the school in  
9        school years beginning after such date, and (ii) will  
10       make annual reports to the Secretary respecting the  
11       amount owed under such agreements.

12       “(B) (i) The number of annual installments which  
13       a student, subject to an agreement entered into with a  
14       school pursuant to subparagraph (A), shall pay to the  
15       United States shall be equal to the number of fiscal years  
16       (beginning after June 30, 1976) in which the school  
17       received a grant under section 770 on account of the  
18       enrollment of the student in school years beginning after  
19       such date.

20       “(ii) The first annual installment to be paid under  
21       an agreement under subparagraph (A) with a school  
22       shall be paid in the first calendar year which begins more  
23       than twenty-four months after the month in which the  
24       student subject to the agreement completed or termi-  
25       nated his course of study at the school, except that—

1           “(I) if the course of study was terminated in  
2           connection with a transfer to another school to pur-  
3           sue the same course of study and the transfer was  
4           made within twelve months of the termination date,  
5           the first annual installment shall be paid in the first  
6           calendar year which begins more than twenty-four  
7           months after the date the student completes his  
8           course of study at the school to which he trans-  
9           ferred; or

10           “(II) if the student begins an internship, resi-  
11           dency, or other advanced clinical training within  
12           six months after the month in which he completed  
13           his course of study, the first annual installment shall  
14           be paid in the first calendar year which begins more  
15           than twenty-four months after the month in which  
16           such internship, residency, or other advanced clinical  
17           training ends.

18           No installment shall be required to be paid in a calendar  
19           year in which more than six months is spent in an in-  
20           ternship or in residency training.

21           “(C) For each year that an individual subject to  
22           such an agreement—

23           “(i) provides service during a period of obli-  
24           gated service in accordance with section 747 (d) or

1 practices his profession in accordance with an agree-  
2 ment entered into under section 747 (f) or 747 (g) ;

3 “ (ii) practices his profession, in accordance  
4 with an agreement entered into with the Secretary,  
5 in an area in which is located a medically under-  
6 served population designated under section 330, or

7 “ (iii) provides service during a period of ob-  
8 ligated service in the armed forces in accordance  
9 with section 2123 of title 10 of the United States  
10 Code,

11 the individual shall be relieved of his liability to pay one  
12 annual installment. An agreement referred to in clause  
13 (ii) may be entered into with the Secretary by an in-  
14 dividual not later than eleven months after the month  
15 in which the individual completes or terminates his  
16 course of study at the school with which the individual  
17 entered into an agreement under subparagraph (A) ;  
18 except that if the course of study was terminated in con-  
19 nection with a transfer to another school to pursue the  
20 same course of study and the transfer was made within  
21 twelve months of the termination date, the agreement  
22 with the Secretary may be entered into not later than  
23 eleven months after the date the student completes his  
24 course of study at the school to which he transferred; or

1 if the student begins an internship, residency, or other  
 2 advanced clinical training within six months after the  
 3 month in which he completed his course of study, the  
 4 agreement with the Secretary may be entered into not  
 5 later than eleven months after the month in which such  
 6 internship, residency, or other advanced clinical training  
 7 ends.

8 “(D) The obligation of an individual under an  
 9 agreement shall be canceled upon his death. The Secre-  
 10 tary shall by regulation provide for the waiver or sus-  
 11 pension of such an obligation whenever compliance by  
 12 the individual subject to it is impossible or would involve  
 13 extreme hardship to such individual and if enforcement  
 14 of such obligation with respect to him would be against  
 15 equity and good conscience.

16 “(b) SCHOOLS OF MEDICINE, OSTEOPATHY, AND  
 17 DENTISTRY.—The Secretary shall not make a grant under  
 18 section 770 to any school of medicine, osteopathy, or den-  
 19 tistry in a fiscal year beginning after June 30, 1975, unless  
 20 the requirement of paragraph (1) or (2) is met:

21 “(1) The application for such grant shall contain  
 22 or be supported by assurances satisfactory to the Sec-  
 23 retary that—

24 “(A) for the second school year beginning after  
 25 the close of the fiscal year in which such grant is to

1. be made and for each school year thereafter begin-  
 2. ning in a fiscal year in which such a grant is made  
 3. the first-year enrollment of full-time students in such  
 4. school will exceed the number of such students  
 5. enrolled in the school year beginning during the  
 6. fiscal year ending June 30, 1975—

7. “(i) by 10 per centum of such number  
 8. if such number was not more than 100, or

9. “(ii) by 5 per centum of such number,  
 10. or 10 students, whichever is greater, if such  
 11. number was more than 100; or

12. “(B) in the case of a four-year school of medi-  
 13. cine, osteopathy, or dentistry, for the second school  
 14. year beginning after the close of the fiscal year in  
 15. which such grant is to be made and in each school  
 16. year thereafter beginning in a fiscal year in which  
 17. such a grant is made the third-year enrollment of  
 18. full-time students in such school will exceed the  
 19. number of such students enrolled in the school year  
 20. beginning during the fiscal year ending June 30,  
 21. 1974 (or if the enrollment of such students in the  
 22. next school year was greater, then the number  
 23. enrolled in that school year) —

24. “(i) by 10 per centum of such number if  
 25. such number was not more than 100, or



1                   “(ii) by 5 per centum of such number, or  
2                   10 students, whichever is greater, if such num-  
3                   ber was more than 100.

4                   (2) (A) In the case of an application for a grant  
5                   to be made in a fiscal year beginning after June 30,  
6                   1975, the applicant shall submit to the Secretary and  
7                   have approved by him before the grant applied for is  
8                   made, a plan to train full-time students in ambulatory  
9                   care settings in the school year beginning after the close  
10                  of the fiscal year in which the grant is made and in each  
11                  school year thereafter beginning in a fiscal year in which  
12                  such a grant is made and in areas geographically remote  
13                  from the main site of the teaching facilities of the appli-  
14                  cant (or any other school of medicine, osteopathy, or  
15                  dentistry which has joined with the applicant in the sub-  
16                  mission of the plan).

17                  “(B) More than one applicant may join in the sub-  
18                  mission of a plan described in subparagraph (A). No  
19                  plan may be approved by the Secretary unless—

20                  “(i) the application for a grant under sec-  
21                  tion 770 of each school which has joined in the  
22                  submission of the plan contains or is supported  
23                  by assurances satisfactory to the Secretary that a  
24                  portion of the full-time students (but not less than  
25                  one-half) who will graduate from such school will

1        upon graduation have received, in an area geo-  
2        graphically remote from the main site of the train-  
3        ing facilities of such school, the period of clinical  
4        training prescribed by the table contained in sub-  
5        paragraph (C) ;

6            “(ii) the plan contains a list of the areas  
7        where the training under such plan is to be con-  
8        ducted, a detailed description of the type and  
9        amount of training to be given in such areas,  
10       and provision for periodic review by experts in  
11       medical, osteopathic, or dental education (as  
12       may be appropriate) of the desirability of pro-  
13       viding training in such areas and of the quality  
14       of training rendered in such areas;

15           “(iii) the plan contains a specific program  
16       for the hiring, as members of the faculty of the  
17       school or schools submitting the plan, of practicing  
18       physicians or dentists (as appropriate) to serve  
19       as instructors in the training program in areas  
20       geographically remote from the main site of the  
21       teaching facilities of such school or schools; and

22           “(iv) the plan contains a plan for frequent  
23       counseling and consultation between the faculty  
24       of the school or schools at the main site of their

1 training facilities and the instructors in the train-  
 2 ing program in the areas geographically remote  
 3 from such site.

4 “(C) The table referred to in subparagraph (B)  
 5 (i) is as follows:

“If the portion of full-time students who will have received upon graduation the training referred to in such subparagraph is at least—	The number of weeks in the aggregate of such training shall not be less than—
75 per centum.....	4 weeks.
60 per centum.....	5 weeks.
50 per centum.....	6 weeks.

6 “(c) SCHOOLS OF PUBLIC HEALTH.—

7 “(1) The Secretary shall not make a grant under  
 8 section 770 to any school of public health in a fiscal  
 9 year beginning after June 30, 1975, unless the appli-  
 10 cation for such grant contains or is supported by assur-  
 11 ances satisfactory to the Secretary that for the second  
 12 school year beginning after the close of the fiscal year in  
 13 which such grant is made and for each school year there-  
 14 after beginning in a fiscal year in which such a grant is  
 15 made the first-year enrollment of full-time students in  
 16 such school will exceed the number of such students  
 17 enrolled in the school year beginning during the fiscal  
 18 year ending June 30, 1975—

19 “(A) by 10 per centum of such number if  
 20 such number was not more than 100, or

21 “(B) by 5 per centum of such number, or 10

1 students, whichever is greater, if such number was  
2 more than 100.

3 “(2) The Secretary may waive (in whole or in  
4 part) the requirements of paragraph (1) with respect  
5 to any school if he determines, after consultation with  
6 the National Advisory Council on Health Professions  
7 Education, that such school, because of limitations of  
8 physical facilities available to the school for training or  
9 because of other relevant factors, cannot increase its  
10 first year enrollment in accordance with such paragraph  
11 without lowering the quality of education provided in  
12 such school.

13 “(d) SCHOOLS OF VETERINARY MEDICINE, OPTOME-  
14 TRY, PHARMACY, AND PODIATRY.—

15 “(1) SCHOOLS OF VETERINARY MEDICINE.—The  
16 Secretary shall not make a grant under section 770 to  
17 any school of veterinary medicine in a fiscal year  
18 beginning after June 30, 1975, unless the application  
19 for such grant contains or is supported by assurances  
20 satisfactory to the Secretary that—

21 “(A) for the second school year beginning  
22 after the close of the fiscal year in which such grant  
23 is to be made and for each school year thereafter  
24 beginning in a fiscal year in which such a grant is  
25 made the first year enrollment of full-time students

1 in such school will exceed the number of such  
2 students enrolled in the school year beginning during  
3 the fiscal year ending June 30, 1975—

4 “(i) by 10 per centum of such number if  
5 such number was not more than 100, or

6 “(ii) by 5 per centum of such number, or  
7 10 students, whichever is greater, if such num-  
8 ber was more than 100; or

9 “(B) at least 20 per centum of the first year  
10 enrollment of full-time students in such school will,  
11 for the second school year beginning after the close  
12 of the fiscal year in which the grant applied for is  
13 to be made and in each school year thereafter be-  
14 ginning in a fiscal year in which such a grant is  
15 made, be comprised of students who are residents of  
16 States in which there are no accredited schools of  
17 veterinary medicine.

18 “(2) SCHOOLS OF OPTOMETRY.—The Secretary  
19 shall not make a grant under section 770 to any school  
20 of optometry in a fiscal year beginning after June 30,  
21 1975, unless the application for such grant contains or  
22 is supported by assurances satisfactory to the Secretary  
23 that—

24 “(A) for the second school year beginning  
25 after the close of the fiscal year in which such grant

1 is to be made and for each school year thereafter  
2 beginning in a fiscal year in which such a grant is  
3 made the first year enrollment of full-time students  
4 in such school will exceed the number of such stu-  
5 dents enrolled in the school year beginning during  
6 the fiscal year ending June 30, 1975—

7 “(i) by 10 per centum of such number  
8 if such number was not more than 100, or

9 “(ii) by 5 per centum of such number,  
10 or 10 students, whichever is greater, if such  
11 number was more than 100; or

12 “(B) at least 25 per centum (or 50 per centum  
13 if the applicant is a nonprofit private school of op-  
14 tometry) of the first-year enrollment of full-time  
15 students in such school will, for the second school  
16 year beginning after the close of the fiscal year in  
17 which the grant applied for is to be made and in  
18 each school year thereafter beginning in a fiscal year  
19 in which such a grant is made, be comprised of stu-  
20 dents who are residents of States in which there  
21 are no accredited schools of optometry.

22 “(3) SCHOOLS OF PHARMACY.—The Secretary  
23 shall not make a grant under section 770 to any school  
24 of pharmacy in a fiscal year beginning after June 30,  
25 1975—

1           “(A) unless the application for such grant con-  
2           tains or is supported by assurances satisfactory to  
3           the Secretary that for the second school year begin-  
4           ning after the close of the fiscal year in which such  
5           grant is to be made and for each school year there-  
6           after beginning in a fiscal year in which such a  
7           grant is made the first year enrollment of full-time  
8           students in such school will exceed the number of  
9           such students enrolled in the school year beginning  
10          during the fiscal year ending June 30, 1975—

11               “(i) by 10 per centum of such number if  
12               such number was not more than 100, or

13               “(ii) by 5 per centum of such number, or  
14               10 students, whichever is greater, if such num-  
15               ber was more than 100; or

16           “(B) unless such school has submitted to and  
17           had approved by the Secretary a plan for the estab-  
18           lishment, expansion, improvement, or operation, in  
19           the second school year beginning after the fiscal year  
20           in which the grant applied for is to be made and in  
21           each school year thereafter beginning in a fiscal  
22           year in which such a grant is made, of at least two  
23           of the following programs: (i) A program to teach  
24           pharmacy in a hospital, extended care facility, or  
25           other clinical setting, (ii) a program of training in

1 clinical pharmacology, or (iii) a program to train  
2 pharmacists to assist physicians and counsel patients  
3 on the appropriate use and reactions to drugs.

4 “(4) SCHOOLS OF PODIATRY.—The Secretary shall  
5 not make a grant under section 770 to any school of  
6 podiatry in a fiscal year beginning after June 30,  
7 1975 unless the application for such grant contains or is  
8 supported by assurances satisfactory to the Secretary  
9 that—

10 “(A) for the second school year beginning after  
11 the close of the fiscal year in which such grant is  
12 to be made and for each school year thereafter be-  
13 ginning in a fiscal year in which such a grant is  
14 made the first year enrollment of full-time students  
15 in the school making the application will exceed  
16 the number of such students enrolled in the school  
17 year beginning during the fiscal year ending  
18 June 30, 1975—

19 “(i) by 10 per centum of such number if  
20 such number was not more than 100, or

21 “(ii) by 5 per centum of such number, or  
22 10 students, whichever is greater, if such num-  
23 ber was more than 100; or

24 “(B) at least 40 per centum of the first year  
25 enrollment of full-time students in such school will



1 for the second school year beginning after the close  
2 of the fiscal year in which the grant applied for is to  
3 be made and in each school year thereafter begin-  
4 ning in a fiscal year in which such a grant is made  
5 will be comprised of students who are residents of  
6 States in which there are no accredited schools of  
7 podiatry.”.

## 8 START-UP GRANTS

9        SEC. 503. (a) Section 772 (a) (1) (as so redesignated)  
10 is amended by striking out “or dentistry” and inserting in  
11 lieu thereof: “, dentistry, public health, veterinary medicine,  
12 optometry, pharmacy, or podiatry”.

(b) Section 772 (a) (4) (as so redesignated) is amended by striking out "or dentistry" and inserting in lieu thereof "dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry".

17 (c) Section 772(a)(6) (as so redesignated) is  
18 amended to read as follows:

19       “(6) There are authorized to be appropriated \$10,-  
20   000,000 for fiscal year 1976, \$10,000,000 for fiscal year  
21   1977, and \$10,000,000, for fiscal year 1978, for payments  
22   under grants under this subsection. Sums appropriated under  
23   this paragraph shall remain available until expended.”.

(d) Sections 772 (b) (2) (as so redesignated) is amended (1) by striking out "July 1, 1975" and inserting

1 in lieu thereof "October 1, 1978", and (2) by striking  
2 out "June 30, 1976" and inserting in lieu thereof "Septem-  
3 ber 30, 1979".

4 (c) Section 772 (as so redesignated) is amended by  
5 adding at the end thereof the following new subsections:

6 "(c) (1) The Secretary may make grants to any school  
7 of medicine to meet the planning costs for projects for  
8 the training of students, enrolled in the last two years  
9 of such school, in facilities—

10 "(A) which are other than the principal teaching  
11 facilities of the school receiving the grant and which  
12 are existing Federal health care facilities or are other  
13 public or private health care facilities; and

14 "(B) which are located in an area in which a  
15 medically underserved population resides.

16 No grant may be made under this paragraph with respect  
17 to any project unless before the fiscal year for which the  
18 grant is to be made the project has received at least \$100,000  
19 from non-Federal sources and has been approved by the  
20 legislature of the State in which it is located.

21 "(2) For payments under grants under paragraph (1),  
22 there are authorized to be appropriated \$400,000 for fiscal  
23 year 1976.

24 "(d) (1) The Secretary may make grants to public and  
25 nonprofit private institutions of higher education and hos-

1   pitals and other health care delivery facilities which are  
2   engaged in the development of new schools of medicine to  
3   assist such institutions and facilities in meeting the costs of  
4   employing faculty, acquiring equipment, and taking such  
5   other action related to the initial operation of a school of  
6   medicine as may be necessary for the proposed schools to  
7   meet the eligibility requirements for a grant under subsec-  
8   tion (a) of this section.

9       “(2) No application for a grant under paragraph (1)  
10   may be approved by the Secretary unless the application  
11   contains or is supported by assurances satisfactory to the  
12   Secretary that—

13       “(A) with the assistance provided under the grant  
14   applied for the applicant will be able to accelerate the  
15   date on which the school of medicine being developed by  
16   the applicant will be able to begin its teaching program,

17       “(B) there is a reasonable indication of non-  
18   Federal financial resources for development and opera-  
19   tion of such school, and

20       “(C) the school of medicine will emphasize training  
21   programs in family medicine and will, through clinical  
22   training programs of the type described in section 771

23   (b) (2), improve access to health care for residents of  
24   the geographical regions in which such training pro-  
25   grams are located.

1 The Secretary may not approve or disapprove an applica-  
 2 tion unless he has consulted with the body recognized by the  
 3 Commissioner of Education as the accrediting body for  
 4 schools of medicine respecting approval of the application.

5 “(3) No institution or facility may receive more than  
 6 one grant under this subsection. For payment under grants  
 7 under this subsection, there is authorized to be appropriated  
 8 \$1,500,000 for fiscal year 1976 and \$1,500,000 for fiscal  
 9 year 1977.

10 “(4) Upon graduation of the second class from each  
 11 school of medicine for which a grant was made under this  
 12 subsection, the Secretary shall report to the Congress on the  
 13 ability of the school of medicine to improve access to health  
 14 care for residents of the geographical regions in which the  
 15 clinical training programs of the school are located.”.

16 (f) The amendments made by this section shall apply  
 17 with respect to appropriations under section 772 of the  
 18 Public Health Service Act (as so redesignated), and grants  
 19 from such appropriations, for fiscal years ending after June  
 20 30, 1975.

## 21 FINANCIAL DISTRESS GRANTS

22 SEC. 504. (a) Subsection (a) of section 773 is amended  
 23 to read as follows:

24 “(a) There are authorized to be appropriated \$5,000,-  
 25 000 for fiscal year 1976, and \$5,000,000 for fiscal year

1 1977, and \$5,000,000 for fiscal year 1978, for payments  
2 under grants under this section.”.

3 (b) Section 773 is amended by inserting “public  
4 health,” after “dentistry,” in subsections (b) and (d).

5 (c) The amendments made by this section shall apply  
6 with respect to appropriations under section 773 of the  
7 Public Health Service Act, and grants from such appropria-  
8 tions, for fiscal years ending after June 30, 1975.

#### 9 TECHNICAL AND CONFORMING AMENDMENTS

10 SEC. 505. (a) Section 775 is redesignated section 774  
11 and is amended—

12 (1) by striking out “770, 771, 772, or 773” each  
13 place it occurs and inserting in lieu thereof “770, 772

14 (2) by inserting “, public health” after “dentistry”  
15 in subsection (b) ;

16 (3) by striking out “this part” in subsection (c)  
17 and inserting in lieu thereof “section 770, 772, or 773”;

18 (4) by striking out “770, 771, or 773” in subsec-  
19 tion (d) (1) and inserting in lieu thereof “770, 771,  
20 772, or 773” and

21 (5) by amending subsection (d) (3) to read as  
22 follows:

23 “(3) provides for such fiscal control and account-  
24 ing procedures and reports, including the use of such

1 standard procedures for the recording and reporting of  
 2 financial information as the Secretary may prescribe,  
 3 and access to the records of the applicant, as the Secre-  
 4 tary may require to enable him to determine the costs  
 5 to the applicant of its program for the education or  
 6 training of students.”

7 (b) The section heading of section 774 (as so redesign-  
 8 nated) is amended by striking out “SPECIAL PROJECT,”.

9 (c) Sections 312 and 313 are repealed.

10 (d) The amendments (and repeals) made by this sec-  
 11 tion shall apply with respect to appropriations, and grants  
 12 therefrom, for fiscal years ending after June 30, 1975.

13 TITLE VI—SPECIAL PROJECT GRANTS AND  
 14 CONTRACTS

15 FAMILY MEDICINE AND GENERAL PRACTICE OF DENTISTRY

16 SEC. 601. (a) Section 767 (entitled “Grants for Train-  
 17 ing, Traineeships, and Fellowships in Family Medicine”)  
 18 is transferred to part F of title VII, inserted after the head-  
 19 ing for such part, and redesignated as section 781.

20 (b) Section 781 (as so redesignated) is amended as  
 21 follows:

22 (1) Such section is amended by striking out “and” after  
 23 “1973,” and by inserting after “1975,” the following: “\$40,-  
 24 000,000 for fiscal year 1976, \$40,000,000 for fiscal year  
 25 1977, and \$40,000,000 for fiscal year 1978,”.

(2) Section 781 (as so redesignated) is amended by striking out "interns" in paragraphs (1) and (2) and inserting in lieu thereof "interns (including interns in internships in osteopathic medicine)".

(3) Such section is amended by inserting "(a)" before "There are" and by inserting at the end thereof the following:

"(b) Sums appropriated under subsection (a) may be used by the Secretary to make grants to any public or non-profit private school of dentistry or accredited postgraduate dental training institution—

"(1) to plan, develop, and operate an approved residency program in the general practice of dentistry; and

"(2) to provide financial assistance (in the form of traineeships and fellowships) to residents in such a program who are in need of financial assistance and who plan to specialize in the practice of general dentistry."

(4) The title of such section is amended by inserting after "FAMILY MEDICINE" the following: "AND IN THE GENERAL PRACTICE OF DENTISTRY".

#### FAMILY MEDICINE TRAINING PROJECT GRANTS

SEC. 602. Part F of title VII is amended by adding after section 781 (as so redesignated) the following new section:

## 1 "PROJECT GRANTS FOR INSTRUCTION IN FAMILY

## 2 MEDICINE

3 "SEC. 782. (a) The Secretary may make grants to  
4 schools of medicine and osteopathy to meet the costs of  
5 projects to establish and maintain academic administrative  
6 units (which may be departments, divisions, or other units)  
7 to provide clinical instruction in family medicine.

8 "(b) The Secretary may not approve an application for  
9 a grant under subsection (a) unless such application con-  
10 tains—

11 "(1) assurances satisfactory to the Secretary that  
12 the academic administrative unit with respect to which  
13 the application is made will (A) be comparable to aca-  
14 demic administrative units for other major clinical spe-  
15 cialties offered by the applicant, (B) be responsible for  
16 directing an amount of the curriculum for each member  
17 of the student body engaged in an education program  
18 leading to the awarding of the degree of doctor of medi-  
19 cine or doctor of osteopathy which amount is deter-  
20 mined by the Secretary to be comparable to the amount  
21 of curriculum required for other major clinical special-  
22 ties in the school, (C) have a number of full-time faculty  
23 which is determined by the Secretary to be sufficient  
24 to conduct the instruction required by clause (B) and  
25 to be comparable to the number of faculty assigned to



1 other major clinical specialties in the school, and (D)  
 2 have control over a three-year approved or provisionally  
 3 approved residency training program in family prac-  
 4 tice or its equivalent as determined by the Secretary  
 5 which shall have the capacity to enroll a total of no less  
 6 than twelve interns or residents per year; and

7 “(2) such other information as the Secretary shall  
 8 by regulation prescribe.

9 “(c) There are authorized to be appropriated \$10,000,-  
 10 000 for fiscal year 1976, \$15,000,000 for fiscal year 1977,  
 11 and \$20,000,000 for fiscal year 1978, for payments under  
 12 grants under subsection (a).”.

#### 13 ASSISTANCE TO DISADVANTAGED STUDENTS

14 SEC. 603. Section 772 (as in effect before the date of the  
 15 enactment of this Act) is transferred to part F of title VII,  
 16 is inserted after section 782, is redesignated section 783, and  
 17 is amended to read as follows:

18 “ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED

#### 19 BACKGROUNDS

20 “SEC. 783. (a) (1) For the purpose of assisting individ-  
 21 uals from disadvantaged backgrounds, as determined in ac-  
 22 cordance with criteria prescribed by the Secretary, to under-  
 23 take education to enter a health profession, the Secretary  
 24 may make grants to and enter into contracts with schools of  
 25 medicine, osteopathy, public health, dentistry, veterinary

1 medicine, optometry, pharmacy, and podiatry and other pub-  
2 lic or private nonprofit health or educational entities to assist  
3 in meeting the costs described in paragraph (2).

4 “(2) A grant or contract under paragraph (1) may be  
5 used by the health or educational entity to meet the costs of—

6 “(A) identifying, recruiting, and selecting individ-  
7 uals from disadvantaged backgrounds, as so determined,  
8 for the education provided by a health professional  
9 school,

10 “(B) facilitating the entry of those individuals into  
11 such a school,

12 “(C) providing counseling or other services de-  
13 signed to assist those individuals to complete successfully  
14 their education at such a school,

15 “(D) providing, for a period prior to the entry of  
16 those individuals into the regular course of education of  
17 such a school, preliminary education designed to assist  
18 them to complete successfully such regular course of  
19 education at such a school, or referring such individuals  
20 to institutions providing such preliminary education, and

21 “(E) publicizing existing sources of financial aid  
22 available to persons enrolled in the education program  
23 of such a school or who are undertaking training neces-  
24 sary to qualify them to enroll in such a program.

25 “(b) There are authorized to be appropriated \$20,-

1 000,000 for fiscal year 1976, \$20,000,000 for fiscal year  
 2 1977, and \$20,000,000, for fiscal year 1978, for payments  
 3 under grants and contracts under subsection (a).”.

4 **AREA HEALTH EDUCATION CENTERS**

5 **SEC. 604.** (a) Section 774 (as in effect before the date  
 6 of the enactment of this section) is transferred to part F of  
 7 title VIII, is inserted after section 783 (as so redesignated),  
 8 is redesignated section 784, and is amended to read as  
 9 follows:

10 **“AREA HEALTH EDUCATION CENTERS**

11 **“SEC. 784.** (a) For the purpose of improving the dis-  
 12 tribution, supply, quality, utilization, and efficiency of health  
 13 personnel in the health services delivery system and for the  
 14 purpose of encouraging the regionalization of educational  
 15 responsibilities of the health professions schools, the Secre-  
 16 tary may make grants and enter into contracts for projects  
 17 for area health education centers—

18 **“(1)** to conduct programs to alleviate shortages of  
 19 health personnel in rural areas with sparse populations  
 20 or urban areas with unusually dense populations through  
 21 training or retraining of health personnel in community  
 22 hospitals and other facilities located in such areas (includ-  
 23 ing training of students enrolled in residency programs  
 24 in family medicine, general internal medicine, general

1        pediatrics, psychiatry, and obstetrics and gynecology)  
2        or to otherwise improve the distribution in such areas  
3        of health personnel by area or by specialty group;

4        “(2) to provide training programs in such areas  
5        (A) leading to more efficient utilization in such areas of  
6        health personnel, emphasizing multidisciplinary and  
7        interdisciplinary patterns of undergraduate, graduate,  
8        and continuing education of health personnel, and (B)  
9        to encourage new or more effective approaches to the  
10       organization and delivery of health services in such areas  
11       through the training of individuals in the use of the team  
12       approach to the delivery of health services; and

13       “(3) to provide education programs for the general  
14       populations of such areas regarding the appropriate use  
15       of health services, the availability of health services in  
16       such areas (including services provided under federally  
17       funded programs), and the contribution each individual  
18       can make to the maintenance of his own health.

19       “(b) (1) The costs for which a grant or contract under  
20       this section may be made may include such stipends and  
21       allowances (including travel and subsistence expenses and  
22       dependency allowances) for the students (and other health  
23       personnel undergoing training) in such programs as the  
24       Secretary may deem necessary and costs of construction

1 of new primary care facilities and of medical school facili-  
2 ties necessary for the administration of the training program  
3 for which the grant or contract is made.

4 “(2) No application for a grant or contract under  
5 this section may be approved unless the application—

6 “(A) is made by a public or nonprofit private  
7 educational entity which has, or which is affiliated  
8 with, at least three degree or diploma granting health  
9 professions education programs of which at least one  
10 shall be a program offered by a school of medicine or  
11 osteopathy;

12 “(B) contains assurances satisfactory to the Sec-  
13 retary that, to the maximum extent feasible, the project  
14 of the applicant will be conducted in conjunction with  
15 (including the sharing of faculty and facilities with)  
16 the projects (if any) of any schools of medicine or  
17 osteopathy participating in the project of the applicant  
18 for the remote site training of undergraduate students  
19 of medicine or osteopathy conducted pursuant to plans  
20 approved under section 771 (b) (1) (B) ;

21 “(C) contains a designation of the geographic  
22 boundaries of the areas to be served by area health edu-  
23 cation centers established under the project;

24 “(D) contains a list of the health manpower needs  
25 of the areas to be served by area health education cen-

1       ters established under the project, the relative order in  
2       which those needs should be addressed, a detailed de-  
3       scription of the types of programs to be carried out by the  
4       area health education centers, and provision for periodic  
5       review and evaluation of such programs by experts in  
6       medical or osteopathic or other health professions edu-  
7       cation (as may be appropriate) ;

8       “(E) contains assurances that each medical and  
9       osteopathic school participating in the project will pro-  
10      vide not less than six weeks of training per year in area  
11      health education centers for at least 50 per centum of the  
12      students enrolled in such schools in residency programs  
13      in family medicine, general internal medicine, general  
14      pediatrics, psychiatry, and obstetrics and gynecology ;

15      “(F) contains assurances satisfactory to the Sec-  
16      retary that each participant in the project will con-  
17      tribute a significant portion of its faculty to serve as in-  
18      structors in medical residency training and continuing  
19      education programs in areas served by the area health  
20      education centers ;

21      “(G) contains a specific program for multidisci-  
22      plinary and interdisciplinary training programs both at  
23      the main site of the training or clinical facilities of the  
24      applicant and in area health education centers estab-  
25      lished under the project ;

1           “(II) contains a plan for frequent counseling and  
2       consultation between the faculty of the applicant at the  
3       main site of its training or clinical facilities and instruc-  
4       tors and other appropriate participants in the applicant’s  
5       programs in the areas served by the area health educa-  
6       tion centers;

7           “(I) contains a detailed plan for frequent consulta-  
8       tion and coordination of the applicant’s project with  
9       appropriate local, regional, State, and Federal agencies  
10      in order to exchange information, and avoid unnecessary  
11      duplication of programs; and

12          “(J) contains assurances that the applicant will  
13      designate a local advisory board for each area health  
14      education center which (i) shall be comprised of con-  
15      sumers of health services residing in the area served by  
16      the center, (ii) shall, as a group, represent the residents  
17      of that area taking into consideration employment, age,  
18      sex, race, place of residence, and other demographic  
19      characteristics, and (iii) shall meet on a regular basis  
20      (not less than twice a year) for purposes of determining  
21      the center’s responsiveness to the health manpower needs  
22      of the area and making recommendations to the center  
23      with respect to the provisions of health manpower in the  
24      area.

25          “(3) The amount of any grant or contract under this

1 section shall be determined by the Secretary, except that no  
2 grant or contract for any project may exceed 75 per centum  
3 of the costs, as determined by the Secretary, of such project.

4 “(c) There are authorized to be appropriated \$15,000,-  
5 000 for fiscal year 1976, \$20,000,000 for fiscal year 1977,  
6 and \$25,000,000 for fiscal year 1978, for payments under  
7 grants and contracts under this section.”

8 (b) For the fiscal year ending June 30, 1976, and for  
9 each of the next two fiscal years there are authorized to be  
10 appropriated such sums as may be necessary to continue pay-  
11 ments to entities under contracts entered into under section  
12 774 of the Public Health Service Act (as in effect on  
13 June 30, 1975) for projects for area health education  
14 centers, except that no payment shall be made to an entity  
15 under such a contract unless the entity provides assurances  
16 satisfactory to the Secretary that not later than June 1,  
17 1977, the project for which the payment is to be made will  
18 be a project described in subsection (a) of section 783 of  
19 such Act (as so redesignated) and the entity and its appli-  
20 cation will meet the requirements of subsection (b) (2) of  
21 such section. Such payments may only be made from such  
22 sums for the periods and the amounts specified in such  
23 contracts.

24 (c) After June 1, 1977, the Secretary of Health, Edu-  
25 cation, and Welfare shall assess the program of grants under



1 section 783 of the Public Health Service Act (as so redesign-  
 2 nated) to determine the effect of the projects funded under  
 3 such grants on the distribution of health manpower and on  
 4 the access to and quality of health care in the areas in which  
 5 such projects are located. Not later than July 1, 1977,  
 6 the Secretary shall submit to the Congress a report on the  
 7 assessment conducted under this subsection.

8 PROJECT GRANTS AND CONTRACTS FOR SCHOOLS

9 OF OPTOMETRY, PHARMACY, AND PODIATRY

10 SEC. 605. Part F of title VII is amended by adding  
 11 after section 784 (as so redesignated) the following new  
 12 section:

13 "PROJECT GRANTS AND CONTRACTS FOR SCHOOLS

14 OF OPTOMETRY, PHARMACY, AND PODIATRY

15 "SEC. 785. (a) SCHOOLS OF OPTOMETRY.—The Secre-  
 16 tary may make grants to and enter into contracts with schools  
 17 of optometry to meet the costs of projects to assist in—

18 "(1) the affiliation between optometric training  
 19 programs and medical, osteopathic, and other health pro-  
 20 fessions training programs and academic institutions,

21 "(2) establishing cooperative arrangements be-  
 22 tween optometric training programs and medical, osteo-  
 23 pathic, and other health professions training programs  
 24 and academic institutions,

25 "(3) planning, developing, and operating resi-

1      dency training programs in special optometric services  
 2      or in meeting the optometric needs of special popula-  
 3      tions, or

4            “(4) planning, developing, and operating educa-  
 5      tional programs which provide training in the early  
 6      detection and diagnosis of health problems which are  
 7      accompanied by visual or ocular symptoms.

8      “(b) SCHOOLS OF PHARMACY.—

9            “(1) The Secretary may make grants and enter  
 10     into contracts with schools of pharmacy to meet the  
 11     costs of projects to assist in—

12            “(A) the affiliation between clinical pharmacy  
 13     training programs and medical, osteopathic, and  
 14     other health professions training programs and aca-  
 15     demic institutions, or

16            “(B) establishing cooperative arrangements  
 17     between clinical pharmacy training programs and  
 18     medical, osteopathic, and other health professions  
 19     training programs and academic institutions.

20            “(2) The Secretary may make grants to and enter  
 21     into contracts with schools of pharmacy to meet the  
 22     costs of projects to establish, expand, or improve—

23            “(A) programs for the teaching of pharmacy  
 24     in hospitals, extended care facilities, and other  
 25     clinical settings,

1                   “(B) clinical pharmacology training, and

2                   “(C) programs to train pharmacists to assist  
3                   physicians and counsel patients on the appropriate  
4                   use and effects of and reactions to drugs.

5           “(c) SCHOOLS OF PODIATRY.—The Secretary may  
6           make grants to and enter into contracts with schools of  
7           podiatry to meet the costs of projects to assist in—

8                   “(1) the affiliation between podiatric training pro-  
9                   grams and medical, osteopathic, and other health profes-  
10                  sions training programs and academic institutions, or

11                  “(2) establishing cooperative arrangements be-  
12                  tween podiatric training programs and medical, osteo-  
13                  pathic, and other health professions training programs  
14                  and academic institutions.

15           “(d) TECHNICAL ASSISTANCE.—If the Secretary does  
16           not approve an application for a grant or contract under  
17           this section, he shall advise the applicant of the reasons for  
18           disapproval of the application and provide the applicant  
19           such technical and other nonfinancial assistance as may be  
20           appropriate to enable the applicant to submit an approvable  
21           application.

22           “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
23           are authorized to be appropriated \$5,000,000 for fiscal year

1 1976, \$5,000,000 for fiscal year 1977, and \$5,000,000 for  
2 fiscal year 1978, for payments under grants and contracts  
3 under this section.”.

4 **COMPUTER TECHNOLOGY**

5 SEC. 606. (a) Section 769A (entitled “GRANTS FOR  
6 COMPUTER TECHNOLOGY HEALTH CARE DEMONSTRATION  
7 PROGRAMS”) is transferred to part F of title VII, inserted  
8 after section 785, and redesignated as section 786.

9 (b) Section 786 (as so redesignated) is amended (1)  
10 by striking out “and” after “1973,” and (2) by inserting  
11 after “1975,” the following: “\$3,000,000 for fiscal year  
12 1976, \$3,000,000 for fiscal year 1977, and \$3,000,000 for  
13 fiscal year 1978,”.

14 **EMERGENCY MEDICAL SERVICES TRAINING**

15 SEC. 607. (a) Section 776 (entitled “TRAINING IN  
16 EMERGENCY MEDICAL SERVICES”) is transferred to part F  
17 of title VII, inserted after section 786 (as so redesignated),  
18 and redesignated as section 787.

19 (b) Subsection (a) of section 787 (as so redesign-  
20 nated) is amended (1) by inserting “hospitals and” before  
21 “schools of medicine”, and (2) by inserting before the  
22 period at the end a comma and the following: “and to assist

1 in meeting the cost of program development and training  
2 of physicians in emergency medicine”.

3 (e) Section 787 (as so redesignated) is amended by  
4 striking out subsections (b), (c), (d), and (e) and insert-  
5 ing in lieu thereof the following:

6 “(b) No grant or contract may be made or entered into  
7 under this section unless the applicant therefor is a public or  
8 nonprofit private entity. Grantees and contractees under this  
9 section shall make such reports at such intervals, and con-  
10 taining such information, as the Secretary may prescribe.

11 “(c) Of the funds appropriated under subsection (d) for  
12 any fiscal year, the Secretary shall obligate not less than one-  
13 third of such funds for grants and contracts in that fiscal year  
14 to assist in meeting the cost of program development and  
15 training of physicians in emergency medicine.

16 “(d) For the purpose of making payments pursuant to  
17 grants and contracts under this section, there are authorized  
18 to be appropriated \$10,000,000 for fiscal year 1976, \$10,-  
19 000,000 for fiscal year 1977, and \$10,000,000 for fiscal year  
20 1978.”.

21 (d) The amendments made by this section shall apply  
22 with respect to appropriations under section 787 of the Pub-  
23 lic Health Service Act (as so redesignated), and grants from  
24 such appropriations, for fiscal years ending after June 30,  
25 1975.

1     EDUCATION OF UNITED STATES STUDENTS RETURNING  
2                     FROM FOREIGN MEDICAL SCHOOLS

3     SEC. 608. Part F of title VII is amended by adding  
4 after section 787 (as so redesignated) the following new  
5 section:

6     "EDUCATION OF RETURNING UNITED STATES STUDENTS  
7                     FROM FOREIGN MEDICAL SCHOOLS

8     "SEC. 788. (a) The Secretary may make grants to  
9 schools of medicine and osteopathy in the United States to  
10 plan, develop, and operate programs—

11         "(1) to train United States citizens who have been  
12         enrolled in medical schools in foreign countries before  
13         July 1, 1975, to enable them to meet the requirements  
14         for enrolling in schools of medicine or osteopathy in the  
15         United States as full-time students with advanced stand-  
16         ing; or

17         "(2) to train United States citizens who have trans-  
18         ferred from medical schools in foreign countries in which  
19         they were enrolled before July 1, 1975, and who have  
20         enrolled in schools of medicine or osteopathy in the  
21         United States as full-time students with advanced  
22         standing.

23     The costs for which a grant under this subsection may be  
24     made may include the costs of identifying deficiencies in the  
25     medical school education of the United States citizens who

1 have been enrolled in foreign medical schools, the develop-  
2 ment of materials and methodology for correcting such de-  
3 ficiencies, and specialized training designed to prepare such  
4 United States citizens for enrollment in schools of medicine  
5 or osteopathy in the United States as full-time students with  
6 advanced standing.

7 “(b) More than one school of medicine or osteopathy  
8 may join in the submission of an application for a grant  
9 under subsection (a).

10 “(c) The Secretary may not approve an application for  
11 a grant under subsection (a) (1) unless such application  
12 contains assurances satisfactory to the Secretary that, to the  
13 maximum extent feasible, every individual who—

14 “(1) satisfactorily completes the training program  
15 for which such grant is to be made, and

16 “(2) is qualified to be accepted for enrollment as  
17 a full-time student with advanced standing in the school  
18 or schools which submitted such application,  
19 will be accepted for enrollment as a full-time student with  
20 advanced standing in the school, or in one of the schools,  
21 which submitted such application.

22 “(d) Any school of medicine or osteopathy which re-  
23 ceives a grant under subsection (a) for the fiscal year 1976  
24 shall submit to the Secretary before January 1, 1977, a  
25 report on the deficiencies (if any) identified by the school in

1 the foreign medical education of the students trained by such  
 2 school under the program for which such grant was made.  
 3 The Secretary shall compile the reports submitted under the  
 4 preceding sentence, and before July 1, 1977, submit to the  
 5 Congress his analysis and evaluation of the information con-  
 6 tained in such reports.

7 “(e) There are authorized to be appropriated \$2,000,-  
 8 000 for fiscal year 1976, \$3,000,000 for fiscal year 1977,  
 9 and \$4,000,000 for fiscal year 1978, for payments under  
 10 grants under subsection (a).”.

#### 11 PHYSICIANS ASSISTANTS AND EXPANDED FUNCTION

#### 12 DENTAL AUXILIARIES

13 SEC. 609. Part F of title VII is amended by adding  
 14 after section 788 the following new section:

#### 15 “PROGRAMS FOR PHYSICIAN ASSISTANTS AND EXPANDED 16 FUNCTION DENTAL AUXILIARIES

17 “SEC. 789. (a) (1) The Secretary may make grants  
 18 to and enter into contracts with public or nonprofit private  
 19 schools of medicine, osteopathy, and public health and other  
 20 public or nonprofit private entities to meet the costs of  
 21 projects to—

22 “(A) plan, develop, and operate, or

23 “(B) maintain existing,

24 programs for the training of physician assistants.

25 “(2) The Secretary may make grants to and enter into



1 contracts with public or nonprofit private schools of dentistry  
2 to meet the costs of projects to—

3 “(A) plan, develop, and operate, or

4 “(B) maintain existing,

5 programs for the training of expanded function dental aux-  
6 iliaries.

7 “(b) (1) No grant or contract may be made under  
8 subsection (a) unless the application therefor contains or  
9 is supported by assurances satisfactory to the Secretary  
10 that—

11 “(A) the school making the grant has appropriate  
12 mechanisms for placing graduates of the training pro-  
13 gram, with respect to which the application is sub-  
14 mitted, in positions for which they have been trained,  
15 and

16 “(B) there is an identified need for the services  
17 of the graduates of such program.

18 “(2) No grant may be made or contract entered into  
19 for a project to plan, develop, and operate a program for  
20 the training of physician assistants or expanded function  
21 dental auxiliaries unless the application for the grant or  
22 contract contains assurances satisfactory to the Secretary  
23 that the program will upon its development meet the guide-  
24 lines which are in effect under section 701 (7) or 701 (9),  
25 as the case may be; and no grant may be made or contract

1 entered into for a project to maintain such a program unless  
 2 the application for the grant or contract contains assurances  
 3 satisfactory to the Secretary that the program meets the  
 4 guidelines which are in effect under such section.

5 “(c) The costs for which a grant or contract under  
 6 subsection (a) may be made may include costs of prepara-  
 7 tion of faculty members in order to conform to the guide-  
 8 lines established under sections 701(7) and 701(9) re-  
 9 specting programs for the training of physician assistants  
 10 and expanded function dental auxiliaries.

11 “(d) For payments under grants and contracts under  
 12 subsection (a), there is authorized to be appropriated \$25,-  
 13 000,000 for fiscal year 1976, \$30,000,000 for fiscal year  
 14 1977, and \$35,000,000 for fiscal year 1978.”.

#### 15 GENERAL PROVISIONS

16 SEC. 610. (a) Section 769B (entitled “GENERAL PRO-  
 17 VISIONS”) is transferred to part F of title VII, inserted  
 18 after section 789, and redesignated as section 790.

19 (b) Section 790 (as so redesignated) is amended—

20 (1) by striking out “grant may be made under  
 21 sections 767, 769, and 769 (A)” in subsection (a) and  
 22 inserting in lieu thereof “grant may be made or contract  
 23 entered into under this part”;

24 (2) by adding at the end of subsection (a) the fol-  
 25 lowing: “The Secretary may not approve or disapprove

1 any application for a grant or contract under this part  
2 except after consultation with the National Advisory  
3 Council on Health Professions Education.”;

4 (3) by striking out “grants under sections 767 and  
5 769 (A)” in subsection (b) and inserting in lieu thereof  
6 “grants or contracts under this part”; and

7 (4) by striking out subsection (c) and inserting  
8 in lieu thereof the following:

9 “(c) The amount of any grant or contract under this  
10 part shall be determined by the Secretary. Payments under  
11 such grants may be made in advance or by way of reimburse-  
12 ment, at such intervals and on such conditions, as the Secre-  
13 tary finds necessary. Contracts may be entered into under  
14 this part without regard to sections 3648 and 3709 of the  
15 Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).”.

16 **REPEALS AND TECHNICAL AMENDMENT**

17 **SEC. 611. (a)** Section 768 (entitled “GRANTS FOR SUP-  
18 PORT OF POSTGRADUATE TRAINING PROGRAMS FOR PHYSI-  
19 CIANS AND DENTISTS”) and section 769 (entitled “GRANTS  
20 FOR TRAINING, TRAINEESHIPS, AND FELLOWSHIPS FOR  
21 HEALTH PROFESSIONS TEACHING PERSONNEL”) are re-  
22 pealed.

23 (b) The heading for part F of title VII is amended to  
24 read as follows:

1 "PART F—SPECIAL PROJECT GRANTS AND CONTRACTS"  
2 TITLE VII—PUBLIC AND ALLIED HEALTH  
3 PERSONNEL

4 PUBLIC AND ALLIED HEALTH PERSONNEL

5 SEC. 701. (a) Part G of title VII is amended to read  
6 as follows:

7 "PART G—TRAINING PROGRAMS FOR PUBLIC AND  
8 COMMUNITY HEALTH PERSONNEL

9 "DEFINITION

10 "SEC. 791. For purposes of this part, the term 'public  
11 and community health personnel' means individuals who are  
12 engaged in—

13 "(1) the planning, development, monitoring, or  
14 management of health care or health care institutions,  
15 organizations, or systems,

16 "(2) research on health care development and the  
17 collection and analysis of health statistics, data on the  
18 health of population groups, and any other health data,

19 "(3) the development and improvement of individ-  
20 ual and community knowledge of health (including en-  
21 vironmental health and preventive medicine) and the  
22 health care system, or

23 "(4) the planning and development of a healthful  
24 environment and control of environmental health hazards.

1 "INSTITUTIONAL GRANTS FOR GRADUATE PROGRAMS IN  
2 HEALTH

3 "SEC. 792. (a) From funds appropriated under subsec-  
4 tion (d), the Secretary shall make annual grants to public or  
5 nonprofit private educational entities (except schools of pub-  
6 lic health) to support the graduate educational programs of  
7 such entities in health administration, hospital administration,  
8 health planning, environmental health, and preventive  
9 medicine.

10 "(b) The amount of the grant for any fiscal year under  
11 subsection (a) to an educational entity with an application  
12 approved under subsection (c) shall be equal to the amount  
13 appropriated under subsection (d) for such fiscal year  
14 divided by the number of educational entities which have  
15 applications for grants for such fiscal year approved under  
16 subsection (c).

17 "(c) (1) No grant may be made under subsection (a)  
18 unless an application therefor has been submitted to the  
19 Secretary before such time as he shall by regulation pre-  
20 scribe and has been approved by the Secretary. Such appli-  
21 cation shall be in such form, and submitted in such manner,  
22 as the Secretary shall by regulation prescribe.

23 "(2) The Secretary may not approve an application  
24 submitted under paragraph (1) unless—

25 "(A) such application—

1           “(i) contains assurances satisfactory to the Sec-  
2           retary that in each academic year (as defined in reg-  
3           ulations of the Secretary) for which the applicant  
4           receives a grant under subsection (a) —

5           “(I) at least twenty-five individuals will  
6           complete the graduate educational program of  
7           the entity for which such application is submit-  
8           ted; and

9           “(II) such entity will expend or obligate  
10          at least \$100,000 in funds from non-Federal  
11          sources to conduct such programs;

12          “(ii) contains such assurances as the Secretary  
13          shall by regulation prescribe respecting one or more  
14          of the following: Increases in overall enrollment in  
15          the program for which such application is submitted  
16          and increases in enrollment in programs for the  
17          training of needed types of public and community  
18          health personnel (as determined by the Secretary);  
19          and

20          “(iii) contains such other information as the  
21          Secretary may by regulation prescribe; and

22          “(B) the program for which such application was  
23          submitted have been accredited by a recognized body or  
24          bodies approved for such purpose by the Commissioner

1 of Education and meet such other quality standards as  
2 the Secretary shall by regulation prescribe.

3 The Secretary may not approve or disapprove such an  
4 application except after consultation with the National  
5 Advisory Council on Health Professions Education.

6 “(d) There are authorized to be appropriated for pay-  
7 ments under grants under this section \$3,000,000 for fiscal  
8 year 1976, \$3,500,000 for fiscal year 1977, and \$4,000,000  
9 for fiscal year 1978.

#### 10 “TRAINEESHIPS

11 “SEC. 793. (a) The Secretary may make grants to pub-  
12 lic or nonprofit private educational entities, eligible for grants  
13 under section 792, for traineeships to train public and com-  
14 munity health personnel for which the Secretary determines  
15 there is unusual need.

16 “(b) (1) No grants for traineeships may be made under  
17 subsection (a) unless an application therefor has been sub-  
18 mitted to, and approved by, the Secretary. Such application  
19 shall be in such form, be submitted in such manner, and  
20 contain such information, as the Secretary by regulation may  
21 prescribe. Traineeships under such a grant shall be awarded  
22 in accordance with such regulations as the Secretary shall  
23 prescribe. The amount of any such grant shall be determined  
24 by the Secretary and payments under such grant may be

1 made in advance or by way of reimbursement, and at such  
 2 intervals and on such conditions, as the Secretary finds  
 3 necessary.

4 “(2) Traineeships awarded under grants made under  
 5 subsection (a) shall provide for such stipends and allow-  
 6 ances (including travel and subsistence expenses and depend-  
 7 ency allowances) for the trainees as the Secretary may deem  
 8 necessary.

9 “(c) For the purposes of making payments under grants  
 10 under subsection (a), there are authorized to be appropri-  
 11 ated \$2,500,000 for fiscal year 1976, \$2,500,000 for fiscal  
 12 year 1977, and \$2,500,000 for fiscal year 1978.

13 “STATISTICS AND ANNUAL REPORT

14 “SEC. 794. (a) The Secretary shall, in coordination  
 15 with the National Center for Health Statistics (established  
 16 under section 306), continuously develop, publish, and dis-  
 17 seminate on a nationwide basis statistics and other infor-  
 18 mation respecting public and community health personnel,  
 19 including—

20 “(1) detailed descriptions of the various types of  
 21 activities in which public and community health per-  
 22 sonnel are engaged,

23 “(2) the current and anticipated needs for the vari-  
 24 ous types of public and community health personnel, and



1           “(3) the number, employment, geographic loca-  
2           tions, salaries, and surpluses and shortages of public  
3           and community health personnel, the educational and  
4           licensure requirements for the various types of such per-  
5           sonnel, and the cost of training such personnel.

6           “(b) The Secretary shall submit annually to the Com-  
7           mittee on Interstate and Foreign Commerce of the House of  
8           Representatives and to the Committee on Labor and Public  
9           Welfare of the Senate a report on—

10           “(1) the statistics and other information developed  
11           pursuant to subsection (a) ; and

12           “(2) the activities conducted under this part, includ-  
13           ing an evaluation of such activities.

14           Such report shall contain such recommendations for legis-  
15           lation as the Secretary determines is needed to improve the  
16           programs authorized under this part. The Office of Man-  
17           agement and Budget may review such report before its  
18           submission to Congress, but the Office may not revise the  
19           report or delay its submission beyond the date prescribed  
20           for its submission and may submit to Congress its comments  
21           respecting such report. The first report under this subsection  
22           shall be submitted not later than September 1, 1976.”

23           (b) Title VII is amended by adding at the end the  
24           following new part:

1 "PART H—TRAINING PROGRAMS FOR ALLIED HEALTH  
2 PERSONNEL

3 "DEFINITION

4 "SEC. 795. For purposes of this part, the term 'allied  
5 health personnel' means individuals with training and respon-  
6 sibilities for (1) supporting, complementing, or supplement-  
7 ing the professional functions of physicians, dentists, and  
8 other health professionals in the delivery of health care to  
9 patients, or (2) assisting environmental engineers and other  
10 personnel in environmental health control and preventive  
11 medicine activities.

12 "PROJECT GRANTS AND CONTRACTS

13 "SEC. 796. (a) The Secretary may make grants to  
14 public and nonprofit private entities and enter into contracts  
15 with individuals and public and private entities to assist in  
16 meeting the costs of planning, study, development, demon-  
17 stration, and evaluation projects undertaken with respect to  
18 one or more of the following:

19 "(1) Methods of coordination, management, and  
20 articulation of education and training at various levels  
21 for allied health personnel within and among educational  
22 institutions and their clinical affiliates.

23 "(2) Methods and techniques for State and regional

1 coordination and monitoring of education and training  
2 for allied health personnel.

3 “(3) Educational programs (including programs in  
4 a junior college) which lead to—

5 “(A) a baccalaureate degree, an associate de-  
6 gree, or the equivalent of either degree, or

7 “(B) a higher degree,  
8 in medical technology, preventive medicine technology,  
9 environmental health technology, ophthalmic dispensing,  
10 optometric technicianery, dental hygiene, or such other  
11 of the curricula for the training of allied health personnel  
12 as the Secretary may by regulation specify, and other  
13 methods and curricula (including model curricula) for  
14 training various types of allied health personnel.

15 “(4) Programs, or means of adapting existing  
16 programs, for training as allied health personnel special  
17 groups such as returning veterans, the economically or  
18 culturally deprived, and persons reentering any of the  
19 allied health fields.

20 “(5) New roles and functions for allied health per-  
21 sonnel and methods for increasing the efficiency of health  
22 manpower through more effective utilization of allied  
23 health personnel in various practice settings.

24 “(6) New methods of credentialing allied health  
25 personnel, including techniques for appropriate recog-

1       nition (through equivalency and proficiency testing or  
2       otherwise) of previously acquired training or experi-  
3       ence, developed in coordination with the Secretary's pro-  
4       gram under section 1123 of the Social Security Act.

5       “(7) Methods of recruitment and retraining of  
6       allied health personnel.

7       “(8) Meaningful career ladders and programs of  
8       advancement for practicing allied health personnel.

9       “(9) Continuing education programs for practicing  
10      allied health personnel.

11      “(10) Expansion of existing, or establishment of,  
12      new educational programs in allied health professions  
13      for which the Secretary determines there is a critical  
14      or unusual national need.

15      “(b) (1) No grant may be made or contract entered  
16      into under subsection (a) unless an application therefor has  
17      been submitted to, and approved by, the Secretary. Such  
18      application shall be in such form, submitted in such manner,  
19      and contain such information, as the Secretary shall by reg-  
20      ulation prescribe.

21      “(2) Contracts may be entered into under subsection  
22      (a) without regard to sections 3648 and 3709 of the Revised  
23      Statutes (31 U.S.C. 529; 41 U.S.C. 5).

24      “(3) The amount of any grant under subsection (a)  
25      shall be determined by the Secretary. Payments under such

1 grants may be made in advance or by way of reimburse-  
2 ment, and at such intervals and on such conditions as the  
3 Secretary finds necessary.

4 “(c) For the purpose of making payments under grants  
5 and contracts under subsection (a), there are authorized to  
6 be appropriated \$20,000,000 for fiscal year 1976, \$20,000,-  
7 000 for fiscal year 1977, and \$20,000,000 for fiscal year  
8 1978.

9 “TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED  
10 HEALTH PERSONNEL

11 “SEC. 797. (a) The Secretary may make grants to pub-  
12 lic and nonprofit private entities for traineeships provided by  
13 such entities for the training of allied health personnel to  
14 teach in training programs for such personnel or to serve  
15 in administrative or supervisory positions.

16 “(b) (1) No grant may be made under subsection (a)  
17 unless an application therefor has been submitted to and  
18 approved by the Secretary. Such application shall be in  
19 such form, submitted in such manner, and contain such  
20 information as the Secretary shall by regulation prescribe.

21 “(2) Payments under such grants (A) shall be limited  
22 to such amounts as the Secretary finds necessary to cover  
23 the cost of tuition and fees of, and stipends and allowances  
24 (including travel and subsistence expenses and dependency

1 allowances) for, the trainees; and (B) may be made in  
 2 advance or by way of reimbursement and at such intervals  
 3 and on such conditions as the Secretary finds necessary.

4 “(c) For the purposes of making payments under  
 5 grants under subsection (a), there are authorized to be  
 6 appropriated \$6,000,000 for fiscal year 1976, \$6,000,000  
 7 for fiscal year 1977, and \$6,000,000 for fiscal year 1978.

8 “GRANTS AND CONTRACTS TO ENCOURAGE FULL UTILIZA-  
 9 TION OF EDUCATIONAL TALENT FOR ALLIED HEALTH  
 10 PERSONNEL TRAINING

11 “SEC. 798. (a) The Secretary may make grants to and  
 12 enter into contracts with State and local educational agencies  
 13 and other public or nonprofit private entities—

14 “(1) to (A) identify individuals of financial, edu-  
 15 cational, or cultural need who have a potential to be-  
 16 come allied health personnel, including individuals who  
 17 are veterans of the Armed Forces with military training  
 18 or experience similar to that of allied health personnel,  
 19 and (B) encourage and assist, whenever appropriate,  
 20 the individuals described in clause (A) to (i) complete  
 21 secondary school, (ii) undertake such postsecondary  
 22 training as may be required to qualify them to undertake  
 23 allied health personnel training, and (iii) undertake  
 24 postsecondary allied health personnel training; and

1           “(2) to publicize existing sources of financial aid  
2           available to individuals undertaking allied health person-  
3           nel training.

4           “(b) (1) No grant may be made or contract entered into  
5           under subsection (a) unless an application therefor has been  
6           submitted to, and approved by, the Secretary. Such applica-  
7           tion shall be in such form, submitted in such manner, and  
8           contain such information, as the Secretary shall by regulation  
9           prescribe.

10          “(2) Contracts may be entered into under subsection  
11          (a) without regard to section 3648 and 3709 of the Revised  
12          Statutes (31 U.S.C. 529; 41 U.S.C. 5).

13          “(3) The amount of any grant under subsection (a)  
14          shall be determined by the Secretary. Payments under such  
15          grants may be made in advance or by way of reimbursement,  
16          and at such intervals and on such conditions, as the Secretary  
17          finds necessary.

18          “(c) For payments under grants and contracts under  
19          subsection (a) there are authorized to be appropriated  
20          \$1,000,000 for fiscal year 1976, \$1,000,000 for fiscal year  
21          1977, and \$1,000,000 for fiscal year 1978.

22                        “STATISTICS AND ANNUAL REPORT

23          “SEC. 799. (a) The Secretary shall, in coordination  
24          with the National Center for Health Statistics (established  
25          under section 306), continuously develop, publish, and dis-

1 seminate on a nationwide basis statistics and other informa-  
2 tion respecting allied health personnel, including—

3 “(1) detailed descriptions of the various types of  
4 such personnel and the activities in which such personnel  
5 are engaged,

6 “(2) the current and anticipated needs for the vari-  
7 ous types of such health personnel, and

8 “(3) the number, employment, geographic loca-  
9 tions, salaries, and surpluses and shortages of such per-  
10 sonnel, the educational and licensure and certification  
11 requirements for the various types of such personnel,  
12 and the cost of training such personnel.

13 “(b) The Secretary shall submit annually to the Com-  
14 mittee on Interstate and Foreign Commerce of the House of  
15 Representatives and to the Committee on Labor and Public  
16 Welfare of the Senate a report on—

17 “(1) the statistics and other information developed  
18 pursuant to subsection (a) ; and

19 “(2) the activities conducted under this part, in-  
20 cluding an evaluation of such activities.

21 Such report shall contain such recommendation for legisla-  
22 tion as the Secretary determines is needed to improve the  
23 programs authorized under this part. The Office of Man-  
24 agement and Budget may review such report before its sub-  
25 mission to Congress, but the Office may not revise the report



1 or delay its submission beyond the date prescribed for its sub-  
2 mission and may submit to Congress its comments respecting  
3 such report. The first report under this subsection shall be  
4 submitted not later than September 1, 1976."

## 5 TITLE VIII—MISCELLANEOUS

### 6 STUDY OF DISTRIBUTION OF PHYSICIANS

7 SEC. 801. (a) The Secretary of Health, Education, and  
8 Welfare shall, within ninety days after the date of the  
9 enactment of this Act, contract for the conduct of a study  
10 for the following purposes:

11 (1) To analyze the current distribution of physi-  
12 cians by specialty. In making such analysis—

13 (A) the geographical distribution of medical  
14 and osteopathic physicians by specialty and sub-  
15 specialty and by geographic area shall be deter-  
16 mined, and in connection with such determination  
17 physician specialties and subspecialties shall be  
18 defined in a manner consistent with recognized cate-  
19 gories and geographical areas shall be defined as  
20 reasonable medical trade areas for each specialty or  
21 subspecialty; and

22 (B) special attention shall be given to de-  
23 termining (i) the percentage of time physicians in  
24 each specialty and subspecialty spend in primary

1 care activities and in other activities unrelated to  
2 their specialty training, and (ii) the percentage of  
3 time primary care physicians spend in specialty  
4 care.

5 (2) To project the expected distribution of physi-  
6 cians by specialty and subspecialty by geographic area  
7 in the years 1980, 1985, and 1990. Such projection shall  
8 be based on current trends in physician specialty train-  
9 ing and choice of practice sites, the activities of various  
10 specialty boards and other organizations, and the retire-  
11 ment-death rate of physicians by specialty and sub-  
12 specialty.

13 (3) To examine and evaluate the various method-  
14 ologies for estimating the optimal distribution of physi-  
15 cians by specialty and subspecialty by geographic area  
16 controlling the supply of specialists and subspecialists,  
17 Methodologies examined and evaluated shall include  
18 (A) methodologies utilized by foreign countries, and  
19 (B) consideration of the use of nonphysicians to per-  
20 form functions normally performed by physicians.

21 (4) To develop a reliable and appropriate method-  
22 ology to establish the optimal distribution of physicians  
23 by specialty and subspecialty by geographic area. Utiliz-  
24 ing such methodology, projections shall be made for the

1 optimal number of physicians by specialty and subspe-  
2 cialty by geographic area for the years 1980, 1985,  
3 and 1990.

4 (b) The organization selected by the Secretary to con-  
5 duct the study required by subsection (a) shall—

6 (1) have a national reputation for objectivity in  
7 the conduct of studies for the Federal Government;

8 (2) have the capacity to readily marshal the widest  
9 possible range of expertise and advice relevant to the  
10 conduct of such study;

11 (3) have a membership and competent staff which  
12 have backgrounds in government, the health sciences,  
13 and the social sciences;

14 (4) have a history of interest and activity in health  
15 policy issues related to such study; and

16 (5) have extensive existing contracts with inter-  
17 ested public and private agencies and organizations.

18 (c) An interim report providing a plan for the study  
19 required by subsection (a) shall be submitted by the orga-  
20 nization conducting the study to the Committee on Inter-  
21 state and Foreign Commerce of the House of Representa-  
22 tives and the Committee on Labor and Public Welfare of  
23 the Senate by October 31, 1975; and a final report giving  
24 the results of the study shall be submitted by such organiza-  
25 tion to the Committee on Interstate and Foreign Commerce

1 of the House of Representatives and the Committee on Labor  
2 and Public Welfare of the Senate by October 31, 1976.

3 (d) The Secretary shall make an annual report to the  
4 Congress describing and evaluating the impact of the pro-  
5 grams of assistance authorized by title VII of the Public  
6 Health Service Act on the number and distribution of, and  
7 quality of care provided by, health professionals in areas not  
8 within Standard Metropolitan Statistical Areas.

9 QUALITY ASSURANCES RESPECTING EDUCATION AND  
10 TRAINING OF ALLIED HEALTH PERSONNEL

11 SEC. 802. The Secretary of Health, Education, and  
12 Welfare shall within one year of the date of the enactment  
13 of this Act (1) submit to the Congress a report which  
14 identifies and describes each of the programs which he ad-  
15 ministers under which the costs of programs of education and  
16 training for allied health personnel (as defined in section  
17 795 of the Public Health Service Act) are directly or indi-  
18 rectly paid (in whole or in part) ; and (2) take such action  
19 as may be necessary to require that such assistance is pro-  
20 vided only those programs which meet such quality stand-  
21 ards as the Secretary may by regulation prescribe.

22 ALLIED HEALTH PERSONNEL STUDY

23 SEC. 803. (a) (1) The Secretary of Health, Education,  
24 and Welfare shall, in accordance with paragraph (2) ar-  
25 range for the conduct of studies—

1           (A) to identify the various types of allied health  
2           personnel and the activities in which such personnel are  
3           engaged and the various training programs currently  
4           offered for allied health personnel;

5           (B) to establish classifications of allied health per-  
6           sonnel on the basis of their activities, responsibilities, and  
7           training;

8           (C) using appropriate methodologies, to determine  
9           the cost of educating and training allied health personnel  
10          in each classification; and

11          (D) to identify the classifications in which there are  
12          a critical shortage of such personnel and the training  
13          programs which should be assisted to meet that shortage.

14          (2) (A) The Secretary shall request the National  
15          Academy of Sciences to conduct such studies under an ar-  
16          rangement under which the actual expenses incurred by such  
17          Academy in conducting such studies will be paid by the  
18          Secretary. If the National Academy of Sciences is willing to  
19          do so, the Secretary shall enter into such an arrangement  
20          with such Academy for the conduct of such studies.

21          (B) If the National Academy of Sciences is unwilling  
22          to conduct one or more such studies under such an arrange-  
23          ment, then the Secretary shall enter into a similar arrange-  
24          ment with other appropriate nonprofit private groups or  
25          associations under which such groups or associations will

1 conduct such studies and prepare and submit the reports  
2 thereon as provided in subsection (b).

3 (b) The studies required by subsection (a) shall be com-  
4 pleted within the two-year period beginning on the date of  
5 the enactment of this Act; and a report on the results of  
6 such study shall be submitted by the Secretary to the Com-  
7 mittee on Interstate and Foreign Commerce of the House  
8 of Representatives and the Committee on Labor and Public  
9 Welfare of the Senate before the expiration of such period.

10 (c) Within six months after the date prescribed for the  
11 completion of the studies under subsection (a), the Secretary  
12 of Health, Education, and Welfare shall transmit to Congress  
13 such recommendations for legislation as he determines is  
14 necessary to provide appropriate support for the training  
15 programs referred to in subsection (a) (1) (D).

16 **STUDY OF FUNDING ALTERNATIVES FOR HEALTH**

17 **PROFESSIONS EDUCATION**

18 **SEC. 804.** The Secretary shall arrange for the conduct of  
19 a study or studies to (1) determine the factors affecting the  
20 costs of schools of medicine, osteopathy, dentistry, veterinary  
21 medicine, optometry, podiatry, and pharmacy in conducting  
22 their respective educational programs, (2) identify and eval-  
23 uate the current sources of revenue (including grants under  
24 the Public Health Service Act and other sources of Federal  
25 and State financial assistance) available to such schools to

1 meet such costs, and (3) identify and evaluate alternative  
 2 sources of revenue which may be developed to meet such  
 3 costs. The Secretary shall provide that the entity or entities  
 4 conducting such study or studies shall solicit and consider the  
 5 views of appropriate professional organizations representative  
 6 of the interests of such schools. The Secretary shall report the  
 7 results of the study, together with recommendations for such  
 8 legislation as he may deem appropriate, to the Committee on  
 9 Interstate and Foreign Commerce of the House of Repre-  
 10 sentatives and the Committee on Labor and Public Welfare  
 11 of the Senate not later than June 30, 1976.

#### 12 RECOVERY

13 SEC. 805. Title V is amended by adding at the end  
 14 thereof the following new section:

#### 15 "RECOVERY

16 "SEC. 514. If, within twenty years (or ten years in the  
 17 case of a facility constructed under funds paid under part A  
 18 of title VII (as in effect before the date of the enactment  
 19 of the Health Manpower Act of 1975) ) after completion of  
 20 the construction of any facility for which funds have been  
 21 paid under such part A (as so in effect) or under part D  
 22 of such title VII (as in effect before July 1, 1967) --

23 "(1) the applicant for such funds or other owner of  
 24 such facility shall cease to be a public or nonprofit  
 25 private entity, or

1           “(2) such facility shall cease to be used for the  
 2           purposes for which such funds for its construction were  
 3           provided, unless the Secretary determines, in accordance  
 4           with regulations, that there is good cause for releasing  
 5           the applicant or other owner from the obligation to do so,  
 6           the United States shall be entitled to recover from the  
 7           applicant or other owner of the facility the amount bearing  
 8           the same ratio to the then value (as determined by agree-  
 9           ment of the parties or by action brought in the United  
 10          States district court for the district in which such facility  
 11          is situated) of the facility, as the amount of the Federal par-  
 12          ticipation bore to the cost of construction of such facility.”.

#### 13                               DEFINITION OF STATE

14          SEC. 806. (a) Section 2(f) is amended to read as  
 15          follows:

16          “(f) Except as provided in sections 314(g) (4) (B),  
 17          317(h) (2), 318(c) (1), 330(a) (2), 355(5), 361(d),  
 18          1002(c), 1201(2), 1410(13), 1531(1), and 1633(1), the  
 19          term ‘State’ includes, in addition to the several States, only  
 20          the District of Columbia, Guam, the Commonwealth of  
 21          Puerto Rico, and the Virgin Islands.”

22          (b) (1) Section 361(d) is amended by adding at the  
 23          end thereof the following: “For purposes of this subsection,  
 24          the term ‘State’ includes, in addition to the several States,  
 25          only the District of Columbia.”.



1       (2) Section 1410 is amended by adding after paragraph  
2       (12) the following new paragraph:

3           “(13) The term ‘State’ includes, in addition to the  
4       several States, only the District of Columbia, Guam, the  
5       Commonwealth of Puerto Rico, the Virgin Islands,  
6       American Samoa, and the Trust Territory of the Pacific  
7       Islands.”.

Passed the House of Representatives July 11, 1975.

Attest:

W. PAT JENNINGS,

*Clerk.*

94TH CONGRESS  
1ST Session

## H. R. 5546

### AN ACT

To amend the Public Health Service Act to revise and extend the programs of assistance under title VII for training in the health and allied health professions, to revise the National Health Service Corps program and the National Health Service Corps scholarship training program, and for other purposes.

JULY 15 (legislative day, JULY 10), 1975  
Read twice and referred to the Committee on Labor  
and Public Welfare