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89TH CONGRESS
1ST SESSION

S. 596

IN THE SENATE OF THE UNITED STATES

JANUARY 19, 1965

Mr. HILL introduced the following bill; which was read twice and referred to the Committee on Labor and Public Welfare

A BILL

To amend the Public Health Service Act to assist in combating heart disease, cancer, and stroke, and other major diseases.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Heart Disease, Cancer,
4 and Stroke Amendments of 1965".

5 SEC. 2. The Public Health Service Act (42 U.S.C., ch.
6 6A) is amended by adding at the end thereof the following
7 new title:

1 "TITLE IX—REGIONAL MEDICAL COMPLEXES
2 FOR RESEARCH AND TREATMENT IN HEART
3 DISEASE, CANCER, STROKE, AND OTHER
4 MAJOR DISEASES

5 "PURPOSES

6 "SEC. 900. The purposes of this title are—

7 "(a) Through grants, to encourage and assist in the
8 establishment of regionally coordinated arrangements among
9 medical schools, research institutions, and hospitals for re-
10 search and training and for demonstrations of patient care in
11 the fields of heart disease, cancer, stroke, and other major
12 diseases;

13 "(b) To afford to the medical profession and the med-
14 ical institutions of the Nation, through such coordinated
15 arrangements, the opportunity of making available to their
16 patients the latest advances in the diagnosis and treatment
17 of these diseases; and

18 "(c) To accomplish these ends without interfering with
19 the patterns, or the methods of financing, of patient care or
20 professional practice, or with the administration of hospitals.

21 "AUTHORIZATION OF APPROPRIATIONS

22 "SEC. 901. (a) There are authorized to be appropriated
23 \$50,000,000 for the fiscal year ending June 30, 1966, and
24 such sums as may be necessary for each of the next four fis-

1 versities, medical schools, research institutions, and other
 2 public or nonprofit private institutions and agencies in plan-
 3 ning, establishing, and operating regional medical complexes
 4 for research, training, and demonstration activities for carry-
 5 ing out the purposes of this title. Sums appropriated under
 6 this section for any fiscal year shall remain available for
 7 making such grants until the end of the fiscal year following
 8 the fiscal year for which the appropriation is made.

9 “(b) A grant under this title shall be for part or all of
 10 the cost of the planning or other activities with respect to
 11 which the application is made, except that any such grant
 12 with respect to construction of, or provision of built-in (as
 13 determined in accordance with regulations) equipment for,
 14 any facility may not exceed 90 per centum of the cost of such
 15 construction or equipment.

16 “(c) Funds appropriated pursuant to this title shall not
 17 be available to pay the cost of hospital, medical, or other
 18 care of patients except to the extent it is, as determined in
 19 accordance with regulations, incident to research, training, or
 20 demonstration activities.

21 “DEFINITIONS

22 “SEC. 902. For the purposes of this title—

23 “(a) The term ‘regional medical complex’ means a
 24 group of public or nonprofit private institutions or agencies

25 which is engaged in research, training, diagnosis,

1 and treatment relating to heart disease, cancer, or stroke and,
2 at the option of the applicant, any other disease found by the
3 Surgeon General to be of major significance to the health of
4 the Nation; but only if such group—

5 “(1) is situated within a geographic area, composed
6 of any part or parts of any one or more States, which
7 the Surgeon General determines, in accordance with
8 regulations, to be appropriate for carrying out the pur-
9 poses of this title;

10 “(2) consists of one or more medical centers, one
11 or more categorical research centers, and one or more
12 diagnostic and treatment stations; and

13 “(3) has in effect arrangements for the coordina-
14 tion of the activities of its component units which the
15 Surgeon General finds will be adequate for effectively
16 carrying out the purposes of this title.

17 “(b) The term ‘medical center’ means a medical school
18 and one or more hospitals affiliated therewith for teaching,
19 research, and demonstration purposes.

20 “(c) The term ‘categorical research center’ means an in-
21 stitution (or part of an institution) the primary function of
22 which is research (including clinical research), training of
23 specialists, and demonstrations and which, in connection
24 therewith, provides specialized, high-quality diagnostic and
25 treatment services for inpatients and outpatients.

1 “(d) The term ‘diagnostic and treatment station’ means
2 a unit of a hospital or other health facility, the primary func-
3 tion of which is to support and augment local capability for
4 diagnosis and treatment by providing specialized, high-
5 quality diagnostic and treatment services to outpatients and
6 inpatients.

7 “(e) The term ‘nonprofit’ as applied to any institution
8 or agency means an institution or agency which is owned and
9 operated by one or more nonprofit corporations or associa-
10 tions no part of the net earnings of which inures, or may
11 lawfully inure, to the benefit of any private shareholder or
12 individual.

13 “(f) The term ‘construction’ includes construction and
14 initial equipment of new buildings, expansion, remodeling,
15 and alteration of existing buildings; including architects’ serv-
16 ices, but excluding off-site improvements and the acquisition
17 of land.

18 “GRANTS FOR PLANNING AND DEVELOPMENT

19 “SEC. 903. (a) The Surgeon General, after consultation
20 with the National Advisory Council on Medical Complexes
21 established by section 905 (hereinafter in this title referred
22 to as the ‘Council’), is authorized to make grants to public
23 or nonprofit private universities, medical schools, research
24 institutions, and other public or nonprofit private agencies.

1 and institutions to assist them in planning the development of
2 regional medical complexes.

3 " (b) Grants under this section may be made only upon
4 application therefor approved by the Surgeon General. Any
5 such application may be approved only if it contains or is
6 supported by reasonable assurances that—

7 " (1) Federal funds paid pursuant to any such grant
8 will be used only for the purposes for which paid and in
9 accordance with the applicable provisions of this title
10 and the regulations thereunder;

11 " (2) the applicant will provide for such fiscal con-
12 trol and fund accounting procedures as are required by
13 the Surgeon General to assure proper disbursement of
14 and accounting for such Federal funds;

15 " (3) the applicant will make such reports, in such
16 form and containing such information as the Surgeon
17 General may from time to time reasonably require, and
18 will keep such records and afford such access thereto
19 as the Surgeon General may find necessary to assure the
20 correctness and verification of such reports; and

21 " (4) the applicant will provide for the designation
22 of an advisory group, to advise the applicant (and the
23 resulting regional medical complex and its component
24 units) in formulating and carrying out the plan for the

1 complex, which includes representatives of organizations,
2 institutions, and agencies concerned with activities of the
3 kind to be carried on by the complex and members of
4 the public familiar with the need for the services pro-
5 vided by the complex.

6 "GRANTS FOR ESTABLISHMENT AND OPERATION OF
7 REGIONAL MEDICAL COMPLEXES

8 "SEC. 904 (a) The Surgeon General, after consultation
9 with the Council, is authorized to make grants to public or
10 nonprofit private universities, medical schools, research insti-
11 tutions, and other public or nonprofit private agencies and
12 institutions to assist in establishment and operation of re-
13 gional medical complexes, including construction and equip-
14 ment of facilities in connection therewith.

15 "(b) Grants under this section may be made only upon
16 application therefor approved by the Surgeon General. Any
17 such application may be approved only if it contains or is
18 supported by reasonable assurances that—

19 "(1) Federal funds paid pursuant to any such grant
20 (A) will be used only for the purposes for which paid
21 and in accordance with the applicable provisions of this
22 title and the regulations thereunder, and (B) will not
23 supplant funds that are otherwise available for establish-
24 ment or operation of the regional medical complex with

1 “(2) the applicant will provide for such fiscal con-
2 trol and fund accounting procedures as are required by
3 the Surgeon General to assure proper disbursement of
4 and accounting for such Federal funds;

5 “(3) the applicant will make such reports, in such
6 form and containing such information as the Surgeon
7 General may from time to time reasonably require, and
8 will keep such records and afford such access thereto as
9 the Surgeon General may find necessary to assure the
10 correctness and verification of such reports;

11 “(4) the applicant has designated or will designate
12 an advisory group, described in paragraph (4) of sec-
13 tion 903 (b), to advise in carrying out the plan for the
14 regional medical complex; and

15 “(5) any laborer or mechanic employed by any
16 contractor or subcontractor in the performance of work
17 on any construction aided by payments pursuant to any
18 grant under this section will be paid wages at rates not
19 less than those prevailing on similar construction in the
20 locality as determined by the Secretary of Labor in ac-
21 cordance with the Davis-Bacon Act, as amended (40
22 U.S.C. 276a-276a-5); and the Secretary of Labor
23 shall have, with respect to the labor standards specified
24 in this paragraph, the authority and functions set forth
25 in Reorganization Plan Numbered 14 of 1950 (15 F.R.

1 3176; 5 U.S.C. 133z-15) and section 2 of the Act of
2 June 13, 1934, as amended (40 U.S.C. 276c).

3 "NATIONAL ADVISORY COUNCIL ON MEDICAL COMPLEXES

4 "SEC. 905. (a) The Surgeon General, with the ap-
5 proval of the Secretary, may appoint, without regard to the
6 civil service laws, a National Advisory Council on Medical
7 Complexes. The Council shall consist of the Surgeon Gen-
8 eral, who shall be the Chairman, and twelve members, not
9 otherwise in the employ of the United States, who are lead-
10 ers in the fields of the fundamental sciences, the medical sci-
11 ences, or public affairs. At least one of the appointed
12 members shall be outstanding in the study, diagnosis, or
13 treatment of heart disease, one shall be outstanding in the
14 study, diagnosis, or treatment of cancer, and one shall be
15 outstanding in the study, diagnosis, or treatment of stroke.

16 "(b) Each appointed member of the Council shall hold
17 office for a term of four years, except that any member ap-
18 pointed to fill a vacancy prior to the expiration of the term
19 for which his predecessor was appointed shall be appointed
20 for the remainder of such term, and except that the terms of
21 office of the members first taking office shall expire, as
22 designated by the Surgeon General at the time of appoint-
23 ment, four at the end of the first year, four at the end of
24 the second year, and four at the end of the third year after

1 the date of appointment. An appointed member shall not
2 be eligible to serve continuously for more than two terms.

3 “(c) Appointed members of the Council, while attend-
4 ing meetings or conferences thereof or otherwise serving on
5 business of the Council, shall be entitled to receive compen-
6 sation at rates fixed by the Secretary, but not exceeding
7 \$100 per day, including travel time, and while so serving
8 away from their homes or regular places of business they
9 may be allowed travel expenses, including per diem in lieu
10 of subsistence, as authorized by section 5 of the Administra-
11 tive Expenses Act of 1946 (5 U.S.C. 73b-2) for persons
12 in the Government service employed intermittently.

13 “(d) The Council shall advise and assist the Surgeon
14 General in the preparation of regulations for, and as to policy
15 matters arising with respect to, the administration of this
16 title. The Council shall consider all applications for grants
17 under this title and shall make recommendations to the
18 Surgeon General with respect to approval of applications
19 for and the amounts of grants under this title.

20 “REGULATIONS

21 “SEC. 906. The Surgeon General, after consultation
22 with the Council, shall prescribe general regulations cover-
23 ing the terms and conditions for approving applications for
24 grants under this title and the coordination of programs
25 assisted under this title with programs for training, research.

1 and demonstrations relating to the same diseases assisted
2 or authorized under other titles of this Act or other Acts of
3 Congress.

4 "REPORT

5 "SEC. 907. On or before June 30, 1969, the Surgeon
6 General, after consultation with the Council, shall submit to
7 the Secretary for transmission to the President and then to
8 the Congress, a report of the activities under this title to-
9 gether with (1) a statement of the relationship between Fed-
10 eral financing and financing from other sources of the activi-
11 ties undertaken pursuant to this title, (2) an appraisal of the
12 activities assisted under this title in the light of their effective-
13 ness in carrying out the purposes of this title, and (3) recom-
14 mendations with respect to extension or modification of this
15 title in the light thereof."

16 SEC. 3. (a) Section 1 of the Public Health Service Act
17 is amended to read as follows:

18 "SECTION 1. Titles I to IX, inclusive, of this Act may
19 be cited as the 'Public Health Service Act'."

20 (b) The Act of July 1, 1944 (58 Stat. 682), as
21 amended, is further amended by renumbering title IX (as in
22 effect prior to the enactment of this Act) as title X, and by
23 renumbering sections 901 through 914 (as in effect prior to
24 the enactment of this Act), and references thereto, as sections
25 1001 through 1014, respectively

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