

Amendment offered by Congressman Shomari Figures

Amendment description

The amendment would create a targeted loan and loan-guarantee program to help financially distressed rural health care facilities keep their doors open and preserve essential services.

AMENDMENT

OFFERED BY MR. FIGURES OF ALABAMA

At the end of subtitle D of title VI, add the following:

1 **SEC. ____ . RURAL HEALTH CARE FACILITY STABILIZA-**
2 **TION ASSISTANCE PROGRAM.**

3 Subtitle D of the Consolidated Farm and Rural De-
4 velopment Act (7 U.S.C. 1981–2008w) is amended by in-
5 serting after section 374 the following:

6 **“SEC. 375. RURAL HEALTH CARE FACILITY STABILIZATION**
7 **ASSISTANCE PROGRAM.**

8 “(a) **IN GENERAL.**—The Secretary shall provide
9 loans and loan guarantees to help prevent rural health
10 centers from closing or reducing essential services.

11 “(b) **ELIGIBLE BORROWERS.**—

12 “(1) **IN GENERAL.**—A health center shall be eli-
13 gible for a loan or loan guarantee under this section
14 if—

15 “(A)(i) the health center—

16 “(I) is located in a rural area; or

17 “(II) serves a rural community with a
18 hospital at least 60 percent of the patients

1 of which have their primary residence in a
2 rural area; or

3 “(ii) at least 30 percent of the patients of
4 the health center reside in a rural area; and

5 “(B) the health center demonstrates finan-
6 cial distress through objective indicators such
7 as operating margin of less than 5 percent, low
8 cash reserves, or risk of service loss, as deter-
9 mined by the Secretary.

10 “(2) DEFINITIONS.—In this section:

11 “(A) HEALTH CENTER.—The term ‘health
12 center’ means the following:

13 “(i) A subsection (d) hospital (as de-
14 fined in paragraph (1)(B) of section
15 1886(d) of the Social Security Act).

16 “(ii) A critical access hospital (as de-
17 fined in section 1861(mm)(1) of the Social
18 Security Act).

19 “(iii) A sole community hospital (as
20 defined in section 1886(d)(5)(D)(iii) of the
21 Social Security Act).

22 “(iv) A Medicare-dependent, small
23 rural hospital (as defined in section
24 1886(d)(5)(G)(iv) of the Social Security
25 Act).

1 “(v) A low-volume hospital (as defined
2 in section 1886(d)(12)(C) of the Social Se-
3 curity Act).

4 “(vi) A rural emergency hospital (as
5 defined in section 1861(kkk)(2) of the So-
6 cial Security Act).

7 “(vii) A rural health clinic (as defined
8 in section 1861(aa)(2) of the Social Secu-
9 rity Act).

10 “(viii) A Federally qualified health
11 center (as defined in section 1861(aa)(4))
12 of the Social Security Act.

13 “(ix) A community mental health cen-
14 ter (as defined in section 1861(ff)(3)(B) of
15 the Social Security Act).

16 “(x) A health center that is receiving
17 a grant under section 330 of the Public
18 Health Service Act.

19 “(xi) An opioid treatment program (as
20 defined in section 1861(jjj)(2) of the Social
21 Security Act).

22 “(xii) A certified community behav-
23 ioral health clinic (as defined in section
24 1905(jj)(2) of the Social Security Act).

1 “(B) RURAL AREA.—The term ‘rural area’
2 has the meaning given the term in subpara-
3 graph (A) of section 343(a)(13), including an
4 area described in clause (ii) of such subpara-
5 graph that the Secretary determines under sub-
6 paragraph (D) of such section is a rural area.

7 “(3) PRIORITY.—

8 “(A) IN GENERAL.—In carrying out this
9 section, the Secretary may prioritize the provi-
10 sion of assistance to health centers that are—

11 “(i) sole community providers, as de-
12 termined by the Secretary;

13 “(ii) providers in a high poverty area
14 or an area designated by the Secretary as
15 having a shortage of personal health serv-
16 ices; and

17 “(iii) hospitals delivering critical
18 emergency and safety-net services, as de-
19 termined by the Secretary.

20 “(B) HIGH POVERTY AREA DEFINED.—In
21 subparagraph (A), the term ‘high poverty area’
22 means an area with an areawide poverty rate of
23 20 percent or more, based on the Official Pov-
24 erty Measure of the Bureau of the Census.

1 “(c) USE OF FUNDS.—A health center to which a
2 loan or loan guarantee is provided under this section may
3 use the loan or loan guarantee to prevent the closure of,
4 or the reduction of the provision of essential services by
5 the health center, and to restore the provision of essential
6 services by the health center, by using the loan proceeds
7 in ways such as—

8 “(1) for projects to acquire, repair, or upgrade
9 the systems, facilities, and equipment of the health
10 center;

11 “(2) to cover the operational costs of the health
12 center, including supplies and payroll expenses (ex-
13 cept bonuses);

14 “(3) for debt payments, working capital, main-
15 taining essential service lines, bridging reimburse-
16 ment timing gaps, or refinancing high-interest debt
17 incurred for patient care operations; or

18 “(4) any other activity as the Secretary may
19 allow.

20 “(d) REPORT TO CONGRESS.—Within 18 months
21 after the date of the enactment of this section, the Sec-
22 retary shall submit to the Committee on Agriculture of
23 the House of Representatives and the Committee on Agri-
24 culture, Nutrition, and Forestry of the Senate a report
25 on the activities and outcomes of the program carried out

1 under this section, including the effect of the program on
2 stabilizing the finances of the rural health care facilities
3 assisted by the program, and shall make available to the
4 public a summary of the report which does not include
5 any personal information or any financial information
6 about a health center.”.

