AN ACT

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:
“TITLE IX—REGIONAL MEDICAL COMPLEXES
FOR RESEARCH AND TREATMENT IN HEART
DISEASE, CANCER, STROKE, AND OTHER
MAJOR DISEASES

“PURPOSES

“Sec. 900. The purposes of this title are—

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

“(b) To afford to the medical profession and the med-
ical institutions of the Nation, through such coordinated
arrangements, a more abundant opportunity of making
available to their patients the latest advances in the diagnosis
and treatment of these diseases; and

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

“AUTHORIZATION OF APPROPRIATIONS

“Sec. 901. (a) There are authorized to be appropriated
$50,000,000 for the fiscal year ending June 30, 1966,
$100,000,000 for the fiscal year ending June 30, 1967,
$200,000,000 for the fiscal year ending June 30, 1968, and
$300,000,000 for the fiscal year ending June 30, 1969, for grants to assist public or nonprofit private universities, medical schools, research institutions, hospitals, and other public or nonprofit private institutions and agencies, or associations thereof, in planning, establishing, and operating regional medical complexes for research, training, and demonstration activities for carrying out the purposes of this title.

Sums appropriated under this section for any fiscal year shall remain available for making such grants until the end of the fiscal year following the fiscal year for which the appropriation is made.

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

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

"Sec. 902. For the purposes of this title—

"(a) The term ‘regional medical complex’ means a group of public or nonprofit private institutions or agencies engaged in research, training, prevention, diagnosis, and treatment relating to heart disease, cancer, or stroke and, at the option of the applicant, any other disease found by the Surgeon General to be of major significance to the aforesaid objectives of such regional medical complex; but only if such group—

"(1) is situated within a geographic area, composed of any part or parts of any one or more States, which the Surgeon General determines, in accordance with regulations, to be appropriate for carrying out the purposes of this title;

"(2) consists of one or more medical centers, one or more categorical research centers, and one or more diagnostic and treatment stations; and

"(3) has in effect arrangements for the coordination of the activities of its component units which the Surgeon General finds will be adequate for effectively carrying out the purposes of this title.

"(b) The term ‘medical center’ means a medical school or other medical institution involved in post-graduate medical
training and one or more hospitals affiliated therewith for teaching, research, and demonstration purposes.

"(c) The term 'categorical research center' means an institution (or part of an institution) the primary function of which is research (including clinical research), training of specialists, and demonstrations and which, in connection therewith, provides specialized, high-quality diagnostic and treatment services for inpatients and outpatients.

"(d) The term 'diagnostic and treatment station' means a unit of a hospital or other health facility, the primary function of which is to support and augment local capability for providing specialized, high-quality preventive, diagnostic, and treatment services to outpatients and inpatients.

"(e) The term 'nonprofit' as applied to any institution or agency means an institution or agency which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"(f) The term 'construction' includes alteration, major repair (to the extent permitted by regulations), remodeling, replacement, and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-
1 in (as determined in accordance with regulations) equipment
2 of existing buildings.
3 "GRANTS FOR PLANNING AND DEVELOPMENT
4 "Sec. 903. (a) The Surgeon General, upon the recom-
5 mendation of the National Advisory Council on Medical
6 Complexes established by section 905 (hereinafter in this
7 title referred to as the 'Council'), is authorized to make
8 grants to public or nonprofit private universities, medical
9 schools, research institutions, hospitals, and other public or
10 nonprofit private agencies and institutions, or associations
11 thereof, to assist them in planning the development of re-
12 gional medical complexes.
13 "(b) Grants under this section may be made only upon
14 application therefor approved by the Surgeon General. Any
15 such application may be approved only if it contains or is
16 supported by reasonable assurances that—
17 "(1) Federal funds paid pursuant to any such grant
18 will be used only for the purposes for which paid and in
19 accordance with the applicable provisions of this title
20 and the regulations thereunder;
21 "(2) the applicant will provide for such fiscal con-
22 trol and fund accounting procedures as are required by
23 the Surgeon General to assure proper disbursement of
24 and accounting for such Federal funds;
25 "(3) the applicant will make such reports, in such
form and containing such information as the Surgeon
General may from time to time reasonably require, and
will keep such records and afford such access thereto
as the Surgeon General may find necessary to assure the
correctness and verification of such reports; and

“(4) the applicant will designate an advisory
group, to advise the applicant (and the resulting re-

gional medical complex and its component units) in
formulating and carrying out the plan for the establish-
ment and operation of such regional medical complex,
which includes representatives of organizations, institu-
tions, and agencies concerned with activities of the kind
to be carried on by the complex and members of the
public familiar with the need for the services provided
by the complex.

"GRANTS FOR ESTABLISHMENT AND OPERATION OF
REGIONAL MEDICAL COMPLEXES

"SEC. 904. (a) The Surgeon General, upon the recom-
mendation of the Council, is authorized to make grants to
public or nonprofit private universities, medical schools, re-
search institutions, hospitals, and other public or nonprofit
private agencies and institutions, or associations thereof, to
assist in establishment and operation of regional medical
complexes, including construction and equipment of facilities
in connection therewith.
“(b) Grants under this section may be made only upon application therefor approved by the Surgeon General. Any such application may be approved only if it contains or is supported by reasonable assurances that—

“(1) Federal funds paid pursuant to any such grant (A) will be used only for the purposes for which paid and in accordance with the applicable provisions of this title and the regulations thereunder, and (B) will not supplant funds that are otherwise available for establishment or operation of the regional medical complex with respect to which the grant is made;

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

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

“(4) the applicant has designated an advisory group, described in paragraph (4) of section 903 (b), to advise in carrying out the plan for the regional medical complex; and
“(5) any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

NATIONAL ADVISORY COUNCIL ON MEDICAL COMPLEXES

"Sec. 905. (a) There is hereby established in the Public Health Service a National Advisory Council on Medical Complexes. The Council shall consist of the Surgeon General, who shall be the Chairman, and the Chief Medical Director of the Veterans’ Administration, ex officio, and twelve members, not otherwise in the employ of the United States, appointed by the Surgeon General, with the approval of the Secretary and without regard to the civil service laws, who are leaders in the fields of the fundamental sciences, the medical sciences, hospital administra-
tion, or public affairs. At least one of the appointed mem-
bers shall be outstanding in the study, diagnosis, or treatment
of heart disease, one shall be outstanding in the study,
diagnosis, or treatment of cancer, and one shall be outstand-
ing in the study, diagnosis, or treatment of stroke.

"(b) Each appointed member of the Council shall hold
office for a term of four years, except that any member ap-
pointed to fill a vacancy prior to the expiration of the term
for which his predecessor was appointed shall be appointed
for the remainder of such term, and except that the terms of
office of the members first taking office shall expire, as
designated by the Surgeon General at the time of appoint-
ment, four at the end of the first year, four at the end of
the second year, and four at the end of the third year after
the date of appointment. An appointed member shall not
be eligible to serve continuously for more than two terms.

"(c) Appointed members of the Council, while attend-
ing meetings or conferences thereof or otherwise serving on
business of the Council, shall be entitled to receive compen-
sation at rates fixed by the Secretary, but not exceeding
$100 per day, including travel time, and while so serving
away from their homes or regular places of business they
may be allowed travel expenses, including per diem in lieu
of subsistence, as authorized by section 5 of the Administra-

"(d) The Council shall advise and assist the Surgeon General in the preparation of regulations for, and as to policy matters arising with respect to, the administration of this title. The Council shall consider all applications for grants under this title and shall make recommendations to the Surgeon General with respect to approval of applications for and the amounts of grants under this title; and such recommendations shall also be transmitted to any advisory council or committee, established by or pursuant to this Act, which the Surgeon General deems appropriate.

"REGULATIONS

"Sec. 906. The Surgeon General, after consultation with the Council, shall prescribe general regulations covering the terms and conditions for approving applications for grants under this title and the coordination of programs assisted under this title with programs for training, research, and demonstrations relating to the same diseases assisted or authorized under other titles of this Act or other Acts of Congress.

"REPORT

"Sec. 907. On or before June 30, 1967, the Surgeon General, after consultation with the Council, shall submit
to the Secretary for transmission to the President and then to the Congress, a report of the activities under this title together with (1) a statement of the relationship between Federal financing and financing from other sources of the activities undertaken pursuant to this title, (2) an appraisal of the activities assisted under this title in the light of their effectiveness in carrying out the purposes of this title, and (3) recommendations with respect to extension or modification of this title in the light thereof."

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

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

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

Passed the Senate June 28 (legislative day, June 25), 1965.

Attest: FELTON M. JOHNSTON, Secretary.
AN ACT

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

JUNE 29, 1955
Referred to the Committee on Interstate and Foreign Commerce