

**As Introduced**

**127th General Assembly  
Regular Session  
2007-2008**

**H. B. No. 164**

**Representative McGregor, R.**

**Cosponsors: Representatives McGregor, J., Huffman, Evans, Skindell, Seitz,  
Dodd, Widener, Flowers, Stewart, J., Gibbs, Stebelton, Stewart, D., Bacon,  
Daniels, Miller, Foley, Wachtmann, Chandler, Peterson**

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**A B I L L**

To amend section 2305.2341 and to enact section 1  
3701.047 of the Revised Code to require the Ohio 2  
Department of Health to promote the establishment 3  
of federal health centers, to include federally 4  
qualified health center look-alikes in the medical 5  
malpractice premium assistance program, to create 6  
a pilot program to place federally qualified 7  
health centers in two hospital emergency 8  
departments, and to make an appropriation. 9

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 2305.2341 be amended and section 10  
3701.047 of the Revised Code be enacted to read as follows: 11

**Sec. 2305.2341.** (A) The medical liability insurance 12  
reimbursement program is hereby established. Free clinics and 13  
federally qualified health center look-alikes, including the 14  
clinics' and centers' staff and volunteer health care 15  
professionals and volunteer health care workers, may participate 16  
in the medical liability insurance reimbursement program 17

established by this section. The coverage provided under the 18  
program shall be limited to claims that arise out of the 19  
diagnosis, treatment, and care of patients of free clinics and 20  
centers, as defined in division (D)~~(1)~~ of this section. 21

(B) A free clinic or federally qualified health center 22  
look-alike is eligible to receive reimbursement under the medical 23  
liability insurance reimbursement program for the premiums that 24  
the clinic or center pays for medical liability insurance coverage 25  
for the clinic or center, its staff, and volunteer health care 26  
professionals and health care workers. Free clinics and federally 27  
qualified health center look-alikes shall register with the 28  
department of health by the thirty-first day of January of each 29  
year in order to participate in and to obtain reimbursement under 30  
the program. Free Clinics that register with the department in 31  
accordance with this division shall receive priority over centers 32  
that register for reimbursement. 33

Free clinics and federally qualified health center 34  
look-alikes shall provide all of the following to the department 35  
of health at the time of registration: 36

(1) A statement of the number of volunteer and paid health 37  
care professionals and health care workers providing health care 38  
services at the free clinic or federally qualified health center 39  
look-alike at that time; 40

(2) A statement of the number of health care services 41  
rendered by the free clinic or federally qualified health center 42  
look-alike during the previous fiscal year; 43

(3) A signed form acknowledging that the free clinic or 44  
federally qualified health center look-alike agrees to follow its 45  
medical liability insurer's risk management and loss prevention 46  
policies; 47

(4) A copy of the medical liability insurance policy 48

purchased by the free clinic or federally qualified health center 49  
look-alike, or the policy's declaration page, and documentation of 50  
the premiums paid by the clinic or center. 51

(C) The department of health shall reimburse free clinics and 52  
federally qualified health center look-alikes participating in the 53  
professional liability insurance reimbursement program for up to 54  
eighty per cent of the premiums that the ~~free~~ clinic or center 55  
pays for medical liability insurance coverage ~~up to twenty~~ 56  
~~thousand dollars~~. Appropriations to the department of health may 57  
be made from the general fund of the state for this purpose. 58

(D) As used in this section: 59

(1) "Federally qualified health center look-alike" means a 60  
public or not-for-profit health center that meets the eligibility 61  
requirements to receive a federal public health services grant 62  
under the "Public Health Services Act," 117 Stat. 2020, 42 U.S.C. 63  
254b, as amended, but does not receive grant funding. 64

(2) "Free clinic" means a nonprofit organization exempt from 65  
federal income taxation under section 501(c)(3) of the "Internal 66  
Revenue Code of 1986," as amended, or a program component of a 67  
nonprofit organization, whose primary mission is to provide health 68  
care services for free or for a minimal administrative fee to 69  
individuals with limited resources. A free clinic facilitates the 70  
delivery of health care services through the use of volunteer 71  
health care professionals and voluntary care networks. For this 72  
purpose, a free clinic shall comply with all of the following: 73

(a) If a free clinic does request a minimal administrative 74  
fee, a free clinic shall not deny an individual access to its 75  
health care services based on an individual's ability to pay the 76  
fee. 77

(b) A free clinic shall not bill a patient for health care 78  
services rendered. 79

(c) Free clinics shall not perform operations, as defined by 80  
divisions (A)(9) and (F)(1)(b) of section 2305.234 of the Revised 81  
Code. 82

A clinic is not a free clinic if the clinic bills medicaid, 83  
medicare, or other third-party payers for health care services 84  
rendered at the clinic, and receives twenty-five per cent or more 85  
of the clinic's annual revenue from the third-party payments. 86

~~(2)~~(3) "Health care professional" and "health care worker" 87  
have the same meanings as in section 2305.234 of the Revised Code. 88

**Sec. 3701.047.** (A) As used in this section: 89

(1) "Federally qualified health center" means a health center 90  
that receives a federal public health services grant under the 91  
"Public Health Services Act," 117 Stat. 2020, 42 U.S.C. 254b, as 92  
amended, or another health center designated by the U.S. Health 93  
Resources and Services Administration as a federally qualified 94  
health center. 95

(2) "Federally qualified health center look-alike" means a 96  
public or not-for-profit health center that meets the eligibility 97  
requirements to receive a federal public health services grant 98  
under the "Public Health Services Act," 117 Stat. 2020, 42 U.S.C. 99  
254b, as amended, but does not receive grant funding. 100

(B) The department of health shall enter into an agreement 101  
with the state's primary care association to promote the 102  
establishment of new federally qualified health centers and 103  
federally qualified health center look-alikes. 104

The department and the association shall assist local 105  
communities and community health centers by providing grants and 106  
grant writing assistance to establish health centers as defined in 107  
42 U.S.C. 254b, regardless of whether the health centers apply for 108  
a grant under that section. 109

**Section 2.** That existing section 2305.2341 of the Revised Code is hereby repealed.

**Section 3.** As used in this section, "federally qualified health center" means a health center that receives a federal public health services grant under the "Public Health Services Act," 117 Stat. 2020, 42 U.S.C. 254b, as amended, or another health center designated by the U.S. Health Resources and Services Administration as a federally qualified health center.

The Department of Health shall establish a pilot program to place two federally qualified health centers within or adjacent to hospital emergency departments. One health center shall be located in or adjacent to a hospital located in an urban area and one health center shall be located in or adjacent to a hospital located in a rural area. Not later than one year after the health centers become operational, the hospital and the health centers shall prepare and submit a report to the Governor and the General Assembly regarding the number of patients that received care at the health centers for nonemergency conditions rather than receiving care at the emergency department.

If the Department is unable to establish the pilot program not later than one year after the effective date of this section, the Department shall submit a report to the Governor and the General Assembly indicating the Department's progress.

**Section 4.** All items in this section are hereby appropriated as designated out of any moneys in the state treasury to the credit of the General Revenue Fund. For all appropriations made in this act, those in the first column are for fiscal year 2008 and those in the second column are for fiscal year 2009. The appropriations made in this act are in addition to any other appropriations made for the FY 2008-2009 biennium.

DOH Department of Health	140
Appropriations	
General Revenue Fund	141
GRF 440-431 Free Clinics                   \$           325,000   \$           325,000	142
GRF 440-512 FQHC Incubator Program   \$           1,000,000   \$           1,000,000	143
GRF 440-513 FQHC Diversion Pilot       \$           500,000           500,000	144
Program	
TOTAL General Revenue Fund           \$           1,825,000   \$           1,825,000	145
TOTAL ALL BUDGET FUND GROUPS       \$           1,825,000   \$           1,825,000	146
FREE CLINICS	147
Of the foregoing appropriation item 440-431, Free Clinics, up	148
to \$20,000 in each fiscal year may be used by the Department of	149
Health for administrative expenses related to the Medical	150
Liability Insurance Reimbursement Program. The remainder in each	151
fiscal year shall be used to pay for medical liability insurance	152
for free clinics, including the clinics' staff and volunteer	153
health care professionals and volunteer health care workers.	154
FQHC INCUBATOR PROGRAM	155
The foregoing appropriation item 440-512, FQHC Incubator	156
Program, shall be used to assist local communities and community	157
health centers by providing grants and grant writing assistance in	158
applying for status as a federally qualified health center or	159
federally qualified health center look-alikes.	160
FQHC DIVERSION PILOT PROGRAM	161
The foregoing appropriation item 440-513, FQHC Diversion	162
Pilot Program, shall be used for planning, construction, and	163
implementation costs relating to the Department of Health's pilot	164
program to place two federally qualified health centers within or	165
adjacent to hospital emergency departments.	166
Within the limits set forth in this act, the Director of	167
Budget and Management shall establish accounts indicating the	168

source and amount of funds for each appropriation made in this 169  
act, and shall determine the form and manner in which 170  
appropriation accounts shall be maintained. Expenditures from 171  
appropriations contained in this act shall be accounted for as 172  
though made in H.B. 119 of the 127th General Assembly. 173

The appropriations made in this act are subject to all 174  
provisions of H.B. 119 of the 127th General Assembly that are 175  
generally applicable to such appropriations. 176

**Section 5.** The sections and items of law contained in this 177  
act are not subject to the referendum. Therefore, under Ohio 178  
Constitution, Article II, Section 1d and section 1.471 of the 179  
Revised Code, the sections and items of law contained in this act 180  
go into immediate effect when this act becomes law. 181