

117TH CONGRESS  
1ST SESSION

# H. R. 4510

To provide for the designation of areas as Health Enterprise Zones to reduce health disparities and improve health outcomes in such areas, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 19, 2021

Mr. BROWN (for himself, Mr. HOYER, Ms. BLUNT ROCHESTER, Mr. CÁRDENAS, Ms. KELLY of Illinois, Ms. KUSTER, and Ms. SEWELL) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To provide for the designation of areas as Health Enterprise Zones to reduce health disparities and improve health outcomes in such areas, 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 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Health Enterprise Zones Act of 2021”.

6 (b) TABLE OF CONTENTS.—The table of contents of  
7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Designation of Health Enterprise Zones.
- Sec. 3. Consultation.
- Sec. 4. Tax incentives.
- Sec. 5. Grants.
- Sec. 6. Student loan repayment program.
- Sec. 7. 10-percent increase of payment for items and services payable under Medicare Part B furnished in Health Enterprise Zones.
- Sec. 8. Reporting.
- Sec. 9. Definitions.
- Sec. 10. Authorization of appropriations.

**1 SEC. 2. DESIGNATION OF HEALTH ENTERPRISE ZONES.**

**2 (a) DESIGNATION.—**

**3 (1) IN GENERAL.—**Not later than 18 months  
**4** after the date of enactment of this Act, the Sec-  
**5** retary shall, pursuant to applications submitted  
**6** under subsection (c), designate areas as Health En-  
**7** terprise Zones to reduce health disparities and im-  
**8** prove health outcomes in such areas.

**9 (2) ELIGIBILITY OF AREA.—**To be designated  
**10** as a Health Enterprise Zone under this section, an  
**11** area must—

**12 (A)** be a contiguous geographic area in one  
**13** census tract or ZIP Code;

**14 (B)** have measurable and documented ra-  
**15** cial, ethnic, or geographic health disparities and  
**16** poor health outcomes, demonstrated by—

**17 (i)** average income below 150 percent  
**18** of the Federal poverty line;

**19 (ii)** a rate of participation in the spe-  
**20** cial supplemental nutrition program under

1 section 17 of the Child Nutrition Act of  
2 1966 (42 U.S.C. 1786) that is higher than  
3 the national average rate of participation  
4 in such program; and

5 (iii) lower life expectancy than the na-  
6 tional average;

7 (iv) a higher percentage of instances  
8 of low birth weight than the national aver-  
9 age; or

10 (v) designation under section 332 of  
11 the Public Health Service Act (42 U.S.C.  
12 254e) as a health professional shortage  
13 area; and

14 (C) are part of a Metropolitan Statistical  
15 Area or Micropolitan Statistical Area identified  
16 by the Office of Management and Budget.

17 (b) SOLICITATION OF APPLICATIONS.—The Sec-  
18 retary shall—

19 (1) not later than 12 months after the date of  
20 enactment of this Act, solicit applications under sub-  
21 section (c); and

22 (2) publish on the website of the Department of  
23 Health and Human Services—

1 (A) the names of all applicants, together  
2 with the names of each applicant's coalition  
3 partners; and

4 (B) a description of all areas proposed to  
5 be designated as Health Enterprise Zones.

6 (c) SUBMISSION OF APPLICATIONS.—To seek the  
7 designation of an area as a Health Enterprise Zone, a  
8 community-based nonprofit organization or local govern-  
9 mental agency, in coalition with an array of health care  
10 providers, hospitals, nonprofit community health clinics,  
11 health centers, social service organizations, and other re-  
12 lated organizations shall submit an application to the Sec-  
13 retary.

14 (d) CONTENTS.—An application under subsection (c)  
15 shall—

16 (1) include an effective and sustainable plan  
17 with respect to the area proposed for designation—

18 (A) to reduce health disparities;

19 (B) to reduce the costs of, or to produce  
20 savings to, the health care system;

21 (C) to improve health outcomes; and

22 (D) to utilize one or more of the incentives  
23 established pursuant to sections 4, 5, 6, and 7  
24 to address health care provider capacity, im-  
25 prove health services delivery, effectuate com-

1           munity improvements, or conduct outreach and  
2           education efforts; and

3           (2) identify specific diseases or indicators of  
4           health for improvement of health outcomes in such  
5           area, including at least one of the following: cardio-  
6           vascular disease, asthma, diabetes, dental health, be-  
7           havioral health, maternal and birth health, sexually  
8           transmitted infections, and obesity.

9           (e) CONSIDERATIONS.—The Secretary—

10           (1) shall consider geographic diversity, among  
11           other factors, in selecting areas for designation as  
12           Health Enterprise Zones; and

13           (2) may conduct outreach efforts to encourage  
14           a geographically diverse pool of applicants, including  
15           for designating Health Enterprise Zones in rural  
16           areas.

17           (f) PRIORITY.—In selecting areas for designation as  
18           Health Enterprise Zones, the Secretary shall give higher  
19           priority to applications based on the extent to which they  
20           demonstrate the following:

21           (1) Support from, and participation of, key  
22           stakeholders in the public and private sectors in the  
23           area proposed for designation, including residents  
24           and local governments of such area.

1           (2) A plan for long-term funding and sustain-  
2       ability.

3           (3) Supporting funds from the private sector.

4           (4) Integration with any applicable State health  
5       improvement process or plan.

6           (5) A plan for evaluation of the impact of des-  
7       ignation of such area as a Health Enterprise Zone.

8           (6) A plan to utilize existing State tax credits,  
9       grants, or other incentives to reduce health dispari-  
10      ties and improve health outcomes in the proposed  
11      Health Enterprise Zone.

12          (7) Such other factors as the Secretary deter-  
13      mines are appropriate to demonstrate a commitment  
14      to reduce health disparities and improve health out-  
15      comes in such area.

16      (g) PERIOD OF DESIGNATION.—The designation  
17      under this section of any area as a Health Enterprise Zone  
18      shall expire at the end of the period of 10 fiscal years  
19      following the enactment of this Act.

20      **SEC. 3. CONSULTATION.**

21      The Secretary shall carry out this Act in consultation  
22      with—

23           (1) the Secretary of Housing and Urban Devel-  
24      opment; and

1           (2) the Deputy Assistant Secretary for Minority  
2       Health.

3   **SEC. 4. TAX INCENTIVES.**

4       (a) WORK OPPORTUNITY CREDIT FOR HIRING  
5   HEALTH ENTERPRISE ZONE WORKERS.—

6           (1) IN GENERAL.—Section 51(d)(1) of the In-  
7       ternal Revenue Code of 1986 is amended by striking  
8       “or” at the end of subparagraph (I), by striking the  
9       period at the end of subparagraph (J) and inserting  
10      “, or”, and by adding at the end the following new  
11      subparagraph:

12           “(K) a qualified Health Enterprise Zone  
13       worker, to the extent that the qualified first-  
14       year wages with respect to such worker are paid  
15       for qualified Health Enterprise Zone work.”.

16       (2) QUALIFIED HEALTH ENTERPRISE ZONE  
17   WORKER.—Section 51(d) of such Code is amended  
18   by adding at the end the following new paragraphs:

19           “(16) QUALIFIED HEALTH ENTERPRISE ZONE  
20   WORKER.—The term ‘qualified Health Enterprise  
21   Zone worker’ means any individual who is certified  
22   by the designated local agency as having (as of the  
23   hiring date) a principal place of employment within  
24   a Health Enterprise Zone (as such term is defined

1 in section 9 of the Health Enterprise Zones Act of  
2 2021).

3 “(17) QUALIFIED HEALTH ENTERPRISE ZONE  
4 WORK.—The term ‘qualified Health Enterprise Zone  
5 work’ means employment by a Health Enterprise  
6 Zone practitioner (as such term is defined in section  
7 9 of the Health Enterprise Zones Act of 2021), the  
8 primary official duties of which promote access to  
9 healthcare in a Health Enterprise Zone (as such  
10 term is defined in section 9 of the Health Enterprise  
11 Zones Act of 2021).”.

12 (3) EFFECTIVE DATE.—The amendments made  
13 by this section shall apply to amounts paid or in-  
14 curred after the date of the enactment of this Act  
15 to individuals who begin work for the employer after  
16 such date.

17 (b) CREDIT FOR HEALTH ENTERPRISE ZONE WORK-  
18 ERS.—

19 (1) IN GENERAL.—Subpart A of part IV of sub-  
20 chapter A of chapter 1 of the Internal Revenue Code  
21 of 1986 is amended by inserting after section 25D  
22 the following new section:



1 **“SEC. 25E. CREDIT FOR QUALIFIED HEALTH ENTERPRISE**  
 2 **ZONE WORKERS.**

3 “(a) ALLOWANCE OF CREDIT.—In the case of a  
 4 qualified Health Enterprise Zone worker, there shall be  
 5 allowed as a credit against the tax imposed by this chapter  
 6 for a taxable year an amount equal to 40% of wages re-  
 7 ceived for qualified Health Enterprise Zone work.

8 “(b) DEFINITIONS.—For purposes of this section—

9 “(1) The term ‘qualified Health Enterprise  
 10 Zone worker’ means, with respect to wages, an indi-  
 11 vidual whose principal place of employment while  
 12 earning such wages is within a Health Enterprise  
 13 Zone (as such term is defined in section 9 of the  
 14 Health Enterprise Zones Act of 2021).

15 “(2) The term ‘qualified Health Enterprise  
 16 Zone work’ has the meaning given such term in sec-  
 17 tion 51.”.

18 (2) CLERICAL AMENDMENT.—The table of sec-  
 19 tions for subpart A of part IV of subchapter A of  
 20 chapter 1 of such Code is amended by inserting  
 21 after the item relating to section 25D the following  
 22 new item:

“Sec. 25E. Credit for qualified Health Enterprise Zone workers.”.

23 (3) EFFECTIVE DATE.—The amendments made  
 24 by this section shall apply to amounts paid or in-  
 25 curred after the date of the enactment of this Act.

1 **SEC. 5. GRANTS.**

2 (a) **AUTHORIZATION.**—For each area designated  
3 under section 2 as a Health Enterprise Zone, the Sec-  
4 retary may award a grant to the community-based non-  
5 profit organization or local governmental agency that ap-  
6 plied for such designation to support such applicant and  
7 its coalition partners in reducing health disparities and  
8 improving health outcomes in such area.

9 (b) **USE OF FUNDS.**—Programs and activities funded  
10 through a grant under this section shall be consistent with  
11 the grantee’s plan submitted pursuant to section 2(d)(1)  
12 and may include the following:

13 (1) **SUBGRANTS TO HEALTH CARE PRACTI-**  
14 **TIONERS.**—

15 (A) **IN GENERAL.**—For the purpose of im-  
16 proving or expanding the delivery of health care  
17 in the respective Health Enterprise Zone, the  
18 grantee may award subgrants to Health Enter-  
19 prise Zone practitioners to defray costs related  
20 to innovative strategies listed in paragraph (2).

21 (B) **ELIGIBILITY.**—To be eligible to receive  
22 a subgrant pursuant to subparagraph (A), a  
23 Health Enterprise Zone practitioner shall—

24 (i) own or lease a health care facility  
25 in the Health Enterprise Zone; or

1 (ii) provide health care in such a facil-  
2 ity.

3 (C) AMOUNT.—The amount of a subgrant  
4 under subparagraph (A) may not exceed the  
5 lesser of—

6 (i) \$5,000,000; or

7 (ii) 50 percent of the costs of the  
8 equipment, or capital or leasehold improve-  
9 ments, to be defrayed using the subgrant  
10 to implement innovative strategies listed in  
11 paragraph (2).

12 (2) INNOVATIVE STRATEGIES.—A grantee (or  
13 subgrantee) may use a grant received under this sec-  
14 tion (or a subgrant received under paragraph (1)) to  
15 implement innovative public health strategies in the  
16 respective Health Enterprise Zone, which strategies  
17 may include—

18 (A) internships and volunteer opportunities  
19 for students who reside in the Health Enter-  
20 prise Zone;

21 (B) funding resources to improve health  
22 care provider capacity to serve non-English  
23 speakers;

24 (C) operation of medical, mental and be-  
25 havioral health, and dental mobile clinics;

1 (D) provision of transportation to and  
2 from medical appointments for patients;

3 (E) funding resources to improve access to  
4 healthy food, recreation, and high-quality hous-  
5 ing;

6 (F) capital or leasehold improvements to a  
7 health care facility in the respective Health En-  
8 terprise Zone; and

9 (G) medical or dental equipment to be  
10 used in such a facility.

11 **SEC. 6. STUDENT LOAN REPAYMENT PROGRAM.**

12 (a) IN GENERAL.—The Secretary shall carry out a  
13 loan repayment program under which the Secretary enters  
14 into agreements with eligible Health Enterprise Zone  
15 practitioners to make payments on the principal and inter-  
16 est of the eligible educational loans of such practitioners  
17 for each year such practitioners agree to provide health  
18 care services in a Health Enterprise Zone.

19 (b) LIMITATIONS.—In entering into loan repayment  
20 agreements under this section, the Secretary may not  
21 agree to—

22 (1) make payments for more than 10 years with  
23 respect to a practitioner; or

1           (2) pay more than \$10,000 per year, or more  
2           than a total of \$100,000, with respect to a practi-  
3           tioner.

4           (c) INELIGIBILITY FOR DOUBLE BENEFITS.—No  
5           borrower may, for the same service, receive a reduction  
6           of loan obligations or a loan repayment under both—

7           (1) this section; and

8           (2) any federally supported loan forgiveness  
9           program, including under section 338B, 338I, or  
10          846 of this Act, or section 428J, 428L, 455(m), or  
11          460 of the Higher Education Act of 1965.

12          (d) DEFINITIONS.—In this section:

13           (1) The term “eligible educational loan” means  
14           any federally funded or guaranteed student loan as  
15           determined appropriate by the Secretary in coordina-  
16           tion with the Secretary of Education.

17           (2) The term “eligible Health Enterprise Zone  
18           practitioner” means a Health Enterprise Zone prac-  
19           titioner who agrees—

20           (A) to provide health care services in a  
21           Health Enterprise Zone for a specified period  
22           that is not less than one year; and

23           (B) has one or more eligible educational  
24           loans.

1 **SEC. 7. 10-PERCENT INCREASE OF PAYMENT FOR ITEMS**  
2 **AND SERVICES PAYABLE UNDER MEDICARE**  
3 **PART B FURNISHED IN HEALTH ENTERPRISE**  
4 **ZONES.**

5 Section 1833(a) of the Social Security Act (42  
6 U.S.C.1395l(a)) is amended by inserting before the period  
7 at the end the following: “. With respect to items and serv-  
8 ices payable under this part that are furnished in a Health  
9 Enterprise Zone (as defined in section 9 of the Health  
10 Enterprise Zones Act of 2021) during the period begin-  
11 ning on the first day an area is designated a Health En-  
12 terprise Zone under section 2(a)(1) of such Act and end-  
13 ing on the last day of the fiscal year that is 10 fiscal years  
14 following the enactment of this Act, the payment rates  
15 otherwise established for such items and services shall be  
16 increased by 10 percent. The cost-sharing requirements (if  
17 any) applicable to an item or service described in the pre-  
18 ceding sentence furnished to an individual shall be cal-  
19 culated as if such preceding sentence did not apply”.

20 **SEC. 8. REPORTING.**

21 (a) IN GENERAL.—Not later than the end of each  
22 fiscal year in the period of 10 fiscal years following the  
23 date of enactment of this Act, the Secretary shall submit  
24 to the Congress a report on the implementation of this  
25 Act and the results thereof.

1 (b) CONTENTS.—Each report under subsection (a)  
2 shall—

3 (1) specify the number and types of incentives  
4 provided pursuant to this Act in each Health Enter-  
5 prise Zone designated under section 2;

6 (2) include evidence of the extent to which the  
7 incentives utilized by each Health Enterprise Zone  
8 have succeeded—

9 (A) in attracting health care practitioners  
10 to practice in Health Enterprise Zones;

11 (B) in reducing health disparities and im-  
12 proving health outcomes in Health Enterprise  
13 Zones; and

14 (C) in reducing health costs and hospital  
15 admissions and readmissions in Health Enter-  
16 prise Zones.

17 **SEC. 9. DEFINITIONS.**

18 In this Act:

19 (1) The term “Health Enterprise Zone” means  
20 an area designated under section 2 as a Health En-  
21 terprise Zone.

22 (2) The term “Health Enterprise Zone practi-  
23 tioner” means a health care practitioner who—

1 (A) is licensed or certified in accordance  
2 with applicable State law to treat patients in  
3 the respective Health Enterprise Zone;

4 (B) provides—

5 (i) primary care, which may include  
6 obstetrics, gynecological services, pediatric  
7 services, or geriatric services;

8 (ii) behavioral health services, which  
9 may include mental health or substance  
10 use disorder services; or

11 (iii) dental services; and

12 (C) is a participating provider of services  
13 or supplier under the Medicare program under  
14 title XVIII of the Social Security Act (42  
15 U.S.C. 1395 et seq.) or a participating provider  
16 under a State plan under title XIX of such Act  
17 (42 U.S.C. 1396 et seq.).

18 (3) The term “Secretary” means the Secretary  
19 of Health and Human Services.

20 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS.**

21 To carry out this Act, there is authorized to be appro-  
22 priated such sums as may be necessary for the period of  
23 10 fiscal years following the date of enactment of this Act.

○