ganization for purposes of such section. The notice required by clause (B) of the preceding sentence shall contain, in readily understandable language, the reasons for the determination that the entity is not a qualified health maintenance organization. The Secretary shall publish in the Federal Register each determination referred to in this paragraph.

(2) If the Secretary makes, with respect to an entity which has received a grant, contract, loan, or loan guarantee under this subchapter, a determination described in subsection (a), the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with the assurances it furnished respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made in connection with its application under this subchapter for the grant, contract, loan, or loan guarantee.

(July 1, 1944, ch. 373, title XIII, §1312, as added Pub. L. 93–222, §2, Dec. 29, 1973, 87 Stat. 931; amended Pub. L. 94–460, title I, §111, Oct. 8, 1976, 90 Stat. 1952; Pub. L. 95–559, §12(a)(2), Nov. 1, 1978, 92 Stat. 2140; Pub. L. 97–35, title IX, §949(a), Aug. 13, 1981, 95 Stat. 578.)

### REFERENCES IN TEXT

Section 300e–9(d)(1) of this title, referred to in subsec. (b)(1), was redesignated section 300e–9(c)(1) of this title by Pub. L. 100–517,  $\S$ 7(b), Oct. 24, 1988, 102 Stat. 2580.

#### PRIOR PROVISIONS

A prior section 1312 of act July 1, 1944, was classified to section 212a of this title prior to repeal by Pub. L. 93–222, §7(b).

## AMENDMENTS

1981—Subsec. (b)(1). Pub. L. 97-35 inserted provisions relating to opportunity for reconsideration of determination of Secretary.

1978—Subsec. (c). Pub. L. 95-559 struck out subsec. (c) which provided that the Secretary, acting through the Assistant Secretary for Health, administer subsections (a) and (b) of this section in the Office of the Assistant Secretary for Health.

1976—Subsec. (a). Pub. L. 94–460, §111(a), substituted "the Secretary may take the action authorized by subsection (b)" for "the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with any assurances it furnished him respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made under section 300e–9 of this title or when application was made under this subchapter for a grant, contract, loan, or loan guarantee".

Subsecs. (b), (c). Pub. L. 94–460, §111(b), (c), added subsec. (b), redesignated former subsec. (b) as (c), and substituted "acting through the Assistant Secretary for Health, shall administer subsections (a) and (b)" for "through the Assistant Secretary for Health, shall administer subsection (a)".

### EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94–460 applicable with respect to determinations of the Secretary of Health, Education, and Welfare described in subsec. (a) of this section and made after Oct. 8, 1976, see section 118 of Pub. L. 94–460, set out as a note under section 300e of this

# § 300e-12. Limitation on source of funding for health maintenance organizations

No funds appropriated under any provision of this chapter (except as provided in sections  $254b^1$  and 254b of this title) other than this subchapter may be used—

- (1) for grants or contracts for surveys or other activities to determine the feasibility of developing or expanding health maintenance organizations or other entities which provide, directly or indirectly, health services to a defined population on a prepaid basis;
- (2) for grants or contracts, or for payments under loan guarantees, for planning projects for the establishment or expansion of such organizations or entities:
- (3) for grants or contracts, or for payments under loan guarantees, for projects for the initial development or expansion of such organizations or entities; or
- (4) for loans, or for payments under loan guarantees, to assist in meeting the costs of the initial operation after establishment or expansion of such organizations or entities or in meeting the costs of such organizations in acquiring or constructing ambulatory health care facilities.

(July 1, 1944, ch. 373, title XIII, §1313, as added Pub. L. 93–222, §2, Dec. 29, 1973, 87 Stat. 932; amended Pub. L. 95–559, §5(b), Nov. 1, 1978, 92 Stat. 2133; Pub. L. 95–626, title I, §107, Nov. 10, 1978, 92 Stat. 3562; Pub. L. 107–251, title VI, §601(a), Oct. 26, 2002, 116 Stat. 1664; Pub. L. 108-163, §2(m)(2), Dec. 6, 2003, 117 Stat. 2023.)

### REFERENCES IN TEXT

The reference to section 254b of this title the first place appearing in text was in the original a reference to section 329, meaning section 329 of act July 1, 1944, which was omitted in the general amendment of subpart I (§254b et seq.) of part D of this subchapter by Pub. L. 104-299, §2, Oct. 11, 1996, 110 Stat. 3626.

### AMENDMENTS

2003—Pub. L. 108–163 substituted "254b and 254b" for "254b, 254c, and 254b(h)" in introductory provisions.

2002—Pub. L. 107–251 substituted " $2\overline{54b}(h)$ " for " $2\overline{56}$ " in introductory provisions.

1978—Pub. L. 95-626 inserted "(except as provided in sections 254b, 254c, and 256 of this title)" after "under any provision of this chapter" in provisions preceding par. (1).

Par. (4). Pub. L. 95-559 inserted "or in meeting the costs of such organizations in acquiring or constructing ambulatory health care facilities" after "or entities".

### EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-163 deemed to have taken effect immediately after the enactment of Pub. L. 107-251, see section 3 of Pub. L. 108-163, set out as a note under section 233 of this title.

## § 300e-13. Repealed. Pub. L. 97-35, title IX, § 949(b), Aug. 13, 1981, 95 Stat. 578

Section, acts July 1, 1944, ch. 373, title XIII, §1314, as added Dec. 29, 1973, Pub. L. 93–222, §2, 87 Stat. 932; amended Oct. 8, 1976, Pub. L. 94–460, title I, §115, 90 Stat. 1954; Nov. 1, 1978, Pub. L. 95–559, §13, 92 Stat. 2140, required the Comptroller General to: (a) evaluate the operations, particularly, specified aspects of the operations.

<sup>&</sup>lt;sup>1</sup> See References in Text note below.