

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2903
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Health & Human Services
5/17/2011
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Program for All-Inclusive Care for the Elderly (PACE) is a unique model of community-based health care services that serves certain seniors with chronic care needs by providing access to a full continuum of preventive, primary, acute, and long-term care services while allowing participating individuals to live as independently as possible. Interested parties assert that PACE should be expanded throughout Texas because the program is flexible enough to better meet the health care needs of participating individuals and because medical services provided through the program cost less than if the services were provided in a nursing home setting.

C.S.H.B. 2903 seeks to increase participation in PACE by, among other provisions, making the program available as an alternative to enrollment in a Medicaid managed care plan, ensuring that certain managed care organizations consider the availability of PACE when considering whether to refer a recipient to a nursing home or other long-term care facility, and requiring the program to be considered a community-based service option under the "Money Follows the Person" demonstration project or any other initiative that is designed to eliminate barriers that prevent flexible use of funds.

C.S.H.B. 2903 amends current law relating to the program of all-inclusive care for the elderly.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Health and Human Services Commission (HHSC) is transferred to the executive commissioner of HHSC in SECTION 1 (Section 32.053, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 32.053, Human Resources Code, by amending Subsections (a), (b), and (e) and adding Subsections (f) and (g), as follows:

(a) Requires the Health and Human Services Commission (HHSC), as an integral part, rather than as a part, of the medical assistance program, to develop and implement a program of all-inclusive care for the elderly (PACE) in accordance with Section 4802 of the Balanced Budget Act of 1997 (Pub. L. No. 105-33), as amended.

(b) Requires the executive commissioner of HHSC (executive commissioner), rather than HHSC, to adopt rules as necessary to implement this section. Requires the executive commissioner, rather than HHSC, in adopting rules, to:

(1) use the Bienvenir Senior Health Services of El Paso initiative as a model for the program;

(2) ensure that a person is not required to hold a certificate of authority as a health maintenance organization under Chapter 843 (Health Maintenance Organizations), Insurance Code, rather than under the Texas Health Maintenance Organization Act (Chapter 20A, Vernon's Texas Insurance Code), to provide services under the PACE program;

(3) ensure that participation in the PACE program is available as an alternative to enrollment in a Medicaid managed care plan under Chapter 533 (Implementation of Medicaid Managed Care Program), Government Code, for eligible recipients, including recipients eligible for assistance under both the medical assistance and Medicare programs;

(4) ensure that managed care organizations that contract under Chapter 533, Government Code, consider the availability of the PACE program when considering whether to refer a recipient to a nursing home or other long-term care facility; and

(5) establish protocols for the referral of eligible persons to the PACE program.

Make a nonsubstantive change.

(e) Requires the Department of Aging and Disability Services (DADS) and area agencies on aging, rather than the Department of Human Services with the cooperation of the Department of Aging and area agencies on aging, to develop and implement a coordinated plan to promote PACE program sites operating under this section. Requires HHSC to adopt policies and procedures, including operating guidelines, to ensure that caseworkers and any other appropriate HHSC staff discuss the benefits of participating in the PACE program with long-term care clients. Makes nonsubstantive changes.

(f) Requires HHSC to consider the PACE program as a community-based service option under any "Money Follows the Person" demonstration project or other initiative that is designed to eliminate barriers or mechanisms that prevent or restrict the flexible use of funds under the medical assistance program to enable a recipient to receive long-term services or supports in a setting of the recipient's choice.

(g) Authorizes a PACE program site to coordinate with entities that are eligible to obtain discount prescription drug prices under Section 340B, Public Health Service Act (42 U.S.C. Section 256b), as necessary to enable the PACE program site to obtain those discounts.

(h) Requires HHSC to adopt a reimbursement methodology for the payment of PACE organizations for purposes of encouraging a natural increase in the number of PACE program sites throughout the state.

SECTION 2. Amends Subchapter B, Chapter 32, Human Resources Code, by adding Section 32.0531, as follows:

Sec. 32.0531. PACE PROGRAM TEAM. (a) Requires DADS to establish a PACE program team composed of experienced personnel. Provides that the team is responsible for increasing public attention and awareness of the availability of PACE program sites, increasing the number of PACE program sites operating in this state, and serving as a liaison with the state and federal agencies responsible for administering the PACE program, participants in the program, and PACE program sites.

(b) Requires the PACE program team to conduct a study to evaluate the feasibility of implementing a statewide standard reimbursement rate for all PACE organizations. Requires the PACE program team, not later than September 1, 2012, to submit to HHSC a written report containing the findings of the study conducted under this subsection and the team's recommendations. Provides that this subsection expires September 2, 2012.

SECTION 3. Requires a state agency, if necessary for implementation of a provision of this Act, to request a waiver or authorization from a federal agency, and authorizes delay of implementation until such a waiver or authorization is granted.

SECTION 4. Effective date: September 1, 2011.