

BILL ANALYSIS

Senate Research Center
77R2158 CLG-D

S.B. 908
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Health & Human Services
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DIGEST AND PURPOSE

Currently, the Program for All-Inclusive Care for the Elderly (PACE) is a nationwide program that provides elderly citizens and their families an alternative to nursing home care. The program is part of the Balanced Budget Act of 1997 (Pub. L. No. 105-33), which provides states with cost effective options under state Medicaid plans. Organizations interested in becoming a PACE program in any state must be approved by the federal government. Currently, the only approved PACE site in Texas is Bienvivir in El Paso. This site has a successful track record in providing quality and cost effective care for the elderly in their community. As proposed, S.B. 908 requires the Health and Human Services Commission to develop and implement the PACE program statewide in Texas.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Health and Human Services Commission or an agency operating part of the medical assistance program in SECTION 1 (Section 32.053, Human Resources Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 32B, Human Resources Code, by adding Section 32.053, as follows:

Sec. 32.053. PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY (PACE).

(a) Requires the Health and Human Services Commission or an agency operating part of the medical assistance program (department), 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. Requires the department to provide medical assistance to a participant in the PACE program in the manner and to the extent authorized by federal law.

(b) Requires the department to adopt rules as necessary to implement this section. Requires the department, in adopting rules, to use the Bienvivir Senior Health Services of El Paso as a model for the program and ensure that a person is not required to hold a certificate of authority as a health maintenance organization under the Texas Health Maintenance Organization Act (Chapter 20A, V.T.I.C.) to provide services under the PACE program.

(c) Prohibits the department from contracting with a person to provide services under the PACE program unless the person meets certain criteria.

(d) Authorizes a person, to demonstrate sufficiency of financial resources for purposes of Subsection (c)(2), to use cash reserves, a letter of credit, a guarantee of a company affiliated with the person, or a combination of those arrangements. Requires the amount of a person's financial arrangement to be at least equal to a specified sum.

(e) Requires the department, with the cooperation of the Texas Department on Aging

and area agencies on aging, to develop and implement a coordinated plan to promote PACE program sites operating under this section. Requires the department to adopt policies and procedures to ensure that caseworkers and any other appropriate department staff discuss the benefits of participating in the PACE program with long-term care clients.

SECTION 2. Requires the state agency administering the PACE program implemented under Section 32.053, Human Resources Code, as added by this Act, to use its best efforts to have in operation six PACE program sites for the state fiscal year beginning September 1, 2001, 11 PACE program sites for the state fiscal year beginning September 1, 2002, and 16 PACE program sites for the state fiscal year beginning September 1, 2003.

SECTION 3. (a) Defines "PACE program" to mean a program of all-inclusive care for the elderly (PACE) established in accordance with Section 4802 of the Balanced Budget Act of 1997 (Pub. L. No. 105-33), as amended.

(b) Sets forth procedures for the Health and Human Services Commission and Texas Department of Human Services to follow if before June 1, 2004, the state does not receive federal approval for the operation of all PACE programs sites for which the state applied.

(c) Requires the commissioner of health and human services, not later than December 1, 2004, to submit to the legislature a written report concerning the results of the examination conducted under Subsection (b) of this section. Requires the report to include any recommendations for memorializing the Congress of the United States to request changes to federal laws or regulations.

SECTION 4. Sets forth procedures for the Health and Human Services Commission regarding submission of an amendment to the state's Medicaid plan regarding the PACE program.

SECTION 5. Requires a state agency affected by a provision of this Act to request a waiver or authorization and authorizes the agency to delay implementing that provision until the waiver or authorization is granted, if the agency determines before implementing any provision of this Act that a waiver or authorization from a federal agency is necessary.

SECTION 6. Effective date: September 1, 2001.