

By: Delisi

H.B. No. 3483

A BILL TO BE ENTITLED

AN ACT

relating to certain programs operated under the medical assistance program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Section 32.071 to read as follows:

Sec. 32.071. PROGRAM OF ALL-INCLUSIVE CARE FOR CHILDREN (PACC). (a) The department, as a part of the medical assistance program, shall develop and implement a program of all-inclusive care for children (PACC) in accordance with Section 4802 of the Balanced Budget Act of 1997 (Pub. L. No. 105-33), as amended. The department shall provide medical assistance to a participant in the PACC program in the manner and to the extent authorized by federal law.

(b) The department shall adopt rules as necessary to implement this section. In adopting rules, the department shall:

(1) use the Medically Fragile Children's Program of South Carolina as a model for the pilot program,

(2) identify medically fragile children within the foster care system of the Texas Department of Protective and Regulatory Services San Antonio and Austin regions for the pilot program; and

(3) ensure that a person is not required to hold a certificate of authority as a health maintenance organization under

1 the Texas Health Maintenance Organization Act (Chapter 20A,
2 Vernon's Insurance Code) to provide services under the program of
3 all-inclusive care for children (PACC).

4 (c) The department may not contract with a person to provide
5 services under the program for all-inclusive care of children
6 (PACC) unless the person:

7 (1) purchases reinsurance in an amount determined by
8 the department that is sufficient to ensure the person's continued
9 solvency; or

10 (2) has the financial resources sufficient to cover
11 expenses in the event of the person's insolvency.

12 (d) To demonstrate sufficiency of financial resources for
13 purposes of Subsection (c) (2), a person may use cash reserves, a
14 letter of credit, a guarantee of a company affiliated with the
15 person, or a combination of those arrangements. The amount of a
16 person's financial arrangement must be at least equal to the sum of:

17 (1) the total capitation revenue for one month; and

18 (2) the average monthly payment of operating expenses.

19 (e) The department shall develop and implement a
20 coordinated plan to promote the program of all-inclusive care for
21 children (PACC) program sites operating under this section. The
22 department shall adopt policies and procedures to ensure that
23 caseworkers and any other appropriate department staff discuss the
24 benefits of participating in the new program of all-inclusive care
25 for children (PACC) with long-term care clients.

26 SECTION 2. The state agency administering the program of
27 all-inclusive care for children (PACC) implemented under Section

1 32.055, Human Resources Code, as added by this Act, shall have in
2 operation one program of all-inclusive care for children (PACC)
3 site for the state fiscal year beginning September 1, 2004.

4 SECTION 3. Subchapter B, Chapter 32, Human Resources Code,
5 is amended by adding Section 32.073 to read as follows:

6 Sec. 32.073. PROGRAM OF ALL-INCLUSIVE CARE FOR THE ELDERLY
7 (PACE). (a) The commission shall make the PACE program a part of
8 the permanent long-term care plan for citizens of the state of Texas
9 who are eligible.

10 (b) The commissioner shall promote the PACE program as a
11 long-term care initiative.

12 (c) If any funds have lapsed the commission shall direct all
13 or part of these funds into the PACE program to promote expansion of
14 PACE in Texas.

15 SECTION 4. If before implementing any provision of this
16 Act, a state agency determines that a waiver or authorization from a
17 federal agency is necessary for implementation, the state agency
18 shall request the waiver or authorization and may delay
19 implementing that provision until the waiver or authorization is
20 granted.

21 SECTION 5. EFFECTIVE DATE. This Act takes effect
22 immediately if it receives a vote of two-thirds of all the members
23 elected to each house, as provided by Section 39, Article III, Texas
24 Constitution. If this Act does not receive the vote necessary for
25 immediate effect, this Act takes effect September 1, 2003.