

By: Price, Keough

H.B. No. 3823

A BILL TO BE ENTITLED

AN ACT

relating to rate-setting and data collection processes under the program of all-inclusive care for the elderly.

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

SECTION 1. Subchapter B, Chapter 32, Human Resources Code, is amended by adding Sections 32.0532, 32.0533, and 32.0534 to read as follows:

Sec. 32.0532. PACE PROGRAM REIMBURSEMENT METHODOLOGY. (a)

In this section and Sections 32.0533 and 32.0534:

(1) "Commission" means the Health and Human Services Commission.

(2) "PACE program" means the program of all-inclusive care for the elderly (PACE) established under Section 32.053.

(b) In setting the reimbursement rates under the PACE program, the executive commissioner of the commission shall ensure that:

(1) reimbursement rates for providers under the program are adequate to sustain the program;

(2) reimbursements paid under the program do not, in the aggregate, exceed the reasonable and necessary costs to operate the program; and

(3) the program is cost-neutral when compared to the cost to serve a comparable population in the STAR + PLUS Medicaid managed care program.

1 (c) For purposes of Subsections (b)(1) and (2), the
2 commission shall consider requiring providers under the PACE
3 program to report historical cost and utilization data. If the
4 commission requires providers to report historical cost and
5 utilization data under this section:

6 (1) the commission may establish a cost-reporting
7 structure that accommodates data collection from providers by
8 modifying as appropriate an existing cost-reporting structure used
9 for other programs administered by the commission; and

10 (2) the commission shall determine which costs the
11 commission considers reasonable and necessary under the program.

12 (d) For purposes of Subsection (b)(3), the commission shall
13 consider data on the cost of services provided to comparable
14 recipients enrolled in the STAR + PLUS Medicaid managed care
15 program to calculate the upper payment limit component of the PACE
16 program reimbursement rates. The cost of those services includes
17 the Medicaid capitation payment per recipient and Medicaid payments
18 made on a fee-for-service basis for services not covered by the
19 capitation payment.

20 Sec. 32.0533. DATA COLLECTION: PACE AND STAR + PLUS
21 MEDICAID MANAGED CARE PROGRAMS. The commission, in collaboration
22 with the Department of Aging and Disability Services, shall modify
23 the methods by which the commission and the department collect data
24 for evaluation of the PACE and STAR + PLUS Medicaid managed care
25 programs to allow comparison of recipient outcomes between the
26 programs. The modification to data collection methods must include
27 changes to:

- 1 (1) survey instruments that measure recipient
2 experience;
- 3 (2) compilation of the same or similar complaint,
4 disenrollment, and appeals data; and
- 5 (3) compilation of the same or similar hospital
6 admissions and readmissions data.

7 Sec. 32.0534. EVALUATION AND REPORT COMPARING PACE AND STAR
8 + PLUS MEDICAID MANAGED CARE PROGRAMS. (a) The commission, in
9 collaboration with the Department of Aging and Disability Services,
10 shall conduct an evaluation of the PACE program that compares
11 Medicaid costs and client outcomes under the PACE program to
12 Medicaid costs and client outcomes under the STAR + PLUS Medicaid
13 managed care program. The commission must design the evaluation in
14 a manner that:

- 15 (1) compares similar recipient types between the
16 programs; and
- 17 (2) accounts for geographic differences and recipient
18 acuity.

19 (b) The evaluation required under this section must include
20 an assessment of future cost implications if the commission fails
21 to establish a reimbursement methodology under the PACE program in
22 accordance with Section 32.0532.

23 (c) The commission shall compile a report on the findings of
24 the evaluation under this section. Not later than December 1, 2016,
25 the commission shall submit the report to the Legislative Budget
26 Board and the governor.

27 (d) This section expires September 1, 2017.

1 SECTION 2. If before implementing any provision of this Act
2 a state agency determines that a waiver or authorization from a
3 federal agency is necessary for implementation of that provision,
4 the agency affected by the provision shall request the waiver or
5 authorization and may delay implementing that provision until the
6 waiver or authorization is granted.

7 SECTION 3. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2015.