By: Price, et al. (Senate Sponsor - Rodríguez) H.B. No. 3823

(In the Senate - Received from the House April 28, 2015; May 4, 2015, read first time and referred to Committee on Health and Human Services; May 15, 2015, reported favorably by the following vote: Yeas 9, Nays 0; May 15, 2015, sent to printer.)

COMMITTEE VOTE

	Yea	Nay	Absent	PNV
Schwertner	X			
Kolkhorst	X			
Campbell	X			
Estes	X			
Perry	X			
Rodríguez	X			
Taylor of Collin	X			
Uresti	X			
Zaffirini	X			

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, "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 shall ensure that:

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

(2) the program is cost-neutral or costs less when compared to the cost to serve a population in the STAR + PLUS Medicaid managed care program that is comparable in:

(A) age;

(B) eligibility factors, including:

(i) income level;

(ii) health status; and

(iii) impairment level;

(C) geographic location;

(D) living environment; and

(E) other factors determined to be necessary.

(c) For purposes of Subsection (b)(2), the commission shall consider data on the cost of services provided to comparable recipients enrolled in the STAR + PLUS Medicaid managed care program to calculate the upper payment limit component of the PACE program reimbursement rates. The cost of those services includes the Medicaid capitation payment per recipient and Medicaid payments made on a fee-for-service basis for services not covered by the capitation payment.

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

(1) survey instruments that measure recipient experience;

(2) compilation of the same or similar complaint, disenrollment, and appeals data; and

(3) compilation of the same or similar hospital admissions and readmissions data.

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

(1) compares similar recipient types between the programs in terms of recipient:

(A) age;

(B) eligibility factors, including:

(i) income level;

(ii) health status; and

(iii) impairment level; and

(C) living environment; and

(2) accounts for differences among recipients in:

(A) geographic location;

(B) health care acuity; and

(C) other factors determined to be necessary.

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

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

(d) This section expires September 1, 2017.

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

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

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