

BILL ANALYSIS

C.S.H.B. 3368
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Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The program of all-inclusive care for the elderly (PACE) provides community-based services to certain elderly individuals who qualify for nursing facility placement. Because the average monthly reimbursement for PACE program services is significantly lower than the reimbursement paid for state nursing facilities, the state would realize a significant cost savings if PACE program enrollment increased. C.S.H.B. 3368 seeks to facilitate this increased enrollment by providing a method by which potentially eligible individuals are made aware of the PACE program and provided educational materials about the program and its benefits.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3368 amends the Human Resources Code to require the Health and Human Services Commission (HHSC) to develop educational materials about the program of all-inclusive care for the elderly (PACE), including the following:

- the benefits of receiving acute care services and long-term care services through the program;
- contact information for each program service area site; and
- a specified statement and a statement with a telephone number informing a person of their eligibility to receive in-home medical services through the program.

C.S.H.B. 3368 requires the HHSC enrollment broker for the PACE program to do the following at the time a Medicaid recipient, including a recipient enrolled in a managed care plan, who resides in a PACE program service area, is determined eligible for nursing facility care:

- notify the recipient that they may request an eligibility assessment to participate in the PACE program and choose to enroll in the PACE program as an alternative to enrolling in a managed care plan; and
- provide the educational materials along with the notification.

The bill requires the broker, on a monthly basis and by electronic means, to refer each such recipient to the PACE program site in the corresponding service area.

C.S.H.B. 3368 requires the executive commissioner of HHSC, in adopting rules to implement the PACE program, to ensure the following:

- that the enrollment broker complies with the requirement to notify recipients about the program and refer those recipients, as appropriate, to corresponding program sites;
- that qualified eligible recipients who choose to participate in the program are allowed to enroll in the program; and
- that the PACE enrollment census in existing and future corresponding PACE program sites is allowed to grow naturally based on need as determined by the enrollment census.

The bill removes a requirement for the executive commissioner to ensure that Medicaid managed care organizations contracting with HHSC consider the availability of the PACE program when considering whether to refer a recipient to a nursing facility or other long-term care facility.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3368 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The original required the PACE program enrollment broker to identify all individuals enrolling in Medicaid who are eligible for nursing facility care and reside in a PACE program service area and to advise those individuals that they may request a program eligibility assessment and choose to enroll in the program as an alternative to enrolling in a Medicaid managed care plan. The substitute does not require the broker to identify eligible individuals and instead requires the broker, at the time a Medicaid recipient, including a recipient enrolled in a managed care plan, who resides in a PACE program service area is determined eligible for nursing facility care to notify the recipient of those rights. The substitute includes an additional requirement not in the original for the broker also to provide with that notification the PACE program educational materials developed by HHSC.

The substitute revises the original's requirement for the enrollment broker to refer applicable recipients to appropriate PACE program sites monthly to specify that this referral is to be made by electronic means.

The substitute revises the original's requirement for the executive commissioner, in adopting rules to implement the PACE program, to ensure that the PACE enrollment census is allowed to grow based on need as determined by the enrollment census to specify that the requirement applies with respect to the enrollment census in existing and future corresponding PACE program sites.

The substitute expands the required contents of the PACE program educational materials as established in the original to include the following:

- contact information for each program service area site; and
- a specified statement with a contact number informing the recipient of their eligibility to receive in-home services through the program.