HOUSE BILL NO. HB0086

Medicaid-elderly care.

Sponsored by: Representative(s) Millin, Davison, Esquibel, K., Kimble and Shepperson and Senator(s) Hastert and Scott

A BILL

for

AN ACT relating to Medicaid; authorizing as an optional Medicaid service a program of all-inclusive care for the elderly; providing program objectives; establishing program provider eligibility criteria; providing that participating program organizations do not require a certificate of authority as an insurer or health maintenance organization; granting rulemaking authority; requiring reports; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 42-4-121 is created to read:

42-4-121. Program of all-inclusive care for the elderly.

(a) The department, as an optional services program of the Medicaid program, may 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, P.L. 105-33, as amended, and 42 C.F.R. part 460.

(b) The department may contract with approved PACE organizations to provide, in the manner and to the extent authorized by federal law, comprehensive, community based acute and long term care services for older Medicaid eligible participants who are at least fifty-five (55) years old, living in a PACE service area, certified by the department as eligible for nursing home placement and who elect to participate in the PACE program. Services provided through a PACE organization shall include all necessary medical and related care required by the PACE participant, including but not limited to physician visits, regular check ups, prescription drugs, rehabilitation services, home and personal care services, medically necessary transportation and hospitalization.

(c) The objective of the PACE program is to provide prepaid, capitated, quality comprehensive health care services that are designed to:

(i) Enhance the quality of life and autonomy for frail, older adults;

(ii) Maximize dignity of, and respect for, older adults;

(iii) Enable frail, older adults to live in the community as long as medically and socially feasible;

(iv) Preserve and support the older adult's family unit.

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

(i) Provide application procedures for organizations seeking to become a PACE program provider;

(ii) Establish the capitation rate for Medicaid participants electing to participate in the PACE program instead of receiving Medicaid services on a fee for service basis. The capitation rate shall be no less than ninety-

five percent (95%) of the fee for service equivalent cost, including the department's cost of administration, that the department estimates would be payable for all services covered under the PACE organization contract if all of those services were to be provided on a fee for service basis;

(iii) Provide application procedures, including acknowledgment of informed consent, for Medicaid participants electing to participate in the PACE program in lieu of receiving fee for service Medicaid benefits.

(e) PACE provider organizations shall be public or private organizations providing or having the capacity to provide, as determined by the department, comprehensive health care services on a risk based capitated basis to PACE patients.

(f) To demonstrate capacity as required by subsection (e) of this section, the department shall consider evidence such as an organization's insurance, reinsurance, cash reserves, letters of credit, guarantees of companies affiliated with the organization or a combination of those arrangements.

(g) PACE organizations shall assume responsibility for all costs generated by PACE program participants, and shall create and maintain a risk reserve fund that will cover any cost overages for any participant. A PACE organization is responsible for the full financial risk that the cost of services required by a program participant might exceed the Medicaid capitated fee for that participant.

(h) The department shall develop and implement a coordinated plan to promote the PACE program among prospective Medicaid long term care patients in the service areas of approved PACE organizations.

(j) As soon as practicable after July 1, 2010, the department shall submit to the federal centers for Medicare and Medicaid services an amendment to the state Medicaid plan authorizing the state to implement the program of all-inclusive care for the elderly pursuant to this section. The department shall not enter into a contract with any PACE provider organization until all necessary state plan amendments or waivers are approved. An additional amendment to the state Medicaid plan shall not be required

each time the department enters into a contract with a new PACE provider organization.

(k) Nothing in this section shall be construed to require a PACE organization to hold a certificate of authority as an insurer or a health maintenance organization under title 26 of the Wyoming statutes.

(m) The department shall provide a report to the joint labor, health and social services interim committee no later than October 1, 2011, and annually thereafter, with respect to the program established by this section, including the number of PACE organizations authorized, the administrative structure of the program, the number of Medicaid eligible persons receiving services under the program and the projected savings to the Medicaid program from the PACE program. As used in this section "PACE" means a program of all-inclusive care for the elderly meeting the requirements of this section.

(n) No PACE organization shall withhold any necessary medical or nonmedical services to any PACE participant in order to increase the organization's profit from the Medicaid capitated payment.

(o) PACE participants may disenroll from the PACE program at any time. A PACE organization shall promptly report the identity of all disenrolled participants to the department.

Section 2. This act is effective July 1, 2010.

(END)