

# SENATE BILL REPORT

## SHB 1499

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As of March 25, 2013

**Title:** An act relating to the program of all-inclusive care for the elderly.

**Brief Description:** Concerning the program of all-inclusive care for the elderly.

**Sponsors:** House Committee on Appropriations Subcommittee on Health & Human Services (originally sponsored by Representatives Jinkins, Harris, Cody, Fitzgibbon, Ryu, Roberts, Fey and Pollet).

**Brief History:** Passed House: 3/11/13, 98-0.

**Committee Activity:** Health Care: 3/25/13.

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### SENATE COMMITTEE ON HEALTH CARE

**Staff:** Mich'l Needham (786-7442)

**Background:** The Program for All-Inclusive Care for the Elderly (PACE) is one of several long-term care services programs offered by the Department of Social and Health Services (DSHS) to help elderly clients remain in the community. PACE is a capitated benefit that may be offered under a state's Medicaid program. PACE integrates necessary long-term care, medical services, mental health services, and alcohol and substance abuse treatment services. PACE is available to people who:

- are age 65 or older, or age 55 or older and blind or disabled;
- need a nursing facility level of care;
- live within a PACE provider's designated service area; and
- are not enrolled in any other Medicare or Medicaid prepayment plan or optional benefit.

Individuals enrolled in PACE must agree to receive services exclusively through the PACE provider and its network of providers. The available long-term care services under PACE include care coordination, home and community-based services, and nursing facility care. The medical care services available under PACE include primary medical care, vision care, end of life care, restorative therapies, oxygen therapy, audiology, transportation, podiatry, durable medical equipment, dental care, pharmaceutical products, immunizations and vaccines, emergency care, and inpatient hospital stays.

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Individuals may voluntarily end enrollment in PACE at any time. Under state law, individuals may also be involuntarily disenrolled from PACE under several circumstances, including if they no longer meet the nursing facility level of care requirement.

**Summary of Bill:** DSHS must allow long-term care clients who are enrolled in PACE to remain in PACE, if the client so chooses, despite having improved status related to functional criteria for nursing facility level of care, consistent with federal requirements.

DSHS must develop and implement a coordinated plan for educating others about PACE site operations. The plan must include a strategy to assure that case managers and other staff who make eligibility determinations discuss with the option of PACE and the potential benefits of participating with eligible long-term care clients. The plan must also require that referrals for an evaluation are made to a PACE provider for all clients who are eligible for the Community Options Program Entry System waiver program, are 55 years old or over, and live in a PACE service area. Lastly, the plan must require additional and ongoing training for case managers and other staff with responsibilities related to eligibility determinations. DSHS must identify a private entity that operates PACE program sites in Washington to provide the training at no cost to the state.

**Appropriation:** None.

**Fiscal Note:** Available.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: PACE is a very positive, capitated program that saves the state money and offers improved health care for the clients with improved health outcomes. If you compare death rates for the population in the program with those outside the program, the data is striking. This program keeps people healthy longer. The bill is really addressing two main issues: referrals to the program; and flexibility to keep people enrolled. We do have an organization willing to provide the training without cost to the state. We operate PACE in Washington and although it is only offered in King County now, it is a model offered in 29 states and we hope to expand it. Of the roughly 3000 clients that were eligible for the program last year, we only received referrals for 34 so the training and outreach will be helpful to improve the referrals and help the eligibility staff understand the options. We also had an issue with some clients that were forced to leave the program because their health improved, but then we saw dramatic reversals of their health status, including death of one patient. We want to help them stay in the program and retain the services that are keeping them healthy.

**Persons Testifying:** PRO: Representative Jenkins, prime sponsor; Vicki Christophersen, Providence Health Services.