

ASSEMBLY BILL

No. 471

Introduced by Assembly Member Atkins

February 19, 2013

An act to amend Section 14593 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 471, as introduced, Atkins. Medi-Cal: Program of All-Inclusive Care for the Elderly.

Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid Program provisions. Existing federal law establishes the Program of All-Inclusive Care for the Elderly (PACE), which provides specified services for older individuals so that they may continue living in the community. Federal law authorizes states to implement the PACE program as a Medicaid state option.

Existing state law establishes the California Program for All-Inclusive Care for the Elderly and establishes PACE program services as a covered benefit of the Medi-Cal program. Existing law authorizes the department to enter into contracts with up to 15 PACE organizations, as defined, to implement the PACE program, as specified.

This bill would delete the provision that limits the number of contracts with PACE organizations to 15.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14593 of the Welfare and Institutions
2 Code is amended to read:

3 14593. (a) ~~(1)~~—The department may enter into contracts with
4 public or private nonprofit organizations for implementation of
5 the PACE program, and also may enter into separate contracts
6 with PACE organizations, to fully implement the single state
7 agency responsibilities assumed by the department in those
8 contracts, Section 14132.94, and any other state requirement found
9 necessary by the department to provide comprehensive
10 community-based, risk-based, and capitated long-term care services
11 to California’s frail elderly.

12 ~~(2) The department may enter into separate contracts as specified~~
13 ~~in subdivision (a) with up to 15 PACE organizations.~~

14 (b) The requirements of the PACE model, as provided for
15 pursuant to Section 1894 (42 U.S.C. Sec. 1395eee) and Section
16 1934 (42 U.S.C. Sec. 1396u-4) of the federal Social Security Act,
17 shall not be waived or modified. The requirements that shall not
18 be waived or modified include all of the following:

19 (1) The focus on frail elderly qualifying individuals who require
20 the level of care provided in a nursing facility.

21 (2) The delivery of comprehensive, integrated acute and
22 long-term care services.

23 (3) The interdisciplinary team approach to care management
24 and service delivery.

25 (4) Capitated, integrated financing that allows the provider to
26 pool payments received from public and private programs and
27 individuals.

28 (5) The assumption by the provider of full financial risk.

29 (6) The provision of a PACE benefit package for all participants,
30 regardless of source of payment, that shall include all of the
31 following:

32 (A) All Medicare-covered items and services.

33 (B) All Medicaid-covered items and services, as specified in
34 the state’s Medicaid plan.

35 (C) Other services determined necessary by the interdisciplinary
36 team to improve and maintain the participant’s overall health status.

37 (c) Sections 14002, 14005.12, 14005.17, and 14006 shall apply
38 when determining the eligibility for Medi-Cal of a person receiving

1 the services from an organization providing services under this
2 chapter.

3 (d) Provisions governing the treatment of income and resources
4 of a married couple, for the purposes of determining the eligibility
5 of a nursing-facility certifiable or institutionalized spouse, shall
6 be established so as to qualify for federal financial participation.

7 (e) (1) The department shall establish capitation rates paid to
8 each PACE organization at no less than 90 percent of the
9 fee-for-service equivalent cost, including the department's cost of
10 administration, that the department estimates would be payable
11 for all services covered under the PACE organization contract if
12 all those services were to be furnished to Medi-Cal beneficiaries
13 under the fee-for-service Medi-Cal program provided for pursuant
14 to Chapter 7 (commencing with Section 14000).

15 (2) This subdivision shall be implemented only to the extent
16 that federal financial participation is available.

17 (f) Contracts under this chapter may be on a nonbid basis and
18 shall be exempt from Chapter 2 (commencing with Section 10290)
19 of Part 2 of Division 2 of the Public Contract Code.