



House of Representatives

File No. 808

General Assembly

January Session, 2023

(Reprint of File No. 60)

House Bill No. 6677
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 22, 2023

AN ACT CONCERNING ADULT DAY CENTERS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (*Effective from passage*) The Commissioner of Social Services
2 shall develop a plan to increase the number of persons eligible to receive
3 adult day services under the Connecticut home-care program for the
4 elderly, established pursuant to section 17b-342 of the general statutes.
5 Such plan shall include, but need not be limited to, recommendations to
6 (1) lower the age eligibility requirements for participation in the
7 program such that persons with early onset dementia and similar needs
8 are eligible for adult day services, (2) amend, to the extent permissible
9 under federal law, the Medicaid state plan to lower such age eligibility
10 requirements for such persons, (3) increase rates of Medicaid
11 reimbursement to adult day centers to offset costs incurred to transport
12 persons to and from the centers, and (4) establish a program of all-
13 inclusive care for the elderly pursuant to Title IV, Subtitle I of P.L. 105-
14 33. Not later than February 1, 2024, the commissioner shall report, in

15 accordance with the provisions of section 11-4a of the general statutes,
16 to the joint standing committee of the General Assembly having
17 cognizance of matters relating to aging on such plan.

18 Sec. 2. Section 17b-428 of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective July 1, 2023*):

20 (a) As used in this section:

21 (1) "Commissioner" means the Commissioner of Social Services;

22 (2) "PACE program" has the same meaning as provided in 42 USC
23 1395eee, as amended from time to time, and includes a program of all-
24 inclusive care for the elderly;

25 ~~[(2)]~~ (3) "Eligible individual" means "PACE program eligible
26 individual", as defined in [Subtitle I of Public Law 105-33] 42 USC
27 1395eee, as amended from time to time, or in a [waiver application]
28 Medicaid state plan amendment approved by the United States
29 Department of Health and Human Services;

30 ~~[(3)~~ "PACE program" means "PACE program", as defined in Subtitle
31 I of Public Law 105-33, as amended from time to time, and includes a
32 program of all-inclusive care for the elderly;]

33 (4) "PACE program agreement" means "PACE program agreement",
34 as defined in [Subtitle I of Public Law 105-33] 42 USC 1395eee, as
35 amended from time to time;

36 (5) "PACE provider" means "PACE provider", as defined in [Subtitle
37 I of Public Law 105-33] 42 USC 1395eee, as amended from time to time;
38 and

39 ~~[(6)~~ "Secretary" means the Secretary of the United States Department
40 of Health and Human Services;]

41 ~~[(7)]~~ (6) "State administering agency" means "state administering
42 agency", as defined in [Subtitle I of Public Law 105-33] 42 USC 1395eee,

43 as amended from time to time.

44 (b) [Not later than July 1, 1998, the] The commissioner [shall establish
45 a pilot program in which PACE providers deliver] may submit a
46 Medicaid state plan amendment to add PACE program services, within
47 available appropriations, to [eligible individuals in this state pursuant
48 to a PACE program agreement. Under said program, the commissioner,
49 in consultation with the Insurance Commissioner, may initially enter
50 into contracts with integrated service networks which have successfully
51 completed a feasibility study, in conjunction with a PACE technical
52 assistance center, for the provision of PACE program services] the
53 Medicaid state plan.

54 (c) The Department of Social Services shall be the state administering
55 agency for the state of Connecticut responsible for administering PACE
56 program [agreements in this state. The department, upon request, shall
57 assist the secretary in establishing procedures for entering into,
58 extending and terminating PACE program agreements for the operation
59 of PACE programs by PACE providers in this state] agreement services.
60 Upon approval of the Medicaid state plan amendment, the department
61 shall establish participation criteria for eligible individuals and PACE
62 providers and make payments for PACE program services from funds
63 appropriated to the Medicaid account.

64 [(d) The commissioner shall provide medical assistance under this
65 section for PACE program services to eligible individuals who are
66 eligible for medical assistance in this state and enrolled in a PACE
67 program under a PACE program agreement. The commissioner shall
68 seek any waiver from federal law necessary to permit federal
69 participation for Medicaid expenditures for PACE programs in this
70 state.]

71 [(e)] (d) The commissioner may adopt regulations in accordance with
72 chapter 54 to implement the provisions of this section. The
73 commissioner, pursuant to section 17b-10, may implement policies and
74 procedures to implement the provisions of this section while in the

75 process of adopting such policies and procedures in regulation form,
 76 provided the commissioner posts notice of the intent to adopt the
 77 regulation on the eRegulations System not later than twenty days after
 78 the date of implementation. Such policies and procedures shall be valid
 79 until the time final regulations are adopted.

80 Sec. 3. Section 17b-28c of the general statutes is repealed. (*Effective July*
 81 *1, 2023*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2023</i>	17b-428
Sec. 3	<i>July 1, 2023</i>	Repealer section

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill could result in a cost to the Department of Social Services (DSS) associated with covering the Program of All-Inclusive Care for the Elderly (PACE) services under Medicaid. The bill allows but does not require DSS to cover PACE services under the Medicaid state plan, within available appropriations. To the extent DSS applies for and receives federal approval for coverage, the cost will depend on several factors including: (1) eligibility criteria for participants and providers, (2) Medicaid rates and payment structure, (3) service utilization, and (4) any potential offsetting savings to the extent eligible participants utilizing other state-funded services transition to services covered under PACE.

House "A" removes provisions increasing Medicaid rates for adult day care services by ten percent, which eliminates the associated cost to DSS.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to utilization levels and the Medicaid rates established.

OLR Bill Analysis**HB 6677 (as amended by House "A")******AN ACT CONCERNING ADULT DAY CENTERS.*****SUMMARY**

This bill makes various changes related to the delivery of, and reimbursement for, adult day services. Specifically, it:

1. requires the Department of Social Services (DSS) commissioner to develop a plan to increase eligibility for adult day services under the Connecticut Home Care Program for Elders (CHCPE) and report to the Aging Committee on the plan by February 1, 2024 (§ 1);
2. allows the commissioner to submit a Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services (CMS) to cover Program of All-Inclusive Care for Elderly (PACE; see BACKGROUND) services under Medicaid, within available appropriations (§ 2); and
3. eliminates an obsolete provision related to a PACE services pilot program (§ 3).

Lastly, the bill makes technical changes.

*House Amendment "A" eliminates a provision requiring the DSS commissioner to increase the fee for CHCPE adult day care services by 10% over the previous fiscal year to cover providers' transportation costs.

EFFECTIVE DATE: July 1, 2023, except that the provision on the DSS commissioner's adult day services plan takes effect upon passage.

§ 1 — DSS ADULT DAY SERVICES PLAN

Under the bill, the DSS commissioner's plan must include recommendations to do the following:

1. lower the eligible age to participate in the program so that people with early onset dementia and other similar needs are eligible for adult day services;
2. amend the Medicaid state plan, to the extent allowed under federal law, to lower age eligibility requirements for these people;
3. increase Medicaid reimbursement rates to adult day centers to offset costs they incur transporting people to and from their facilities; and
4. establish a PACE program.

§ 2 — PACE PROGRAM

The bill allows the DSS commissioner to submit a Medicaid state plan amendment to CMS to cover PACE services under Medicaid, within available appropriations.

Generally, PACE programs deliver medical and social services through providers that service eligible individuals in a provider's defined services area (see BACKGROUND). Under federal law and the bill, PACE programs are operated by PACE providers that deliver comprehensive health care services to eligible individuals in keeping with federal regulations and a PACE program agreement (i.e., an agreement between a provider and the federal Department of Health and Human Services or the state administering agency to operate a PACE program). For-profit and nonprofit providers may operate a PACE program.

The bill cites federal law to define "eligible individuals" as people who:

1. are ages 55 or older,
2. require a nursing home level of care,
3. live in a PACE program's service area, and
4. meet any other eligibility requirements included in the PACE program agreement (42 U.S.C. § 1395eee).

The bill requires DSS to be the state administering agency responsible for administering PACE program agreement services. If CMS approves the Medicaid state plan amendment, the bill requires DSS to establish participation criteria for eligible individuals and PACE providers and make payments for PACE program services from funds appropriated to the Medicaid account.

By law, for certain programs including Medicaid, DSS may implement policies and procedures while in the process of adopting them as regulations (CGS § 17b-10(b)). The bill explicitly allows the DSS commissioner to implement policies and procedures this way under the bill and requires her to post notice of her intent to adopt regulations on the eRegulations System within 20 days of implementing the policies and procedures, which are valid until final regulations are adopted.

BACKGROUND

Connecticut Home Care Program for Elders

CHCPE is a Medicaid-waiver and state-funded program that provides a range of home- and community-based services for eligible individuals ages 65 or older who are at risk of inappropriate institutionalization (e.g., nursing home placement). In comparison to the Medicaid-waiver component, the program's state-funded portion has no income limit and has higher asset limits. The state can limit program enrollment or establish wait lists based on available resources.

PACE Services and Centers

PACE organizations provide services primarily in an adult day health center ("PACE center"). Each PACE organization must operate at

least one PACE center in, or contiguous to, its designated service area with enough capacity to allow routine attendance by participants. The PACE center must provide at least primary care, social services, restorative therapies (physical and occupational therapies), personal care and supportive services, nutritional counseling, recreational therapy, and meals (42 C.F.R. § 460.98).

COMMITTEE ACTION

Aging Committee

Joint Favorable

Yea 15 Nay 0 (02/28/2023)

Appropriations Committee

Joint Favorable

Yea 53 Nay 0 (05/01/2023)