

FOR CONSIDERATION By the Committee on Health Policy

588-03128A-14

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1 A bill to be entitled
2 An act relating to the Program of All-Inclusive Care
3 for the Elderly; creating s. 430.84, F.S.; defining
4 terms; authorizing the Department of Elderly Affairs,
5 in consultation with the Agency for Health Care
6 Administration, to contract with specified entities to
7 provide benefits pursuant to the Program of All-
8 Inclusive Care for the Elderly (PACE); establishing a
9 selection process for PACE providers; requiring an
10 annual review by the department and the agency and the
11 development of legislative recommendations; providing
12 requirements for such review and recommendations;
13 providing for accountability for PACE providers;
14 providing applicability; providing that enrollment in
15 PACE is voluntary; establishing PACE plan payments and
16 financial responsibility requirements; providing an
17 effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

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21 Section 1. Section 430.84, Florida Statutes, is created to
22 read:

23 430.84 Program of All-Inclusive Care for the Elderly.-

24 (1) DEFINITIONS.-As used in this section, the term:

25 (a) "Agency" means the Agency for Health Care
26 Administration.

27 (b) "Applicant" means an entity that has filed an
28 application with the agency for consideration as a Program of
29 All-Inclusive Care for the Elderly (PACE) provider.

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30 (c) "Department" means the Department of Elderly Affairs.

31 (d) "Eligible entity" means a not-for-profit organization
32 that is a PACE provider as of May 1, 2014, or an entity licensed
33 as a nursing home diversion program provider or a not-for-profit
34 hospice provider which meets the requirements for participation
35 established by this section and the agency.

36 (e) "Enrollee" means an individual receiving services from
37 a PACE provider who is eligible under the Medicaid long-term
38 managed care program or another health care services program.

39 (f) "Provider" means an eligible entity under contract with
40 the department to deliver PACE services.

41 (2) PROGRAM CREATION.—The department, in consultation with
42 the agency, may contract with entities that have submitted an
43 application to provide benefits pursuant to PACE as established
44 in 42 U.S.C. s. 1395eee in accordance with the requirements of
45 this section.

46 (3) PROVIDER SELECTION.—Provider eligibility and enrollment
47 for PACE shall be conducted through a two-step process developed
48 by the agency and the department consistent with the
49 requirements of this section for new and existing sites. A PACE
50 provider is exempt from the requirements of chapter 641.

51 (a) Eligibility confirmation status.—Applications for
52 eligibility confirmation status shall be considered on an
53 ongoing basis by the agency, in consultation with the
54 department. To be considered for funding as a PACE site, an
55 eligible entity must receive an eligibility confirmation status
56 and be placed on the annual funding priority list by the agency,
57 in consultation with the department. For providers in existence
58 as of May 1, 2014, the agency shall document the provider's

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59 continued eligibility confirmation status in the provider's
60 contract by the provider's next contract renewal date, but no
61 later than January 1, 2015.

62 1. To receive eligibility confirmation status, an applicant
63 or eligible entity must document to the agency all of the
64 following minimum components:

65 a. Ability to meet all federal requirements for
66 participation as a PACE provider by the proposed implementation
67 date;

68 b. Confirmation of accreditation status or ability to
69 attain status within 1 year of the proposed implementation date;

70 c. Documentation of financial stability, including evidence
71 of insurance at a level determined by the agency or evidence
72 that such level will be attained before the proposed
73 implementation date;

74 d. Evidence of a fidelity bond in its own name and in the
75 names of its officers and employees in an amount established by
76 the agency and department, or documentation of ability to
77 acquire such coverage before the proposed implementation date;

78 e. At least 20 years' prior experience in providing similar
79 services to the frail elderly population; and

80 f. Documentation of a business plan of operation, including
81 pro forma financial statements and projections, based on the
82 proposed implementation date.

83 2. If applications are received from more than one entity
84 within a region as described in s. 409.966, the agency may
85 notify the applicants and request that they collaborate on a
86 single application if the region cannot support more than one
87 provider. Each provider must serve a unique and defined area

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88 without duplication of services or target populations.

89 3. Upon approval of documentation, the agency shall provide
90 notification of the entity's confirmed status. The agency may
91 request additional or updated data to support its annual report
92 and to develop its funding priorities.

93 (b) Selection process.—The selection of PACE providers
94 shall be based on the regions described in s. 409.966, and no
95 more than one PACE provider shall be selected per 3,000
96 estimated eligible enrollees in a particular region.

97 (c) Annual review.—

98 1. The agency and department shall review annually the list
99 of existing providers, the projected enrollment and costs for
100 existing providers, and the list of entities with a confirmed
101 eligibility status. For ongoing placement on the agency's
102 priority funding list or recommended continuation list, an
103 applicant or eligible entity must maintain its eligibility
104 confirmation status. The agency and department shall develop and
105 provide recommendations for the President of the Senate and the
106 Speaker of the House of Representatives no later than January 1
107 each year which include, at a minimum, the following:

108 a. The providers recommended for continuation for the next
109 state fiscal year;

110 b. For existing providers, the estimated or proposed
111 capitation rates and enrollment by provider for the next state
112 fiscal year, including any recommendations for the
113 discontinuation of any providers;

114 c. A priority funding list for implementation of new
115 providers which includes, in priority order, all eligible
116 entities with the estimated or proposed capitation rates and

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117 enrollment for each entity; and

118 d. The recommended policy changes to the program which
119 require statutory modifications.

120 2. In developing the recommendations, the agency and
121 department shall consider the following factors:

122 a. The services being offered or proposed to be offered to
123 the frail elderly population by the provider;

124 b. The proposed plan of operation for implementation or
125 continuation of PACE services;

126 c. An outreach plan to potentially eligible enrollees;

127 d. The anticipated costs and enrollment projections; and

128 e. Any supplemental benefits offered to enrollees.

129 (4) ACCOUNTABILITY.—All PACE providers must meet specific
130 quality and performance standards established by the department
131 for PACE. The department shall monitor each PACE site
132 individually and shall mutually develop with each provider
133 additional quality and performance standards.

134 (5) APPLICABILITY OF LAWS RELATING TO MEDICAID.—Except as
135 modified by subsections (3), (6), and (7), ss. 409.967 and
136 409.983 apply to the administration of PACE.

137 (6) ENROLLMENT.—Enrollment in PACE is voluntary and shall
138 be on a first-come, first-served basis until the enrollment cap
139 for a provider or region is reached. The agency shall define a
140 cap on the number of PACE slots; however, the number of slots
141 available statewide may not exceed 3 percent of the total number
142 of enrollees in the long-term managed care program.

143 (7) PLAN PAYMENTS.—Prepaid payment rates shall be
144 negotiated between the PACE provider and the agency as part of
145 the application and contract renewal process and shall be

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146 renegotiated each year. Capitation rates and enrollment caps are
147 subject to the General Appropriations Act.

148 (a) Payment rates must reflect historic utilization and
149 spending for covered services projected forward and adjusted to
150 reflect the level of care profile for enrollees in each plan.

151 (b) The contract between the agency and provider must
152 include a lock-in provision that holds the provider financially
153 responsible for a designated period of time for any enrollee who
154 disenrolls from PACE and subsequently enrolls or transfers to
155 nursing home care within the first 6 months after disenrollment.

156 (c) Annual capitation rates to providers under PACE may not
157 result in an increase to the capitation rate paid under s.
158 409.983 to long-term care managed care plans by more than 3
159 percent over the prior fiscal year, as certified by the agency's
160 chief financial officer.

161 Section 2. This act shall take effect July 1, 2014.