



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 6551 (Substitute S-1 as reported by the Committee of the Whole)

Sponsor: Representative Daire Rendon

House Committee: Families, Children, and Seniors

Senate Committee: Families, Seniors and Human Services

CONTENT

The bill would amend the Social Welfare Act to specify requirements with which a prospective program of all-inclusive care for the elderly (PACE) organization would have to comply.

Under the bill, "program of all-inclusive care for the elderly" or "PACE" would mean an innovative model of community-based care that enables elderly individuals, who are certified as needing nursing facility care, to live as independently as possible.

A prospective PACE organization could be a not-for-profit, for-profit, or public entity that was primarily engaged in providing PACE services and participated in both Medicare and Medicaid. Michigan licensure as a health care entity would not be required. An unlicensed PACE entity could serve any eligible enrollee.

A prospective PACE entity would have to meet the Federal requirements for a PACE organization, enroll as a Michigan Medicaid provider, and complete a feasibility study. A prospective PACE organization would have to submit both of the following to the Department of Health and Human Services (DHHS):

- A feasibility study, within 90 days after submitting a letter of intent.
- A provider application, within one year after the DHHS approved the feasibility study.

When submitting a letter of intent, a prospective PACE entity would have to state in the application the service area proposed for the PACE program. If the State determined that there was unmet need in a designated geographic area already covered by an existing PACE organization, the DHHS would have to notify that organization, and that PACE organization would have to be given the opportunity to submit a plan to expand capacity sufficient to accommodate need.

Proposed MCL 400.22

Legislative Analyst: Nathan Leaman

FISCAL IMPACT

As all current PACE organizations in Michigan meet the definition of PACE included in the bill, the bill would have no fiscal impact.

Date Completed: 12-13-18

Fiscal Analyst: Steve Angelotti