



Senate Fiscal Agency
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BILL ANALYSIS



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ouse Bill 6551 (Substitute H-1 as passed by the House)
Sponsor: Representative Daire Rendon
House Committee: Families, Children, and Seniors
Senate Committee: Families, Seniors and Human Services

Date Completed: 12-5-18

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.

The bill would take effect 90 days after its enactment.

Under the bill, "program of all-inclusive care for the elderly" or "PACE" means 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, not later than 90 days after submitting a letter of intent.
- A provider application, not later than one year after the Department approved the feasibility study.

When submitting a letter of intent, a prospective PACE entity would have to state in the application the service are a proposed for the PACE program. The DHHS would have to exclude from designation an area that already was covered under another PACE program agreement to avoid unnecessary duplication of services and to avoid impairing the financial aid and service viability of an existing PACE program.

Proposed MCL 400.22

Legislative Analyst: Tyler VanHuyse

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.

Fiscal Analyst: Steve Angelotti

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