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## **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)