



House of Representatives

General Assembly

File No. 60

January Session, 2023

House Bill No. 6677

House of Representatives, March 14, 2023

The Committee on Aging reported through REP. GARIBAY of the 60th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

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 Section 17b-343 of the general statutes is repealed and the
19 following is substituted in lieu thereof (*Effective July 1, 2023*):

20 The Commissioner of Social Services shall establish annually the
21 maximum allowable rate to be paid by agencies for homemaker
22 services, chore person services, companion services, respite care, meals
23 on wheels, adult day care services, case management and assessment
24 services, transportation, mental health counseling and elderly foster
25 care. The Commissioner of Social Services shall prescribe uniform forms
26 on which agencies providing such services shall report their costs for
27 such services. Such rates shall be determined on the basis of a reasonable
28 payment for necessary services rendered. The maximum allowable rates
29 established by the Commissioner of Social Services for the Connecticut
30 home-care program for the elderly established under section 17b-342
31 shall constitute the rates required under this section until revised in
32 accordance with this section. The Commissioner of Social Services shall
33 establish a fee schedule, to be effective on and after July 1, 1994, for
34 homemaker services, chore person services, companion services, respite
35 care, meals on wheels, adult day care services, case management and
36 assessment services, transportation, mental health counseling and
37 elderly foster care. The commissioner may annually increase the fee
38 schedule based on an increase in the cost of services. The commissioner
39 shall increase the fee schedule effective July 1, 2000, by not less than five
40 per cent, for adult day care services. The commissioner shall increase the
41 fee schedule effective July 1, 2011, by four dollars per person, per day
42 for adult day care services. The commissioner shall increase the fee
43 schedule effective July 1, 2023, for adult day care services by ten per cent
44 over the fee schedule for adult day care services for the previous fiscal
45 year for the purpose of providing increased funding for adult day care
46 transportation. The commissioner shall increase the fee schedule
47 effective July 1, 2019, for meals on wheels by ten per cent over the fee
48 schedule for meals on wheels for the previous fiscal year. Effective July
49 1, 2020, and annually thereafter, the commissioner may increase the fee

50 schedule for meals on wheels providers serving participants in the
51 Connecticut home-care program for the elderly by, at a minimum, the
52 cost-of-living adjustment as measured by the consumer price index. The
53 commissioner may increase any fee payable to a meals on wheels
54 provider upon the application of such provider evidencing
55 extraordinary costs related to delivery of meals on wheels in sparsely
56 populated rural regions of the state. Nothing contained in this section
57 shall authorize a payment by the state to any agency for such services in
58 excess of the amount charged by such agency for such services to the
59 general public.

60 Sec. 3. Section 17b-428 of the general statutes is repealed and the
61 following is substituted in lieu thereof (*Effective July 1, 2023*):

62 (a) As used in this section:

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

64 (2) "PACE program" has the same meaning as provided in 42 USC
65 1395eee, as amended from time to time, and includes a program of all-
66 inclusive care for the elderly;

67 [(2)] (3) "Eligible individual" means "PACE program eligible
68 individual", as defined in [Subtitle I of Public Law 105-33] 42 USC
69 1395eee, as amended from time to time, or in a [waiver application]
70 Medicaid state plan amendment approved by the United States
71 Department of Health and Human Services;

72 [(3)] (3) "PACE program" means "PACE program", as defined in Subtitle
73 I of Public Law 105-33, as amended from time to time, and includes a
74 program of all-inclusive care for the elderly;]

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

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

80 and

81 [(6) "Secretary" means the Secretary of the United States Department
82 of Health and Human Services;]

83 [(7)] ~~(6)~~ "State administering agency" means "state administering
84 agency", as defined in [Subtitle I of Public Law 105-33] 42 USC 1395eee,
85 as amended from time to time.

86 (b) [Not later than July 1, 1998, the] The commissioner [shall establish
87 a pilot program in which PACE providers deliver] may submit a
88 Medicaid state plan amendment to add PACE program services, within
89 available appropriations, to [eligible individuals in this state pursuant
90 to a PACE program agreement. Under said program, the commissioner,
91 in consultation with the Insurance Commissioner, may initially enter
92 into contracts with integrated service networks which have successfully
93 completed a feasibility study, in conjunction with a PACE technical
94 assistance center, for the provision of PACE program services] the
95 Medicaid state plan.

96 (c) The Department of Social Services shall be the state administering
97 agency for the state of Connecticut responsible for administering PACE
98 program [agreements in this state. The department, upon request, shall
99 assist the secretary in establishing procedures for entering into,
100 extending and terminating PACE program agreements for the operation
101 of PACE programs by PACE providers in this state] agreement services.
102 Upon approval of the Medicaid state plan amendment, the department
103 shall establish participation criteria for eligible individuals and PACE
104 providers and make payments for PACE program services from funds
105 appropriated to the Medicaid account.

106 [(d) The commissioner shall provide medical assistance under this
107 section for PACE program services to eligible individuals who are
108 eligible for medical assistance in this state and enrolled in a PACE
109 program under a PACE program agreement. The commissioner shall
110 seek any waiver from federal law necessary to permit federal
111 participation for Medicaid expenditures for PACE programs in this

112 state.]

113 [(e)] (d) The commissioner may adopt regulations in accordance with
114 chapter 54 to implement the provisions of this section. The
115 commissioner, pursuant to section 17b-10, may implement policies and
116 procedures to implement the provisions of this section while in the
117 process of adopting such policies and procedures in regulation form,
118 provided the commissioner posts notice of the intent to adopt the
119 regulation on the eRegulations System not later than twenty days after
120 the date of implementation. Such policies and procedures shall be valid
121 until the time final regulations are adopted.

122 Sec. 4. Section 17b-28c of the general statutes is repealed. (*Effective July*
123 *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-343
Sec. 3	<i>July 1, 2023</i>	17b-428
Sec. 4	<i>July 1, 2023</i>	Repealer section

AGE *Joint Favorable*

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 - Cost	500,000	500,000
Social Services, Dept.	GF - Potential Cost	See Below	See Below

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill results in a state cost of approximately \$500,000 in FY 24 and FY 25 to the Department of Social Services (DSS) associated with increasing Medicaid rates for adult day care services by ten percent. The increased funding is intended to support related transportation costs.

The bill could also result in a cost to 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.

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****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. starting July 1, 2023, requires the commissioner to increase the fee schedule for CHCPE adult day care services by 10% over the previous fiscal year to cover providers' transportation costs (§ 2);
3. 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 (§ 3); and
4. eliminates an obsolete provision related to a PACE services pilot program (§ 4).

Lastly, the bill makes technical changes.

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.

§ 3 — 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 provide 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 provide comprehensive health care services to eligible individuals in accordance 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)