

118TH CONGRESS
1ST SESSION

H. R. 6590

To improve access to the Program of All-Inclusive Care for the Elderly,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 5, 2023

Mrs. DINGELL (for herself and Mr. MOOLENAAR) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To improve access to the Program of All-Inclusive Care
for the Elderly, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Program of All-inclu-
5 sive Care for the Elderly Expanded Act” or the “PACE
6 Expanded Act”.

7 **SEC. 2. ANYTIME ENROLLMENT IN PACE.**

8 (a) IN GENERAL.—

1 (1) ANY TIME ENROLLMENT AND EFFECTIVE
2 DATE.—Section 1894(c)(5) of the Social Security
3 Act (42 U.S.C. 1395eee(c)(5)) is amended by adding
4 at the end the following new subparagraph:

5 “(C) ANY TIME ENROLLMENT AND EFFEC-
6 TIVE DATE OF ENROLLMENT.—

7 “(i) ANY TIME ENROLLMENT.—A
8 PACE program eligible individual may en-
9 roll in a PACE program at any time dur-
10 ing a month.

11 “(ii) EFFECTIVE DATE.—Subject to
12 clause (iii), the enrollment of a PACE pro-
13 gram eligible individual in a PACE pro-
14 gram shall be effective on the date the
15 PACE provider operating the PACE pro-
16 gram receives an enrollment agreement
17 signed by such PACE program eligible in-
18 dividual with respect to such PACE pro-
19 gram.

20 “(iii) SPECIAL RULE IN THE CASE OF
21 DUAL ELIGIBLE BENEFICIARIES.—In the
22 case of a PACE program eligible individual
23 who is eligible for benefits under this title
24 and title XIX, clause (i) shall only apply if
25 the State in which such individual resides

1 has made an election under section
2 1934(c)(5)(C) to permit PACE program
3 eligible individuals to enroll in a PACE
4 program at any time during a month in
5 such State.”.

6 (2) PRORATED PAYMENTS.—Section 1894(d) of
7 the Social Security Act (42 U.S.C. 1395eee(d)) is
8 amended by adding at the end the following new
9 paragraph:

10 “(4) PRORATED PAYMENTS.—In the case of a
11 PACE program eligible individual enrolled in a
12 PACE program operated by a PACE provider with
13 an enrollment effective date that is not the first day
14 of a month, the capitation amount that would other-
15 wise be made under this subsection to the PACE
16 provider for such individual for the first month in
17 which such individual is so enrolled shall be prorated
18 accordingly.”.

19 (b) CONFORMING AMENDMENTS.—

20 (1) ANYTIME ENROLLMENT AND EFFECTIVE
21 DATE.—Section 1934(c)(5) of the Social Security
22 Act (42 U.S.C. 1396u–4(c)(5)) is amended by add-
23 ing at the end the following new subparagraph:

1 “(C) STATE OPTION TO PERMIT ANY TIME
2 ENROLLMENT AND EFFECTIVE DATE OF EN-
3 ROLLMENT.—

4 “(i) ANY TIME ENROLLMENT.—A
5 State may elect to permit a PACE pro-
6 gram eligible individual to enroll in a
7 PACE program at any time during a
8 month.

9 “(ii) EFFECTIVE DATE.—Pursuant to
10 a State election made under clause (i), the
11 enrollment of a PACE program eligible in-
12 dividual in a PACE program shall be effec-
13 tive on the date the PACE provider oper-
14 ating the PACE program receives an en-
15 rollment agreement signed by such PACE
16 program eligible individual with respect to
17 such PACE program.”.

18 (2) PRORATED PAYMENTS.—Section 1934(d) of
19 the Social Security Act (42 U.S.C. 1396u–4(d)) is
20 amended by adding at the end the following new
21 paragraph:

22 “(3) PRORATED PAYMENTS.—If a State elects
23 under subsection (c)(5)(C) to permit enrollment at
24 any time during a month, in the case of a PACE
25 program eligible individual enrolled in a PACE pro-

1 gram operated by a PACE provider with an enroll-
 2 ment effective date that is not the first day of a
 3 month, the State shall prorate the capitation amount
 4 that would otherwise be made under this subsection
 5 to the PACE provider for such individual for the
 6 first month in which such individual is so enrolled.”.

7 (c) EFFECTIVE DATE.—The amendments made by
 8 this section shall take effect on January 1, 2025.

9 **SEC. 3. PACE SITE APPROVAL AND EXPANSION.**

10 (a) IN GENERAL.—Sections 1894(e) and 1934(e) of
 11 the Social Security Act (42 U.S.C. 1395eee(e); 1396u-
 12 4(e)) are each amended by striking paragraph (8) and in-
 13 serting the following:

14 “(8) AUTHORITY TO SUBMIT APPLICATIONS AT
 15 ANY TIME; TIMELY CONSIDERATION OF APPLICA-
 16 TIONS.—

17 “(A) AUTHORITY TO SUBMIT APPLICA-
 18 TIONS AT ANY TIME.—

19 “(i) NEW PACE PROVIDER STATUS.—

20 An entity that seeks to become a PACE
 21 provider may submit an application for
 22 PACE provider status at any time.

23 “(ii) SERVICE AREA EXPANSION AND
 24 ADDITION OF PACE CENTER SITE.—To the
 25 extent the Secretary requires a PACE pro-

1 vider to submit an application to expand
2 its service area or to add a PACE center
3 site (or both), a PACE provider may sub-
4 mit such an application at any time, sub-
5 ject to the requirements of section
6 460.12(d) of title 42, Code of Federal Reg-
7 ulations (relating to the first trial period
8 audit), or any successor regulation.

9 “(iii) ASSURANCES.—An application
10 for PACE provider status under clause (i)
11 or to add a PACE center site under clause
12 (ii) shall include the following assurances:

13 “(I) An assurance that the re-
14 quired members of the interdiscipli-
15 nary team are employees or contrac-
16 tors of the proposed PACE center or
17 will be employees or contractors of the
18 proposed PACE center by the time
19 the PACE center becomes operational.

20 “(II) An assurance that—

21 “(aa) the PACE provider’s
22 contracts for all contractors and
23 contracted personnel will be exe-
24 cuted by the time the proposed

1 PACE center becomes oper-
2 ational; and

3 “(bb) executed contracts
4 may include provisions for staff-
5 ing levels commensurate with en-
6 rollment to full projected census.

7 “(B) DEEMED APPROVAL.—An application
8 described in subparagraph (A) shall be deemed
9 approved unless the Secretary, within 45 days
10 after the date of the submission of the applica-
11 tion to the Secretary, either denies such request
12 in writing or informs the applicant in writing
13 with respect to any additional information that
14 is needed in order to make a final determina-
15 tion with respect to the application. After the
16 date the Secretary receives such additional in-
17 formation, the application shall be deemed ap-
18 proved unless the Secretary, within 45 days of
19 such date, denies such request.”.

20 (b) EFFECTIVE DATE.—The amendments made by
21 subsection (a) shall take effect on January 1, 2025.

22 **SEC. 4. PACE PILOT.**

23 Section 1115A(b)(2) of the Social Security Act (42
24 U.S.C. 1315a(b)(2)) is amended—

1 (1) in subparagraph (B), by adding at the end
2 the following new clause:

3 “(xxviii) National testing of a model
4 for expanded eligibility for the Program of
5 All-Inclusive Care for the Elderly as de-
6 scribed in subparagraph (D).”; and

7 (2) by adding at the end the following new sub-
8 paragraph:

9 “(D) NATIONAL TESTING OF MODEL FOR
10 EXPANDED ELIGIBILITY FOR THE PROGRAM OF
11 ALL-INCLUSIVE CARE FOR THE ELDERLY.—In
12 the case where the Secretary selects the model
13 described in clause (ii) of this subparagraph for
14 testing pursuant to clause (xxviii) of subpara-
15 graph (B), the following shall apply:

16 “(i) NATIONAL TESTING.—

17 “(I) IN GENERAL.—Subject to
18 subclause (II), the Secretary shall de-
19 sign a demonstration that allows each
20 PACE provider with an executed
21 PACE agreement to develop and sub-
22 mit to the Secretary an application to
23 begin testing expanded PACE eligi-
24 bility for high-need and high-cost pop-
25 ulations that are not otherwise eligible

1 to participate in a PACE program
2 within 1 year of the date on which the
3 model is selected.

4 “(II) NO EFFECT ON ONGOING
5 MODELS OR DEMONSTRATION
6 PROJECTS.—Nothing in this subpara-
7 graph shall affect the testing of any
8 model under this subsection or any
9 demonstration project under this Act
10 that is implemented prior to the date
11 of the enactment of this subpara-
12 graph.

13 “(ii) MODEL DESCRIBED.—The model
14 described in this clause seeks to increase
15 access to quality, integrated, care for high-
16 need, high-cost individuals who are not
17 otherwise eligible to participate in a PACE
18 program in order to improve health and re-
19 duce cost. Under this model, participating
20 PACE providers would—

21 “(I) be paid fixed, monthly
22 capitated rates from both Medicare
23 and the applicable State Medicaid
24 agency for all services provided to
25 each enrollee fitting the criteria of the

1 PACE provider’s designated popu-
2 lation;

3 “(II) partner with non-PACE
4 providers, such as Area Agencies on
5 Aging, Centers for Independent Liv-
6 ing, local hospitals, and non-hospital
7 providers such as physicians, behav-
8 ioral health providers and other com-
9 munity-based organizations to effec-
10 tively reach the PACE provider’s se-
11 lected population;

12 “(III) adapt the PACE program
13 model of care to appropriately serve
14 the PACE provider’s selected popu-
15 lation to integrate care and meet the
16 unique needs of said population; and

17 “(IV) if the PACE provider is lo-
18 cated in a State that has not yet
19 served the selected population through
20 a PACE program under section 1934,
21 receive an up-front fixed payment to
22 coordinate with the State to develop a
23 capitated payment rate, with appro-
24 priate risk adjustment, for the PACE
25 provider’s selected population.

1 “(iii) REQUIREMENTS FOR PARTICI-
2 PATING PACE ORGANIZATIONS.—In order
3 to participate in the model, a PACE pro-
4 vider must—

5 “(I) conduct a survey or needs
6 assessment of their service area to de-
7 termine the most appropriate popu-
8 lation with which to expand their serv-
9 ices;

10 “(II) receive prior approval from
11 the applicable State Medicaid agency
12 to submit an application to participate
13 in the model; and

14 “(III) following such survey or
15 needs assessment and approval from
16 the applicable State Medicaid agency,
17 submit and receive approval of an ap-
18 plication of expansion from the Sec-
19 retary.

20 “(iv) APPLICATION.—A PACE pro-
21 vider’s application to participate in this
22 model shall include the following informa-
23 tion:

24 “(I) Results of the survey or
25 needs assessment of their service area

1 under clause (iii)(I) and an expla-
2 nation of the expanded population the
3 PACE organization will serve.

4 “(II) The types of services that
5 the expanded population will require
6 and the PACE provider’s plan to im-
7 plement these services.

8 “(III) How the PACE provider
9 will achieve engagement and enroll-
10 ment of the new population in the
11 model, including how it will partner
12 with non-PACE providers in the ap-
13 plicable service area.

14 “(IV) How the expanded popu-
15 lation’s participation in the PACE
16 program is intended to improve qual-
17 ity of care and health outcomes under
18 the model.

19 “(V) Certification that the appli-
20 cable State Medicaid agency has ap-
21 proved the PACE provider’s applica-
22 tion to participate in the model.

23 “(VI) Plans to coordinate with
24 the State Medicaid agency to develop

1 an initial capitated rate with appro-
2 priate risk adjustment.

3 “(VII) Plans for the PACE pro-
4 vider and the State Medicaid agency
5 to review and adjust the Medicaid
6 capitated rate on a biennial basis, as
7 needed.

8 “(VIII) Any other information
9 required by the Secretary.

10 “(v) TECHNICAL ASSISTANCE.—The
11 Secretary shall provide, or designate an en-
12 tity to provide, technical assistance to par-
13 ticipating PACE providers as they apply
14 for and implement the model.

15 “(vi) ACCOUNTING FOR UNCER-
16 TAINTY.—In order for implementing
17 PACE providers to receive unanticipated
18 additional resources needed to implement
19 the model, the Secretary shall establish
20 procedures for the implementing PACE
21 providers to submit to the Secretary a re-
22 quest for additional resources.

23 “(vii) MONITORING OUTCOMES.—The
24 Secretary, in conjunction with PACE pro-
25 viders and in consultation with States that

1 have elected to expand PACE program eli-
2 gibility under section 1934(l), shall develop
3 a plan to—

4 “(I) annually monitor outcomes
5 under the model, which may include
6 financial, quality, access, and utiliza-
7 tion outcomes;

8 “(II) annually monitor the health
9 outcomes of the PACE provider’s ex-
10 panded population; and

11 “(III) any other outcomes as de-
12 termined by the Secretary.

13 “(viii) REPORT TO CONGRESS.—Not
14 less frequently than every 3 years (for the
15 duration of the implementation of the
16 model under this subparagraph), the Sec-
17 retary shall submit to Congress a report on
18 the implementation of the model under this
19 subparagraph. The report shall include de-
20 mographic information on the populations
21 served under the demonstration, best prac-
22 tices for future implementation efforts and
23 any other information the Secretary deter-
24 mines appropriate together with rec-
25 ommendations for such legislation and ad-

1 ministrative action as the Secretary deter-
2 mines appropriate.

3 “(ix) FUNDING.—The Secretary shall
4 allocate funds made available under sub-
5 section (f)(1) to design, implement, evalu-
6 ate, and report on the model described in
7 clause (ii) in accordance with this subpara-
8 graph.”.

9 **SEC. 5. COORDINATION WITH THE FEDERAL COORDINATED**
10 **HEALTH CARE OFFICE.**

11 Section 1934 of the Social Security Act (42 U.S.C.
12 1396u–4), as amended by sections 2 and 3, is further
13 amended by adding at the end the following new sub-
14 section:

15 “(m) COORDINATION WITH THE FEDERAL COORDI-
16 NATED HEALTH CARE OFFICE.—

17 “(1) STATE COORDINATION WITH FCHCO.—The
18 Director of the Federal Coordinated Health Care Of-
19 fice established under section 2602 of the Patient
20 Protection and Affordable Care Act shall serve as a
21 point of contact between State administering agen-
22 cies and the Federal Government for purposes of im-
23 plementing and operating a PACE program in a
24 State, and shall coordinate with other relevant of-

1 fices and staff of the Centers for Medicare & Med-
2 icaid Services involved in carrying out this section.

3 “(2) ANNUAL REPORT.—Not later than Janu-
4 ary 1, 2025, and annually thereafter, the Director of
5 the Federal Coordinated Health Care Office shall
6 submit to Congress a report on the demographics of
7 the populations served by PACE programs operated
8 under this section and section 1894.”.

9 **SEC. 6. EVALUATION OF EFFECTIVENESS OF PACE PRO-**
10 **GRAM IN RURAL AND UNDERSERVED AREAS.**

11 (a) IN GENERAL.—The Assistant Secretary for Plan-
12 ning and Evaluation of the Department of Health and
13 Human Services (referred to in this section as the “Assist-
14 ant Secretary”) shall conduct an evaluation of the effec-
15 tiveness of the program for all-inclusive care for the elder-
16 ly under sections 1894 and 1934 of the Social Security
17 Act (42 U.S.C. 1395eee, 1396u–4) in rural and under-
18 served areas, including with respect to the following fac-
19 tors:

20 (1) Reductions in hospitalizations and re-hos-
21 pitalizations among program beneficiaries.

22 (2) Reductions in emergency department use
23 among program beneficiaries.

24 (3) Reductions in long-term nursing facility use
25 among program beneficiaries.

1 (4) Reductions in mortality among program
2 beneficiaries.

3 (5) Achieving lower rates of functional decline,
4 and improvements in reported health status and
5 quality of life among program beneficiaries.

6 (6) Reductions in the total cost of care among
7 program beneficiaries.

8 (7) The effect of activities supported under the
9 program on the local area serviced by the program,
10 including on the health and well-being of unpaid and
11 family caregivers of program beneficiaries.

12 (8) Improvements in quality of life among pro-
13 gram beneficiaries.

14 (b) REPORT.—Not later than 60 months after the
15 date of enactment of this Act, the Assistant Secretary
16 shall submit a report containing the results of the evalua-
17 tion required under subsection (a), an analysis of which
18 elements of the program for all-inclusive care for the elder-
19 ly under sections 1894 and 1934 of the Social Security
20 Act (42 U.S.C. 1395eee, 1396u–4) should be replicated
21 and scaled by governmental or non-governmental entities,
22 and such recommendations for legislation and administra-
23 tive action as the Assistant Secretary determines appro-
24 priate to the chairs and ranking members of the following
25 committees:

1 (1) The Special Committee on Aging of the
2 Senate.

3 (2) The Committee on Finance of the Senate.

4 (3) The Committee on Health, Education,
5 Labor, and Pensions of the Senate.

6 (4) The Committee on Ways and Means of the
7 House of Representatives.

8 (5) The Committee on Energy and Commerce
9 of the House of Representatives.

10 (c) PARTNERS.—In conducting the evaluation and
11 completing the report required under this section, the As-
12 sistant Secretary shall provide an opportunity for partners
13 and persons that have participated in the program for all-
14 inclusive care for the elderly under sections 1894 and
15 1934 of the Social Security Act (42 U.S.C. 1395eee,
16 1396u–4) on every level, especially individuals who receive
17 care through the program and their unpaid or family care-
18 givers, to have an opportunity to contribute their expertise
19 to evaluating the strategy and outcomes of the program.

○