
SUBSTITUTE HOUSE BILL 1499

State of Washington

63rd Legislature

2013 Regular Session

By House Appropriations Subcommittee on Health & Human Services
(originally sponsored by Representatives Jenkins, Harris, Cody,
Fitzgibbon, Ryu, Roberts, Fey, and Pollet)

READ FIRST TIME 03/01/13.

1 AN ACT Relating to the program of all-inclusive care for the
2 elderly; and amending RCW 74.09.523.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 74.09.523 and 2001 c 191 s 2 are each amended to read
5 as follows:

6 (1) The definitions in this subsection apply throughout this
7 section unless the context clearly requires otherwise.

8 (a) "PACE" means the program of all-inclusive care for the elderly,
9 a managed care medicare/medicaid program authorized under sections
10 1894, 1905(a), and 1934 of the social security act and administered by
11 the department.

12 (b) "PACE program agreement" means an agreement between a PACE
13 organization, the health care financing administration, and the
14 department.

15 (2) A PACE program may operate in the state only in accordance with
16 a PACE program agreement with the department.

17 (3) A PACE program shall at the time of entering into the initial
18 PACE program agreement, and at each renewal thereof, demonstrate cash
19 reserves to cover expenses in the event of insolvency.

1 (a) The cash reserves at a minimum shall equal the sum of:

2 (i) One month's total capitation revenue; and

3 (ii) One month's average payment to subcontractors.

4 (b) The program may demonstrate cash reserves to cover expenses of
5 insolvency with one or more of the following: Reasonable and
6 sufficient net worth, insolvency insurance, or parental guarantees.

7 (4) A PACE program must provide full disclosure regarding the terms
8 of enrollment and the option to disenroll at any time to all persons
9 who seek to participate or who are participants in the program.

10 (5) The department must establish rules to authorize long-term care
11 clients enrolled in a PACE program to elect to continue their
12 enrollment in a PACE program regardless of improved status related to
13 functional criteria for nursing facility level of care, consistent with
14 42 C.F.R. Sec. 460.160(b) (2013).

15 (6) The department must develop and implement a coordinated plan to
16 provide education about PACE program site operations under this
17 section. The plan must include:

18 (a) A strategy to assure that case managers and other staff with
19 responsibilities related to eligibility determinations discuss the
20 option and potential benefits of participating in a PACE program with
21 all eligible long-term care clients;

22 (b) Requirements that all clients eligible for placement in the
23 community options program entry system waiver program that are age
24 fifty-five or over and reside in a PACE service area be referred to the
25 PACE provider for evaluation. The department's plan must assure that
26 referrals are conducted in a manner that is consistent with federal
27 requirements of Title XIX of the federal social security act; and

28 (c) Requirements for additional and ongoing training for case
29 managers and other staff with responsibilities related to eligibility
30 determinations in those counties in which a PACE program is operating.
31 The training must include instruction in recognizing the benefits of
32 continued enrollment in a PACE program for those clients who have
33 experienced improved status related to functional criteria for nursing
34 facility level of care.

35 (7) The department must identify a private entity that operates
36 PACE program sites in Washington to provide the training required under

1 subsection (6) of this section at no cost to the state.

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