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Bill Analysis

Version: As Introduced

Primary Sponsors: Reps. Roemer and A. White

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CORRECTED VERSION*

SUMMARY

- Requires, by December 31, 2026, the Department of Aging (ODA) to issue a request for proposals from any entity interested in becoming a Program of All-Inclusive Care for the Elderly (PACE) organization in any currently unserved Ohio county.
- Requires the payment rates for new PACE organizations to be the same as the rate for current PACE organizations.
- Prescribes requirements for entity eligibility and ODA review and approval of entity proposals.
- Allows an ODA-approved entity to apply for U.S. Centers for Medicare and Medicaid Services (CMS) approval to become a PACE program and requires CMS-approved entities to begin providing PACE services within two years of CMS approval.
- Allows the Director of Aging to adopt rules to implement the bill's requirements.

DETAILED ANALYSIS

Program of All-Inclusive Care for the Elderly (PACE)

Background

Under the bill, the Department of Aging (ODA) must issue a request for proposals to operate the existing Program of All-Inclusive Care for the Elderly (PACE) in unserved Ohio counties. PACE is a managed care model that provides participants with needed health care, medical care, and ancillary services in acute, sub-acute, institutional, and community settings. Currently, PACE services are available in Ashtabula, Cuyahoga, Franklin, Hamilton, Lorain,

* This version of the analysis was updated to clarify the scope of the PACE program.

Mahoning, Summit, and Trumbull counties and services will be available to Lucas and Montgomery counties later in 2026.[1]

Request for proposals

ODA must issue a request for proposals from any entity interested in becoming a PACE organization located in an Ohio county not served by the PACE program. ODA must issue the request for proposals by December 31, 2026. The proposals must be submitted to ODA no later than 90 days after the request is issued.

The bill clarifies that it does not prevent ODA from expanding the PACE program outside of the required request for proposal process.

All rates for new PACE organizations added on or after the bill's effective date by a request for proposal pursuant to the bill must be the same as for PACE organizations in existence on that date.[2]

Entity eligibility

To be eligible for ODA approval to become a PACE organization, an entity must do the following:

- Provide a feasibility study of its proposed service area;
- Have a current, valid Medicaid provider agreement or be eligible to enter into a provider agreement by the time that the entity begins providing services under the PACE program;
- Meet all federal requirements applicable to PACE organizations;
- Demonstrate to ODA's satisfaction that the organization has experience providing health care services to frail older adults and that each member of the entity's staff, including both employees and contractors, complies with federal law governing PACE personnel qualifications for direct care staff;
- Have a facility suitable to be a PACE center, or plans to acquire, build, or expand a facility suitable to be a PACE center before beginning services;
- Meet any additional requirements established in rules adopted by ODA under the bill.

Continuing law defines "provider agreement" as an agreement that:

- Is between a Medicaid provider and the Department of Medicaid;
- Provides for the Medicaid provider to provide Medicaid services to Medicaid recipients;
- Complies with federal law governing Medicaid provider agreements.[3]

[1] PACE, which may be accessed by conducting a search for "PACE" on the ODA website: aging.ohio.gov.

[2] Section 1(B).

[3] Section 1(C); R.C. 5164.01(U); 42 Code of Federal Regulations 431.107(b) and 460.64, not in the bill.

ODA and CMS approval; provision of services

ODA must review all proposals submitted and determine, from the proposals, which entities it considers qualified to become PACE organizations for each service area. The determination must be made by June 30, 2027. An entity that ODA considers qualified may apply to the U.S. Centers for Medicare and Medicaid Services (CMS) to become a PACE organization. ODA must provide support to any such organization by complying with federal requirements.

Each CMS-approved entity must begin providing services to participants no later than two years after the entity receives notice of its approval from CMS, consistent with receipt of federal funds.[4]

Rulemaking

The Director of Aging is authorized to adopt rules to implement the bill's requirements. The rules must be adopted in accordance with the Administrative Procedure Act.[5]

HISTORY

Action	Date
Introduced	03-10-26

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[4] Section 1(A)(1) and (D) to (F).

[5] Section 1(G).