

Section-by-Section Summary of H.R. 1839

ACE Kids Act (included in the Medicaid Services Investment and Accountability Act of 2019)

SECTION 1: Title – Medicaid Services Investment and Accountability Act of 2019

SECTION 3: State Option to Provide Coordinated Care through a Health Home for Children with Medically Complex Conditions

- Beginning on Oct. 1, 2022, allows states the option (as a state plan amendment) to provide for medical assistance to children with medically complex conditions, who choose to enroll in a health home, through a designated provider or team of health care professionals as the child's health home for purposes of providing health home services.

Qualification Standards

- The Secretary of the U.S. Department of Health and Human Services (Secretary) must establish standards for qualification as a health home. These standards must include the ability to do the following:
 - Coordinate prompt care for children with medically complex conditions, including access to pediatric emergency services at all times
 - Develop an individualized comprehensive pediatric family-centered care plan that accommodates patient preferences for each child with complex medical conditions assigned to the health home
 - Work in a culturally and linguistically appropriate manner with the family of a child with medically complex conditions to develop and incorporate into the child's care plan—in a manner consistent with the needs of the child and the family's choices—ongoing home care, community based pediatric primary care, pediatric inpatient care, social support services, and local hospital pediatric emergency care
 - Coordinate access to subspecialized pediatric services and programs for children with medically complex conditions, including the most intensive diagnostic, treatment, and critical care levels as medically necessary as well as services from out-of-state providers to the maximum extent practicable for the families of such children when medically necessary
 - Provide palliative services, if a state provides for palliative services under the state plan (or a waiver of such plan)

Payments

- States will provide payments to the designated providers or team of providers for the provision of health home services. During the first two fiscal year quarters, the federal matching rate for health home services will be increased by 15 percent but will not exceed 90 percent.
- State plan amendments will specify the methodology each state will use for determining payment. The methodology may be tiered to reflect the child's conditions and designated providers or severity of the

child's conditions. Methodology may include payments made on a per-member, per-month basis, but may also provide for alternative models of payment (as proposed by state and approved by the Secretary). The payment methodology must meet access standards in the Medicaid statute.

- States may apply for planning grants to develop a state plan amendment to take up the health home option. Beginning Oct. 1, 2022, the Secretary may award these planning grants, not to exceed \$5 million. States awarded planning grants must contribute their state match rate for each year that the grant is awarded.

Coordinating Care

- State plan amendments must include a requirement for participating hospitals' emergency departments—in the case of a child with medically complex conditions who is enrolled in a health home and seeks treatment in the emergency department—to notify the child's health home of such treatment.
- States must also outline the process to educate providers and families on the availability of services and how to refer or enroll children. For families, the process could include the participation of family-to-family entities or other entities with expertise in outreach and education.
- States must consult and coordinate with the Secretary, as appropriate, in addressing issues regarding the prevention and treatment of mental illness and substance use among children with medically complex conditions receiving health home services.
- By Oct. 1, 2020, the Secretary must issue guidance to state Medicaid directors on best practices relating to:
 - use of out-of-state providers to provide care for children with medically complex conditions
 - coordinating care provided by out-of-state providers in both emergency and non-emergency situations
 - reducing barriers to receiving out-of-state care
 - processes for screening and enrolling such providers in the child's home state Medicaid plan

The Secretary is required to issue a request for information to seek input from children with medically complex conditions and their families, states, and providers, managed care plans, and other stakeholders.

Monitoring

- A state that elects to take up the health home option must include in their state plan:
 - a methodology for tracking reductions in inpatient days and reductions in the total cost of care resulting from improved care coordination and management
 - a proposal to use health information technology in providing health home services and improving service delivery and coordination across the care continuum
 - a methodology for tracking prompt and timely access to medically necessary care for children with medically complex conditions from out-of-state providers

Data Collection

- Designated providers or teams of professionals receiving payments for health home services must report identifying information, information on all applicable quality measures and any other information requested by the Secretary.

- States participating in this program must report to the Secretary (and upon request, to the Medicaid and CHIP Payment and Access Commission) the following information:
 - Information reported to them by health homes (see above)
 - Number of children with medically complex conditions who have selected a health home
 - The nature, number and prevalence of chronic conditions, life threatening illnesses, disabilities, or rare diseases that such children have
 - The type of delivery systems and payment models used to provide services to children with medically complex conditions
 - The number and characteristics of the health homes, including the number and characteristics of out of state providers
 - The extent to which children with medically complex conditions receive health care items and services under this option
 - Quality measures developed specifically for children with medically complex conditions
- Within 90 days of the approval of a state’s plan amendment to take up the health home option, the state must submit to the Secretary and make publicly available a report on how the state is implementing the Secretary’s guidance on coordinating care from out-of-state providers.

Rule of Construction

- Nothing in this section should be construed to limit the choice of children with medically complex conditions or their families to participate or not to participate in a health home
- Nothing should be construed to limit the choice of a child with medically complex conditions in selecting a designated provider, team of health care professionals operating with such a provider, or health team that meets the health home qualifications as the child’s health home
- Nothing should be construed to reduce or otherwise modify the entitlement of children with medically complex conditions to early and periodic screening, diagnostic, and treatment services

Definitions

- **A child with medically complex conditions** is a child under 21 who is eligible for Medicaid and has at least:
 - One or more chronic conditions that affects three or more body systems and severely reduces cognitive or physical functioning (such as the ability to eat, drink or breath independently) and which also requires the use of medication, durable medical equipment, therapy, surgery or other treatments; OR
 - One life-limiting illness or rare pediatric disease (as defined in the Federal Food, Drug, and Cosmetic Act), such as a form of cancer

The Secretary has the option to establish higher levels as to the number or severity of chronic, life threatening illnesses, disabilities, rare diseases or mental health conditions for purposes of determining eligibility for receipt of health home services under this section.

- **Chronic condition** is defined as a serious, long-term physical, mental or developmental disability or disease, such as: cerebral palsy, cystic fibrosis, HIV/AIDS, blood diseases (such as anemia or sickle cell disease),

muscular dystrophy, spina bifida, epilepsy, severe autism spectrum disorder, or serious emotional disturbance or mental health illness.

- **Health home** means a designated provider (including a provider that operates in coordination with a team of health care professionals) or a team of health care professionals selected by the child to provide health home services to a child with medically complex conditions.
- **Health home services** means comprehensive and timely high-quality services that are provided by a designated provider, a team of health care professionals operating with such a provider, or a health team. These services include:
 - Comprehensive care management
 - Care coordination, health promotion, and providing access to the full range of pediatric specialty and subspecialty medical services, including services from out-of-state providers, as medically necessary
 - Comprehensive transitional care, including appropriate follow-up, from inpatient to other settings; patient and family support (including authorized representatives)
 - Referrals to community and social support services, if relevant
 - The use of health information technology to link services, as feasible and appropriate.
- **Designated provider** is a physician (including a pediatrician, or pediatric specialty or subspecialty provider), children’s hospital, clinical practice or clinical group practice, prepaid inpatient health plan or prepaid ambulatory health plan (as defined by the Secretary), rural clinic, community health center, community mental health center, home health agency, or other entity or provider determined by the state and approved by the Secretary to be qualified as a health home for children with medically complex conditions on the basis that the entity has the systems, expertise and infrastructure in place to provide health home services. This term may include providers who are employed by or affiliated with a children’s hospital.
- **Team of health care professionals** means a team that may include physicians and other professionals—such as pediatricians or pediatric specialty or subspecialty providers—nurse care coordinators, dietitians, nutritionists, social workers, behavioral health professionals, physician therapists, occupational therapists, speech pathologists, nurses, individuals with experience in medical supportive technologies, or any professionals determined to be appropriate by the state and approved by the Secretary. They may be freestanding, virtual or based at a children’s hospital, hospital, community health center, community mental health center, rural clinic, clinical practice or clinical group practice, academic health center or any entity determined to be appropriate by the state and approved by the Secretary.
- **Health team** has the meaning given such term for purposes of section 3502 of Public Law 111–148 (Affordable Care Act), which is an interdisciplinary, interprofessional team of health care providers, as determined by the Secretary.