

<i>ACE Kids Act</i>	<i>ACA Section 2703</i>
Overview	
<ul style="list-style-type: none"> • Amends Title XIX of the Social Security Act (42 U.S.C. 1396 et. Seq.) by inserting a new section after section 1945 titled “Sec. 1945A. State Option to Provide Coordinated Care Through a Health Home for Children with Medically Complex Conditions” • Establishes a state Medicaid option for a state plan amendment to provide coordinated care through health homes for children who have medically complex conditions • Beginning October 1, 2022, a state has the option as a state plan amendment to provide assistance to children with medically complex conditions who enroll in a health home by selecting a designated provider, a team of health care pro • Professionals operating with such a provider, or a health team as the child’s health home to provide the child with health home services 	<ul style="list-style-type: none"> • Amends Title XIX of the Social Security Act (42 U.S.C. 136a et seq.) by adding the following new section at the end: “Sec. 1945. State Option to Provide Coordinated Care Through a Health Home for Individuals with Chronic Conditions” • Beginning January 1, 2011, a state has the option to provide medical assistance to eligible individuals with chronic conditions who select a designated provider, a team of health care professional operating with such a provider, or a health team as the individual’s health home to provide the individual with health home services
Requirements	
<p><u>Health Home Qualification Standards</u></p> <ul style="list-style-type: none"> • The Secretary of Health and Human Services (HHS) shall create standards to qualify as a health home. These standards shall include the state requiring designated providers, teams of health care professionals operating with such providers, or health teams as the child’s health home to provide the child with health home services to: <ul style="list-style-type: none"> ○ Coordinate care for children with medically complex conditions, which includes access to pediatric emergency services at all times ○ Develop an individual pediatric family-centered care plan for children with medically complex conditions that accommodates patient preferences ○ Work in a culturally and linguistically appropriate manner with the family of a child with medically complex conditions to develop and incorporate the child’s care plan, in a manner consistent with the needs of the child and the choices of the child’s family, ongoing home care, community-based pediatric primary care, 	<p><u>Health Home Qualification Standards</u></p> <ul style="list-style-type: none"> • The Secretary of Health and Human Services (HHS) shall create standards for qualification for designated providers to be eligible as a health home

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
 - Palliative services if provided by the state under the state plan (or a waiver of such plan)
- Coordinate care for children with medically complex conditions with out-of-state providers providing care to the children to the maximum extent practicable for the families of such children and where medically necessary, in accordance with guidance on coordinating care from out-of-state providers

Payments

- A state shall pay a designated provider, a team of health care professionals operating with such a provider, or a health team for the health home services the entity provides to each child with medically complex conditions
 - Payment for these services shall be treated as medical assistance
 - During the first two fiscal year quarters the state plan amendment is in effect, the federal medical assistance available for these payments will be increased by 15 percent but not more than 90 percent
- The state shall specify the methodology it will use for determining the payment for the provision of health home services. The methodology for determining the payment:
 - May be tiered to reflect, regarding each child with medically complex conditions furnished such services or the severity or number of such child's chronic conditions, life-threatening illnesses, disabilities, or rare diseases, or the specific capabilities of the provider, team of health care professionals, or health team; and

Payments

- A state shall pay a designated provider, a team of health care professionals operating with such a provider, or a health team for the health home services the entity provides to individuals with chronic conditions
 - Payment for these services shall be treated as medical assistance
 - During the first eight fiscal year quarters the state plan amendment is in effect, the federal medical assistance available for these payments will be equal to 90 percent
- The state shall specify the methodology it will use for determining the payment for the provision of health home services. The methodology for determining the payment:
 - May be tiered to reflect, regarding each eligible individual with chronic conditions furnished such services or the severity or number of such individual's chronic conditions or the specific capabilities of the provider, team of health care professionals, or health team and
 - Shall be consistent with section 1902(a)(30)(A) of the Social Security Act,

<ul style="list-style-type: none"> ○ Shall be consistent with section 1902(a)(30)(A) of the Social Security Act, which provides methods and procedures related to the utilization, payment, care, and services available under the plan ● The methodology for determining payment for the provision of health home services shall not be restricted to a per-member per-month basis and may provide for alternate models of payment if proposed by the state and approved by the HHS Secretary ● Beginning October 1, 2020, the HHS Secretary may award planning grants to states for developing a state plan <ul style="list-style-type: none"> ○ A state awarded a planning grant shall contribute an equal amount for each year the grant is awarded ○ The amount of payment shall not exceed \$5,000,000 	<p>which provides methods and procedures related to the utilization, payment, care, and services available under the plan</p> <ul style="list-style-type: none"> ● The methodology for determining payment for the provision of health home services shall not be restricted to a per-member per-month basis and may provide for alternate models of payment if proposed by the state and approved by the HHS Secretary ● Beginning January 1, 2011, the HHS Secretary may award planning grants to states for developing a state plan amendment <ul style="list-style-type: none"> ○ A state awarded a planning grant shall contribute an equal amount for each year the grant is awarded ○ The amount of payment shall not exceed \$25,000,000
<p><u>Hospital Referrals</u></p> <ul style="list-style-type: none"> ● <i>The ACE Kids Act does not include a provision on hospital referrals for individuals seeking or needing treatment in a hospital emergency department</i> 	<p><u>Hospital Referrals</u></p> <ul style="list-style-type: none"> ● A state shall include a requirement in its state plan amendment for hospitals that are participating providers to create procedures for referring eligible individuals with chronic conditions to designated providers when such individuals are seeking or needing treatment in a hospital emergency department
<p><u>Coordinating Care</u></p> <ul style="list-style-type: none"> ● A state shall require each hospital that is a participating provider under the state plan (or waiver under such plan) to create procedures for notifying the health home of a child with medically complex conditions that the child is seeking treatment in the emergency department of the hospital ● A state shall include a description in the state plan amendment of the state’s process for educating providers who participate in the state plan (or waiver of such plan) on the availability of health homes services for children with medically complex conditions, including the referral process to establish a health home for such children ● A state shall include a description in the state plan amendment of the state’s process for educating families with children who qualify to receive health homes services about the availability of 	<p><u>Coordination</u></p> <ul style="list-style-type: none"> ● A state shall work with the Substance Abuse and Mental Health Services Administration to address issues regarding prevention and treatment of mental illness and substance use among individuals with chronic conditions

<p>these services. The process shall include the participation of family-to-family entities or other public and private organizations who can provide outreach and information on the availability of medical assistance to families of individuals eligible under the state plan (or waiver under the plan)</p> <ul style="list-style-type: none"> • A state shall consult and coordinate with the HHS Secretary to address issues regarding prevention and treatment of mental illness and substance use among children with medically complex conditions receiving health home services 	
<p><u>Guidance on Coordinating Care from Out-of-State Providers</u></p> <ul style="list-style-type: none"> • The HHS Secretary shall issue guidance to state Medicaid directors no later than October 1, 2020 on: <ul style="list-style-type: none"> ○ Best practices for utilizing out-of-state providers to deliver care to children with medically complex conditions ○ Coordinating care furnished by such out-of-state providers for such children (including when provided in emergency and non-emergency situations) ○ Reducing barriers for such children who receive care from out-of-state providers in a timely manner ○ Processes for screening and enrolling such providers in respective state plans (or waiver of such plan) including efforts to streamline these processes or reduce the burden of these processes on providers • To carry out its requirement for issuing guidance to state Medicaid directors, the HHS Secretary will request input from children with medically complex conditions and their families, states, providers (including children’s hospitals, hospitals, pediatricians, and other providers), managed care plans, children’s health groups, family and beneficiary advocates, and other stakeholders with regard to the coordination of care of children furnished by out-of-state providers 	<p><u>Guidance on Coordinating Care from Out-of-State Providers</u></p> <p><i>ACA Section 2703 does not include a provision on guidance on coordinating care from out-of-state providers</i></p>
<p><u>Monitoring</u></p> <ul style="list-style-type: none"> • The state plan amendment shall include a plan regarding monitoring, including: 	<p><u>Monitoring</u></p> <ul style="list-style-type: none"> • The state plan amendment shall contain a plan regarding monitoring, including:

<ul style="list-style-type: none"> ○ A methodology for keeping track of decreases in inpatient days and decreases in the total cost of care as a result of improved care coordination and management ○ A proposal for the utilization of health information technology to provide health home services and improve service delivery and coordination across the care continuum (including the use of wireless technology to improve coordination and management of care and patient adherence to recommendation from a provider) ○ A methodology for keeping track of prompt and timely availability of medically necessary care for children with medically complex conditions from out-of-state providers 	<ul style="list-style-type: none"> ○ A methodology for keeping track of avoidable hospital readmissions and calculating savings as a result of improved chronic care coordination and management ○ A proposal for the utilization of health information technology to provide health home services and improve service delivery and coordination across the care continuum (including the use of wireless technology to improve coordination and management of care and patient adherence to recommendation from a provider)
<p><u>Data Collection</u></p> <ul style="list-style-type: none"> ● Provider Reporting Requirements – To receive funding from a state, a designated provider, a team of health care professionals operating with such a provider, or a health team must report the following information to the state: <ul style="list-style-type: none"> ○ The name, National Provider Identification number, address, and specific health care services offered to be furnished to children with medically complex conditions who have selected the designated provider, a team of health care professionals operating with such a provider, or a health team to serve as their health home ○ Information to determine the quality of health home services provided including, the extent practicable, child health quality measures and measures for centers of excellence for children with complex needs developed under Medicaid or CHIP or Section 1139A of the Social Security Act ○ Any additional information the HHS Secretary specifies in guidance ● When appropriate and feasible, the designated provider, a team of health care professionals operating with such a provider, or a health team 	<p><u>Report on Quality Measures</u></p> <ul style="list-style-type: none"> ● In order to receive funding for health home services furnished to an eligible individual with chronic conditions, a designated provider shall report to the state, in accordance with the requirements established by the HHS Secretary, on all applicable measures to determine the quality of the services provided ● When appropriate and feasible, designated provider shall use health information technology to report the required information

shall use health information technology to report the required information

- State Reporting Requirements – To receive funding, a state shall report the following information to the HHS Secretary (and to MACPAC upon request):
 - The information required above from a designated provider, a team of health care professionals operating with such a provider, or a health team
 - The 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 types of delivery systems and payment models used to provide services to such children
 - The number and characteristic of the designated providers, team of health care professionals operating with such a provider, or a health team selected as health homes, including out-of-state providers, team of health care professionals operating with such providers, or health teams
 - The extent to which such children receive health care items and services under the state plan
 - Quality measures specifically developed for the services furnished to children with medically complex conditions
- Not later than 90 days after the state plan amendment is approved, a state shall submit a report to the Secretary on how the state is implementing the guidance on coordinating care from out-of-state providers including any best practices being used by the state

Rule of Construction

- A child with medically complex conditions is not required to enroll in health homes
- A child with medically complex conditions is not limited in the choice of a designated provider, a team of health care professionals operating with

Rule of Construction

ACA Section 2703 does not include a provision on rule of construction

<p>such a provider, or a health team as the child's health home</p> <ul style="list-style-type: none"> • The ACE Kids Act is not to be construed to reduce or modify entitlement for EPSDT services or the informing, providing, arranging, and reporting requirements of a state under section 1902(a)(43) 	
<p><u>Definitions</u></p> <ul style="list-style-type: none"> • <i>Child with a medically complex condition</i> <ul style="list-style-type: none"> ○ An individual under 21 who: <ul style="list-style-type: none"> ▪ Is eligible for medical assistance under the state plan (or under a waiver of such plan); and ▪ Has at least (i) one or more chronic conditions that “cumulatively affect three of more organ systems and severely reduces cognitive or physical functioning” and that also requires the use of medication, DME, therapy, surgery, or other treatments; or (ii) one life-limiting illness or rare pediatric disease as defined under section 529(a)(3) of the FFDC ○ The HHS Secretary may establish higher levels as to the number or severity of chronic, life threatening illnesses, disabilities, rare diseases or mental health conditions to determine the eligible requirement to receive health home services • <i>Chronic condition</i> <ul style="list-style-type: none"> ○ A serious, long-term physical, mental or developmental disability or disease, including: <ul style="list-style-type: none"> ▪ Cerebral palsy ▪ Cystic fibrosis ▪ HIV/AIDS ▪ Blood disease, such as anemia or sickle cell disease ▪ Muscular dystrophy ▪ Spina bifida ▪ Epilepsy ▪ Severe autism spectrum disorder ▪ Serious emotional disturbance or serious mental illness • <i>Health home</i> 	<p><u>Definitions</u></p> <ul style="list-style-type: none"> • <i>Eligible individual with chronic conditions</i> <ul style="list-style-type: none"> ○ An individual who: <ul style="list-style-type: none"> ▪ Is eligible for medical assistance under the state plan or under a waiver; and ▪ Has (i) two chronic conditions; (ii) one chronic condition and is at risk of having a second chronic condition; or (iii) one serious and persistent mental health condition ○ The HHS Secretary may establish high levels as to the number or severity of chronic or mental health conditions for purposes of determining eligibility for receipt of health home services • <i>Chronic condition</i> <ul style="list-style-type: none"> ○ The term is determined by the HHS Secretary and shall include, but is not limited to, the following: <ul style="list-style-type: none"> ▪ A mental health condition ▪ Substance use disorder ▪ Asthma ▪ Diabetes ▪ Heart disease ▪ Being overweight (Body Mass Index (BMI) over 25) • <i>Health home</i> <ul style="list-style-type: none"> ○ A designated provider (including a provider that operates in coordination with a team of health care professionals) or a health team selected by an eligible individual with chronic conditions to provide health home services • <i>Health home services</i> <ul style="list-style-type: none"> ○ 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 including:

- A designated provider (including a provider that operates in coordination with a team of health care professionals) or a health team selected by a child with medically complex conditions (or the family of such child) to provide health home services
- *Health home services*
 - 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 including:
 - (i) comprehensive care management; (ii) 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; (iii) comprehensive transition care, including appropriate follow-up, from inpatient to other settings; (iv) patient and family support (including authorized representatives); (v) referrals to community and social support services, if relevant; and (vi) use of health information technology to link services, as feasible and appropriate.
- *Designated provider*
 - A physician (including a pediatrician or a 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 any other entity or provider that is determined by the state and approved by the Secretary to be qualified to be a health home for children with medically complex conditions on the basis of documentation evidencing that

- (i) comprehensive care management; (ii) care coordination and health promotion; (iii) comprehensive transition care, including appropriate follow-up, from inpatient to other settings; (iv) patient and family support (including authorized representatives); (v) referrals to community and social support services, if relevant; and (vi) use of health information technology to link services, as feasible and appropriate.
- *Designated provider*
 - A physician, clinical practice or clinical group practice, rural clinic, community health center, community mental health center, home health agency, or any other entity or provider (including pediatricians, gynecologists, and obstetricians) that is determined by the state and approved by the Secretary to be qualified to be a health home for eligible individuals with chronic conditions on the basis of documentation evidencing that the physician, practice, or clinic and has the systems and infrastructure in place to provide health home services and satisfies qualification standards
- *Team of healthcare professionals*
 - Is a team of health professionals that (i) includes physicians and other professionals, such as a nurse care coordinator, nutritionist, social worker, behavioral health professional, or any professionals deemed appropriate by the state and (ii) is free standing, virtual, or based at a hospital, community health center, community mental health center, rural clinic, clinical practice or clinical group practice, academic health center, or any entity deemed appropriate by the State and approved by the Secretary.
- *Health team*

the entity has the systems, expertise, and infrastructure in place to provide health home services. Such term may include providers who are employed by, or affiliated with, a children's hospital.

- *Team of healthcare professionals*
 - Includes (i) physicians and other professionals, such as pediatricians or pediatric specialty or subspecialty providers, nurse care coordinators, dietitians, nutritionists, social workers, behavioral health professionals, physical 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; (ii) an entity or individual who is designated to coordinate such a team; and (iii) community health workers, translators, and other individuals with culturally-appropriate expertise and
 - Is 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 ACA section 3502, which is community-based interdisciplinary, interprofessional teams

- Has the meaning given such term for purposes of ACA section 3502, which is community-based interdisciplinary, interprofessional teams

Evaluation

The ACE Kids Act does not include a provision regarding evaluations

Evaluation

- Independent Evaluation – The HHS Secretary will contract with an independent entity to conduct an evaluation and assessment of the states that have chosen to furnish coordinated care through health homes for Medicaid beneficiaries with chronic conditions under section 1945 of the Social Security Act to determine the impact of such option on decreasing hospital admissions, emergency room visits, and admissions to skilled nursing facilities

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| | <ul style="list-style-type: none">• Evaluation Report – The HHS Secretary shall report to Congress on the results of the evaluation and assessment no later than January 1, 2017• No later than January 1, 2014The HHS Secretary shall survey states that have chosen to furnish coordinated care through health homes for Medicaid beneficiaries with chronic conditions and report to Congress on the nature, extent, and use of the option as it pertains to:<ul style="list-style-type: none">○ hospital admission rates○ chronic disease management○ coordination of care for individuals with chronic conditions○ assessment of program implementation○ processes and lessons learned○ assessment of quality improvements and clinical outcomes under such option○ estimates of cost savings• Implementation Reporting – A state that has chosen to expand by furnishing coordinated care through health homes for Medicaid beneficiaries with chronic conditions shall report to the HHS Secretary on processes and lessons regarding the organization of coordinated care through health homes for Medicaid beneficiaries with chronic conditions when necessary |
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