

# Choose Home Care Act of 2021 Section By Section



**Section 1** describes the purpose of the legislation, to improve extended care services and supports for Medicare beneficiaries with skilled care needs and functional limitations who choose to receive care in their homes.

**Section 2** establishes a home-based extended care services benefit for certain individuals under Medicare.

## Subsection (a):

- (1) Section 1812 of the Social Security Act lists **benefits available** to Medicare beneficiaries. This subsection adds “home-based extended care services,” which would be available for a 30-day episode for individuals who otherwise qualify services in a skilled nursing facility. The Secretary would have authority to allow additional 30-day episodes, up to a total of 100 days of home-based extended care services in a spell of illness. For beneficiaries who end up needing care in a nursing home after choosing to start care at home, days spent at home would count towards their otherwise-available Medicare nursing home stay.
- (2) Section 1813(a)(3) of the Social Security Act describes nursing home **coinsurance**. The bill includes a provision to ensure that such coinsurance will not be impacted by a beneficiary receiving extended care services at home before a nursing home stay.
- (3) Section 1814(a)(2) of the Social Security Act describes the circumstances under which certain benefits are available to Medicare beneficiaries. This subsection creates **eligibility criteria** for “home-based extended care services.” This benefit would be available to individuals who would otherwise need services in a skilled nursing facility. The benefit would not be an option for individuals who qualify for inpatient rehabilitation facility or long-term care hospital services.
- (4) Section 1861 of the Social Security Act is amended to add **a definition of “home-based extended care services.”** These services include the following, to the extent not already included in the definition of home health services: nursing care, physical or occupational therapy, and speech-language pathology services (including when provided using telecommunications technology); meals and nutritional support; remote patient monitoring; medical social services; home health aide and personal care services; respite care, family/informal caregiver supports and training resources; assistance with adherence to drugs; medical supplies, appliances, and equipment, for use in the home; nonemergency medical transportation; care coordination and integration services and referral for counseling and care transition support; and other items and services the home health agency determines are necessary to support care in the home.
- (5) Section 1861(ee)(2) of the Social Security Act describes **discharge planning requirements**. This subsection adds home-based extended care services, as well as inpatient rehabilitation facilities and long-term care hospital services, to the list of post-acute care options that must be considered as part of discharge planning. It also adds a new requirement that the discharge planning evaluation, done in coordination with a qualified home health agency, and discharge plan for an individual who

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needs skilled nursing care (but not inpatient rehabilitation facility or long-term care hospital services) include: evaluating the appropriateness of home-based extended care services, factors such as social determinants of health, and the individual's preference; a consultation with the individual about the evaluation; providing caregiver training resource; and obtaining verbal consent if the individual chooses to receive extended care at home.

- (6) Section 1861(o) of the Social Security Act describes **requirements for home health agencies** to be certified to provide services to Medicare beneficiaries. This subsection adds a new certification requirement for HHAs that furnish home-based extended care services, including that they can provide care on a 24-hour basis and provide training and supervision to care providers.
- (7) Section 1895 of the Social Security Act describes **payment** for home health services, and this new subsection creates an add-on payment for home-based extended care services (in addition to the amount paid for home health services). The amount of the add on payment is based on four case-mix classification, with a fixed base payment amount for 2022 ranging from \$2,010 to \$10,720 (to be updated annually based on the home health update factor), depending on the number of hours of personal care services provided to an individual. The amount would be adjusted based on the applicable area wage index. The Secretary would have authority to apply an alternative payment model, based on data, starting in 2023. The amount of the add-on payment would be capped at 80 percent of the national median 30-day payment amount for extended care services in a skilled nursing facility.

**Subsection (b)** requires full transparency (notice and comment rulemaking) of the methodology, assumptions, evidence, and all data used to support the implementation of this add-on benefit.

**Subsection (c)** requires CMS to solicit written input on proposed standards and procedures from stakeholders.

**Subsection (d)** requires an annual report to Congress on home-based extended care services utilization and on the efficiency of the discharge planning process.

**Subsection (e)** directs CMS to ensure program integrity related to home-based extended care services.

**Subsection (f)** addresses implementation. To support payment for home-based extended care services on January 1, 2022, this subsection requires development of standards and procedures related to furnishing home-based extended care services by July 1, 2021. As part of implementation, Medicare beneficiaries and stakeholders would receive information about the new benefit. The Secretary is authorized to pay for home-based extended care services prior to 2022 during a public health emergency.