



February 28, 2014

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# ENGROSSED HOUSE BILL No. 1391

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DIGEST OF HB 1391 (Updated February 27, 2014 12:08 pm - DI 73)

**Citations Affected:** IC 12-7; IC 12-10.

**Synopsis:** Community living pilot program. Beginning January 1, 2015, establishes the community living pilot program (program) until June 30, 2017. Sets forth eligibility requirements to participate in the program. Requires the division of aging (division) to administer the program. Requires the division, in consultation with the area agencies on aging, to: (1) designate four area agencies on aging to participate in the program and sets forth criteria to consider in the designation; and (2) develop policies on specified issues. Requires reporting of program data and outcome measures to various entities on specified dates.

**Effective:** July 1, 2014.

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## Clere, Brown C, Negele, Kubacki

(SENATE SPONSORS — BECKER, BREAUX, ECKERTY, BRODEN,  
STOOPS)

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January 21, 2014, read first time and referred to Committee on Family, Children and Human Affairs.

January 23, 2014, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

January 28, 2014, amended, reported — Do Pass.

January 30, 2014, read second time, amended, ordered engrossed.

January 31, 2014, engrossed.

February 3, 2014, read third time, passed. Yeas 96, nays 0.

#### SENATE ACTION

February 10, 2014, read first time and referred to Committee on Health and Provider Services.

February 20, 2014, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

February 27, 2014, amended, reported favorably — Do Pass.

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EH 1391—LS 6662/DI 104





February 28, 2014

Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

## ENGROSSED HOUSE BILL No. 1391

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A BILL FOR AN ACT to amend the Indiana Code concerning human services.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 12-7-2-22, AS AMENDED BY P.L.145-2006,  
2 SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2014]: Sec. 22. "Board" means the following:

4 (1) For purposes of IC 12-10-10, **IC 12-10-10.5**, and IC 12-10-11,  
5 the community and home options to institutional care for the  
6 elderly and disabled board established by IC 12-10-11-1.

7 (2) For purposes of 12-12-7-5, the meaning set forth in  
8 IC 12-12-7-5(a).

9 (3) For purposes of IC 12-15-35, the meaning set forth in  
10 IC 12-15-35-2.

11 SECTION 2. IC 12-7-2-44.6 IS AMENDED TO READ AS  
12 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 44.6. "Countable asset"  
13 means the following:

14 (1) For purposes of **IC 12-10-10.5**, in determining eligibility  
15 for the community living pilot program, property that is  
16 included in determining assets in the same manner as

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1 **determining an individual's eligibility for the Medicaid aged**  
 2 **and disabled waiver.**

3 **(2)** For purposes of IC 12-20, means noncash property that is not  
 4 necessary for the health, safety, or decent living standard of a  
 5 household that:

6 ~~(1)~~ **(A)** is owned wholly or in part by the applicant or a  
 7 member of the applicant's household;

8 ~~(2)~~ **(B)** the applicant or the household member has the legal  
 9 right to sell or liquidate; and

10 ~~(3)~~ **(C)** includes:

11 ~~(A)~~ **(i)** real property other than property that is used for the  
 12 production of income or that is the primary residence of the  
 13 household;

14 ~~(B)~~ **(ii)** savings and checking accounts, certificates of  
 15 deposit, bonds, stocks, and other intangibles that have a net  
 16 cash value; and

17 ~~(C)~~ **(iii)** boats, other vehicles, or any other personal property  
 18 used solely for recreational or entertainment purposes.

19 SECTION 3. IC 12-7-2-76, AS AMENDED BY P.L.145-2006,  
 20 SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2014]: Sec. 76. (a) "Eligible individual", for purposes of:

22 **(1)** IC 12-10-10, has the meaning set forth in IC 12-10-10-4; **and**

23 **(2) IC 12-10-10.5, has the meaning set forth in**  
 24 **IC 12-10-10.5-3.**

25 (b) "Eligible individual" has the meaning set forth in  
 26 IC 12-14-18-1.5 for purposes of the following:

27 (1) IC 12-10-6.

28 (2) IC 12-14-2.

29 (3) IC 12-14-18.

30 (4) IC 12-14-19.

31 (5) IC 12-15-2.

32 (6) IC 12-15-3.

33 (7) IC 12-16-3.5.

34 (8) IC 12-20-5.5.

35 SECTION 4. IC 12-7-2-146, AS AMENDED BY SEA 24-2014,  
 36 SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JULY 1, 2014]: Sec. 146. "Program" refers to the following:

38 (1) For purposes of IC 12-8-12.5, the meaning set forth in  
 39 IC 12-8-12.5-1.

40 (2) For purposes of IC 12-10-7, the adult guardianship services  
 41 program established by IC 12-10-7-5.

42 (3) For purposes of IC 12-10-10, the meaning set forth in



- 1 IC 12-10-10-5.  
 2 **(4) For purposes of IC 12-10-10.5, the meaning set forth in**  
 3 **IC 12-10-10.5-4.**  
 4 ~~(4) (5) For purposes of IC 12-17.2-2-14, IC 12-17.2-2-14.2, the~~  
 5 ~~meaning set forth in IC 12-17.2-2-14. IC 12-17.2-2-14.2(a).~~  
 6 ~~(5) (6) For purposes of IC 12-17.2-3.7, IC 12-17.2-3.6, the~~  
 7 ~~meaning set forth in IC 12-17.2-3.7-7. IC 12-17.2-3.6-7.~~  
 8 ~~(4) (7) For purposes of IC 12-17.2-3.7, IC 12-17.2-3.8, the~~  
 9 ~~meaning set forth in IC 12-17.2-3.7-5. IC 12-17.2-3.8-2.~~  
 10 ~~(5) (6) (8) For purposes of IC 12-17.6, the meaning set forth in~~  
 11 ~~IC 12-17.6-1-5.~~

12 SECTION 5. IC 12-10-10.5 IS ADDED TO THE INDIANA CODE  
 13 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 14 JULY 1, 2014]:

15 **Chapter 10.5. Community Living Pilot Program**

16 **Sec. 1. As used in this chapter, "board" refers to the community**  
 17 **and home options to institutional care for the elderly and disabled**  
 18 **board established by IC 12-10-11-1.**

19 **Sec. 2. As used in this chapter, "case management" means an**  
 20 **administrative function conducted locally by an area agency on**  
 21 **aging that includes the following:**

- 22 **(1) Assessment of an individual to determine the individual's**  
 23 **functional impairment level and corresponding need for**  
 24 **services.**  
 25 **(2) Initial verification of an individual's income and assets.**  
 26 **(3) Development of a care plan that:**  
 27 **(A) addresses an eligible individual's needs;**  
 28 **(B) takes into consideration the individual's family and**  
 29 **community members who are willing to provide services to**  
 30 **meet any of the individual's needs; and**  
 31 **(C) is consistent with a person centered approach to client**  
 32 **care.**  
 33 **(4) Supervision of the implementation of appropriate and**  
 34 **available services for an eligible individual.**  
 35 **(5) Advocacy on behalf of an eligible individual's interests.**  
 36 **(6) Monitoring the quality of community and home care**  
 37 **services provided to an eligible individual.**  
 38 **(7) Reassessment of the care plan to determine:**  
 39 **(A) the continuing need and effectiveness of the community**  
 40 **and home care services provided to an eligible individual**  
 41 **under this chapter; and**  
 42 **(B) the annual reverification of a plan recipient's income**



1 and assets, as may be required by the division under  
2 section 3(d) of this chapter.

3 **(8) Provision of information and referral services to**  
4 **individuals in need of community and home care services.**

5 **Sec. 3. (a) As used in this chapter, "eligible individual" means,**  
6 **beginning January 1, 2015, an individual who meets the following**  
7 **criteria:**

8 **(1) Is a resident of Indiana.**

9 **(2) Is:**

10 **(A) at least sixty (60) years of age; or**

11 **(B) an individual with a disability.**

12 **(3) Has assets that meet the following criteria:**

13 **(A) For an individual who participates in the program and**  
14 **whose date of application for the program is before**  
15 **January 1, 2015, assets that do not exceed five hundred**  
16 **thousand dollars (\$500,000), as determined by the division.**

17 **(B) For an individual whose date of application for the**  
18 **program is after December 31, 2014, countable assets that**  
19 **do not exceed two hundred fifty thousand dollars**  
20 **(\$250,000). In determining assets under this clause, the**  
21 **division shall exclude an additional twenty thousand**  
22 **dollars (\$20,000) in countable assets.**

23 **(4) Qualifies under criteria developed by the board as having**  
24 **an impairment that places the individual at risk of losing the**  
25 **individual's independence, as described in subsection (b).**

26 **(b) For purposes of subsection (a), an individual is at risk of**  
27 **losing the individual's independence if the individual is unable to**  
28 **perform any of the following:**

29 **(1) Two (2) or more activities of daily living. The use by or on**  
30 **behalf of the individual of any of the following services or**  
31 **devices does not make the individual ineligible for services**  
32 **under this chapter:**

33 **(A) Skilled nursing assistance.**

34 **(B) Supervised community and home care services,**  
35 **including skilled nursing supervision.**

36 **(C) Adaptive medical equipment and devices.**

37 **(D) Adaptive nonmedical equipment and devices.**

38 **(2) One (1) activity of daily living if, using the needs based**  
39 **assessment established under section 10(1) of this chapter, the**  
40 **division determines that addressing the single activity of daily**  
41 **living would significantly reduce the likelihood of the**  
42 **individual's loss of independence and the need for additional**



1 services.

2 (3) An activity if, using the needs based assessment established  
3 under section 10(1) of this chapter, the division determines  
4 that targeted intervention or assistance with the activity  
5 would significantly reduce the likelihood of the individual's  
6 loss of independence and the need for additional services.

7 (c) The division shall, in accordance with standards established  
8 under section 10(3) of this chapter, establish a cost participation  
9 schedule for a program recipient based on the program  
10 participant's income and countable assets. The cost participation  
11 schedule must meet the following:

12 (1) Exclude from cost participation an eligible individual  
13 whose income and countable assets do not exceed one hundred  
14 fifty percent (150%) of the federal income poverty level.

15 (2) In calculating income and countable assets for an eligible  
16 individual, deduct the medical expenses of the following:

17 (A) The individual.

18 (B) The spouse of the individual.

19 (C) The dependent children of the individual.

20 (3) Exclude twenty thousand dollars (\$20,000) of a  
21 participant's countable assets from consideration in  
22 determining a participant's cost participation.

23 (d) The division may require annual reverification for program  
24 participants whom the division determines are likely to experience  
25 a material increase in income or assets. An individual shall submit  
26 the information requested by the division to carry out the  
27 redetermination allowed by this subsection.

28 (e) The division may not require a family or other person to  
29 provide services as a condition of an individual's eligibility for or  
30 participation in the program.

31 Sec. 4. As used in this chapter, "program" refers to the  
32 community living pilot program established by section 5 of this  
33 chapter.

34 Sec. 5. (a) Beginning January 1, 2015, the community living pilot  
35 program is established.

36 (b) The division shall administer the program. The division shall  
37 do the following:

38 (1) In consultation with the area agencies on aging, designate  
39 four (4) area agencies on aging to participate in the program.  
40 In determining the four (4) area agencies on aging to  
41 participate in the program, the division shall consider the  
42 following criteria:



- 1           (A) Geographic diversity.  
 2           (B) Urban and rural representation.  
 3           (C) Size of the area agency on aging's waiting list for  
 4           services.  
 5           (D) Size of the population served by the area agency on  
 6           aging.  
 7           (2) Report data and outcome measures concerning the  
 8           program to the board and, in an electronic format under  
 9           IC 5-14-6, to the legislative council and an appropriate  
 10          interim study committee determined by the legislative council  
 11          before the following:  
 12           (A) March 15, 2016.  
 13           (B) September 15, 2016.  
 14           (C) March 15, 2017.
- 15          Sec. 6. (a) Except as provided in subsection (b), the case  
 16          management under this chapter of an individual leading to  
 17          participation in the program may not be conducted by any agency  
 18          that delivers services under the program.  
 19          (b) If the division determines that there is no alternative agency  
 20          capable of delivering services to the individual, the area agency on  
 21          aging that performs the assessment under the program may also  
 22          deliver the services.  
 23          (c) The division shall provide the necessary funding to provide  
 24          case management services for the program, as determined under  
 25          section 10(2) of this chapter.
- 26          Sec. 7. Except as provided in section 8 of this chapter, state  
 27          money for home health services under this chapter must be  
 28          distributed only to licensed health care professionals, facilities, and  
 29          agencies.
- 30          Sec. 8. The division shall establish a program to train relatives  
 31          of eligible individuals to provide homemaker and personal care  
 32          services to those eligible individuals.
- 33          Sec. 9. The office of the secretary, in consultation with the local  
 34          area agencies on aging, shall negotiate reimbursement rates for  
 35          services provided under this chapter.
- 36          Sec. 10. The division, in consultation with the area agencies on  
 37          aging, shall develop policies that establish the following:  
 38           (1) A needs based assessment to be used in determining a  
 39           client's needs and care plan under section 2(3) of this chapter.  
 40           (2) The percentage of program dollars adequate to provide  
 41           case management services.  
 42           (3) A cost participation schedule for program recipients as





- 1           **required by section 3(c) of this chapter.**
- 2           **(4) Program performance measures.**
- 3           **(5) Data and outcome measures for the program to be**
- 4           **collected and reported under section 5(b)(2) of this chapter.**
- 5           **Sec. 11. This chapter expires June 30, 2017.**



## COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred House Bill 1391, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 4, line 14, after "assets." insert "**The division shall exclude ten thousand dollars (\$10,000) of a participant's countable assets from consideration in determining a participant's cost participation.**".

and when so amended that said bill do pass.

(Reference is to HB 1391 as introduced.)

KUBACKI, Chair

Committee Vote: yeas 12, nays 0.

## COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1391, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 32, delete "14" and insert "**13**".

Page 5, delete lines 19 through 25.

Page 5, line 26, delete "IC 12-10-10-14" and insert "IC 12-10-10-13".

Page 5, line 28, delete "14." and insert "**13.**".

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1391 as printed January 24, 2014.)

BROWN T, Chair

Committee Vote: yeas 13, nays 4.

**EH 1391—LS 6662/DI 104**



## HOUSE MOTION

Mr. Speaker: I move that House Bill 1391 be amended to read as follows:

Page 2, line 33, delete "on" and insert "**and whose date of application for the program is before July 1, 2014,**".

Page 2, delete line 34.

Page 2, line 37, delete "who applies" and insert "**whose date of application**".

Page 2, line 37, after "program" insert "is".

Page 4, line 16, after "." insert "**The cost participation schedule established under this subsection may be applied only to an individual whose date of application for the program is after June 30, 2014.**".

Page 5, line 21, after "(a)" insert "**This section applies only to an individual whose date of application for the program is after June 30, 2014.**

**(b)**".

Page 5, line 28, delete "(b)" and insert "(c)".

(Reference is to HB 1391 as printed January 28, 2014.)

CLERE

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 COMMITTEE REPORT

Madam President: The Senate Committee on Health and Provider Services, to which was referred House Bill No. 1391, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, line 2, delete "JULY" and insert "JANUARY 1, 2015]:".

Page 1, line 3, delete "1, 2014]:".

Page 1, line 6, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 2, line 20, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 2, line 26, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 2, line 34, delete "July 1," and insert "**January 1, 2015,**".

Page 2, line 35, delete "2014,".

Page 2, line 38, delete "June 30," and insert "**December 31,**".

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Page 3, line 4, delete "ten" and insert "twenty".

Page 3, line 5, delete "\$10,000" and insert "\$20,000".

Page 3, line 22, delete "living, if" and insert "**living if, using the needs based assessment established under section 13(1) of this chapter,**".

Page 3, line 26, delete "activity, if" and insert "**activity if, using the needs based assessment established under section 13(1) of this chapter,**".

Page 4, line 12, after "shall" insert "**, in accordance with standards established under section 13(3) of this chapter,**".

Page 4, line 14, delete "ten" and insert "twenty".

Page 4, line 15, delete "\$10,000" and insert "\$20,000".

Page 4, line 19, delete "June 30," and insert "**December 31,**".

Page 4, line 26, after "for" insert "**or participation in**".

Page 4, line 29, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 4, line 38, delete "." and insert "**, as determined under section 13(2) of this chapter.**".

Page 4, line 40, delete "JULY 1, 2014]:" and insert "JANUARY 1, 2015]:".

Page 5, line 11, delete "division shall distribute the program" and insert "**area agency on aging shall:**

- (1) **determine, in accordance with section 13(4) of this chapter, the savings from not paying for these services; and**
- (2) **allocate twenty percent (20%) of the savings calculated under subdivision (1) to offset the individual's cost share amount, if any, for participating in the program.**

Page 5, delete lines 12 through 21, begin a new paragraph and insert:

"SECTION 7. IC 12-10-10-13 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 13. The division and the area agencies on aging shall jointly develop policies that establish the following:**

- (1) **A needs based assessment to be used in determining a client's needs and care plan under section 1(3) of this chapter.**
- (2) **The percentage of program dollars adequate to provide case management services.**
- (3) **A cost participation schedule for program recipients as required by section 4(d) of this chapter.**
- (4) **Procedures for determining cost savings as required by section 9(c) of this chapter.**



**(5) Program performance measures for the area agencies on aging."**

Page 5, line 22, delete "IC 12-10-10-13" and insert "IC 12-10-10-14".

Page 5, line 24, delete "[EFFECTIVE JULY 1, 2014]: Sec. 13." and insert "[EFFECTIVE JANUARY 1, 2015]: **Sec. 14.**".

Page 5, line 26, delete "June 30," and insert "**December 31,**".

Page 5, line 29, delete "ten" and insert "**twenty**".

Page 5, line 30, delete "(\$10,000)" and insert "**(\$20,000)**".

Page 5, after line 34, begin a new paragraph and insert:

"SECTION 9. **An emergency is declared for this act.**".

Re-number all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to HB 1391 as reprinted January 31, 2014.)

MILLER PATRICIA, Chairperson

Committee Vote: Yeas 8, Nays 1.

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COMMITTEE REPORT

Madam President: The Senate Committee on Appropriations, to which was referred House Bill No. 1391, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 16, begin a new paragraph and insert:

"SECTION 1. IC 12-7-2-22, AS AMENDED BY P.L.145-2006, SECTION 35, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. "Board" means the following:

(1) For purposes of IC 12-10-10, **IC 12-10-10.5**, and IC 12-10-11, the community and home options to institutional care for the elderly and disabled board established by IC 12-10-11-1.

(2) For purposes of 12-12-7-5, the meaning set forth in IC 12-12-7-5(a).

(3) For purposes of IC 12-15-35, the meaning set forth in IC 12-15-35-2.

SECTION 2. IC 12-7-2-44.6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 44.6. "Countable asset" means the following:

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**(1) For purposes of IC 12-10-10.5, in determining eligibility for the community living pilot program, property that is included in determining assets in the same manner as determining an individual's eligibility for the Medicaid aged and disabled waiver.**

**(2)** For purposes of IC 12-20, means noncash property that is not necessary for the health, safety, or decent living standard of a household that:

~~(1)~~ **(A)** is owned wholly or in part by the applicant or a member of the applicant's household;

~~(2)~~ **(B)** the applicant or the household member has the legal right to sell or liquidate; and

~~(3)~~ **(C)** includes:

~~(A)~~ **(i)** real property other than property that is used for the production of income or that is the primary residence of the household;

~~(B)~~ **(ii)** savings and checking accounts, certificates of deposit, bonds, stocks, and other intangibles that have a net cash value; and

~~(C)~~ **(iii)** boats, other vehicles, or any other personal property used solely for recreational or entertainment purposes.

SECTION 3. IC 12-7-2-76, AS AMENDED BY P.L.145-2006, SECTION 48, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 76. (a) "Eligible individual", for purposes of:

**(1)** IC 12-10-10, has the meaning set forth in IC 12-10-10-4; **and**

**(2) IC 12-10-10.5, has the meaning set forth in IC 12-10-10.5-3.**

(b) "Eligible individual" has the meaning set forth in IC 12-14-18-1.5 for purposes of the following:

(1) IC 12-10-6.

(2) IC 12-14-2.

(3) IC 12-14-18.

(4) IC 12-14-19.

(5) IC 12-15-2.

(6) IC 12-15-3.

(7) IC 12-16-3.5.

(8) IC 12-20-5.5.

SECTION 4. IC 12-7-2-146, AS AMENDED BY SEA 24-2014, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 146. "Program" refers to the following:

(1) For purposes of IC 12-8-12.5, the meaning set forth in IC 12-8-12.5-1.

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(2) For purposes of IC 12-10-7, the adult guardianship services program established by IC 12-10-7-5.

(3) For purposes of IC 12-10-10, the meaning set forth in IC 12-10-10-5.

**(4) For purposes of IC 12-10-10.5, the meaning set forth in IC 12-10-10.5-4.**

~~(4)~~ **(5)** For purposes of ~~IC 12-17.2-2-14~~, **IC 12-17.2-2-14.2**, the meaning set forth in ~~IC 12-17.2-2-14~~. **IC 12-17.2-2-14.2(a)**.

~~(5)~~ **(6)** For purposes of ~~IC 12-17.2-3.7~~, **IC 12-17.2-3.6**, the meaning set forth in ~~IC 12-17.2-3.7-7~~. **IC 12-17.2-3.6-7**.

~~(4)~~ **(7)** For purposes of ~~IC 12-17.2-3.7~~, **IC 12-17.2-3.8**, the meaning set forth in ~~IC 12-17.2-3.7-5~~. **IC 12-17.2-3.8-2**.

~~(5)~~ ~~(6)~~ **(8)** For purposes of IC 12-17.6, the meaning set forth in IC 12-17.6-1-5.

SECTION 5. IC 12-10-10.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]:

**Chapter 10.5. Community Living Pilot Program**

**Sec. 1. As used in this chapter, "board" refers to the community and home options to institutional care for the elderly and disabled board established by IC 12-10-11-1.**

**Sec. 2. As used in this chapter, "case management" means an administrative function conducted locally by an area agency on aging that includes the following:**

- (1) Assessment of an individual to determine the individual's functional impairment level and corresponding need for services.**
- (2) Initial verification of an individual's income and assets.**
- (3) Development of a care plan that:**
  - (A) addresses an eligible individual's needs;**
  - (B) takes into consideration the individual's family and community members who are willing to provide services to meet any of the individual's needs; and**
  - (C) is consistent with a person centered approach to client care.**
- (4) Supervision of the implementation of appropriate and available services for an eligible individual.**
- (5) Advocacy on behalf of an eligible individual's interests.**
- (6) Monitoring the quality of community and home care services provided to an eligible individual.**
- (7) Reassessment of the care plan to determine:**
  - (A) the continuing need and effectiveness of the community**



and home care services provided to an eligible individual under this chapter; and

(B) the annual reverification of a plan recipient's income and assets, as may be required by the division under section 3(d) of this chapter.

(8) Provision of information and referral services to individuals in need of community and home care services.

Sec. 3. (a) As used in this chapter, "eligible individual" means, beginning January 1, 2015, an individual who meets the following criteria:

(1) Is a resident of Indiana.

(2) Is:

(A) at least sixty (60) years of age; or

(B) an individual with a disability.

(3) Has assets that meet the following criteria:

(A) For an individual who participates in the program and whose date of application for the program is before January 1, 2015, assets that do not exceed five hundred thousand dollars (\$500,000), as determined by the division.

(B) For an individual whose date of application for the program is after December 31, 2014, countable assets that do not exceed two hundred fifty thousand dollars (\$250,000). In determining assets under this clause, the division shall exclude an additional twenty thousand dollars (\$20,000) in countable assets.

(4) Qualifies under criteria developed by the board as having an impairment that places the individual at risk of losing the individual's independence, as described in subsection (b).

(b) For purposes of subsection (a), an individual is at risk of losing the individual's independence if the individual is unable to perform any of the following:

(1) Two (2) or more activities of daily living. The use by or on behalf of the individual of any of the following services or devices does not make the individual ineligible for services under this chapter:

(A) Skilled nursing assistance.

(B) Supervised community and home care services, including skilled nursing supervision.

(C) Adaptive medical equipment and devices.

(D) Adaptive nonmedical equipment and devices.

(2) One (1) activity of daily living if, using the needs based assessment established under section 10(1) of this chapter, the





division determines that addressing the single activity of daily living would significantly reduce the likelihood of the individual's loss of independence and the need for additional services.

(3) An activity if, using the needs based assessment established under section 10(1) of this chapter, the division determines that targeted intervention or assistance with the activity would significantly reduce the likelihood of the individual's loss of independence and the need for additional services.

(c) The division shall, in accordance with standards established under section 10(3) of this chapter, establish a cost participation schedule for a program recipient based on the program participant's income and countable assets. The cost participation schedule must meet the following:

(1) Exclude from cost participation an eligible individual whose income and countable assets do not exceed one hundred fifty percent (150%) of the federal income poverty level.

(2) In calculating income and countable assets for an eligible individual, deduct the medical expenses of the following:

(A) The individual.

(B) The spouse of the individual.

(C) The dependent children of the individual.

(3) Exclude twenty thousand dollars (\$20,000) of a participant's countable assets from consideration in determining a participant's cost participation.

(d) The division may require annual reverification for program participants whom the division determines are likely to experience a material increase in income or assets. An individual shall submit the information requested by the division to carry out the redetermination allowed by this subsection.

(e) The division may not require a family or other person to provide services as a condition of an individual's eligibility for or participation in the program.

Sec. 4. As used in this chapter, "program" refers to the community living pilot program established by section 5 of this chapter.

Sec. 5. (a) Beginning January 1, 2015, the community living pilot program is established.

(b) The division shall administer the program. The division shall do the following:

(1) In consultation with the area agencies on aging, designate four (4) area agencies on aging to participate in the program.



In determining the four (4) area agencies on aging to participate in the program, the division shall consider the following criteria:

- (A) Geographic diversity.
  - (B) Urban and rural representation.
  - (C) Size of the area agency on aging's waiting list for services.
  - (D) Size of the population served by the area agency on aging.
- (2) Report data and outcome measures concerning the program to the board and, in an electronic format under IC 5-14-6, to the legislative council and an appropriate interim study committee determined by the legislative council before the following:
- (A) March 15, 2016.
  - (B) September 15, 2016.
  - (C) March 15, 2017.

Sec. 6. (a) Except as provided in subsection (b), the case management under this chapter of an individual leading to participation in the program may not be conducted by any agency that delivers services under the program.

(b) If the division determines that there is no alternative agency capable of delivering services to the individual, the area agency on aging that performs the assessment under the program may also deliver the services.

(c) The division shall provide the necessary funding to provide case management services for the program, as determined under section 10(2) of this chapter.

Sec. 7. Except as provided in section 8 of this chapter, state money for home health services under this chapter must be distributed only to licensed health care professionals, facilities, and agencies.

Sec. 8. The division shall establish a program to train relatives of eligible individuals to provide homemaker and personal care services to those eligible individuals.

Sec. 9. The office of the secretary, in consultation with the local area agencies on aging, shall negotiate reimbursement rates for services provided under this chapter.

Sec. 10. The division, in consultation with the area agencies on aging, shall develop policies that establish the following:

- (1) A needs based assessment to be used in determining a client's needs and care plan under section 2(3) of this chapter.



**(2) The percentage of program dollars adequate to provide case management services.**

**(3) A cost participation schedule for program recipients as required by section 3(c) of this chapter.**

**(4) Program performance measures.**

**(5) Data and outcome measures for the program to be collected and reported under section 5(b)(2) of this chapter.**

**Sec. 11. This chapter expires June 30, 2017."**

Delete pages 2 through 6.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to EHB 1391 as printed February 21, 2014.)

KENLEY, Chairperson

Committee Vote: Yeas 10, Nays 0.

