Bringing the Program of All-Inclusive Care for the Elderly to Nevada

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Agenda

- PACE overview and history
- PACE quality and outcomes
- States' Policy Environment & Responsibilities
  - Choosing PACE as an Option
  - PACE Growth and Rural PACE
  - PACE Sustainability and Costs
  - Licensure and Oversight
- CMS Role in PACE Development
- PACE growth across the country
- Q&A

PACE Overview and History

What is PACE?

Program of All-Inclusive Care for the Elderly

- A Medicare program and Medicaid state option that gives community-based care and services to people 55 or older who otherwise would need a nursing home level of care.
- Integrated system of care for the frail elderly that is:
  - Community-based
  - Comprehensive
  - Capitated
  - Coordinated

Source: https://www.npaonline.org/sites/default/files/11341-PACE.pdf

PACE Background

Existing care models could not serve the older Asian and Pacific Islander American community well in their Chinatown North Beach neighborhood homes

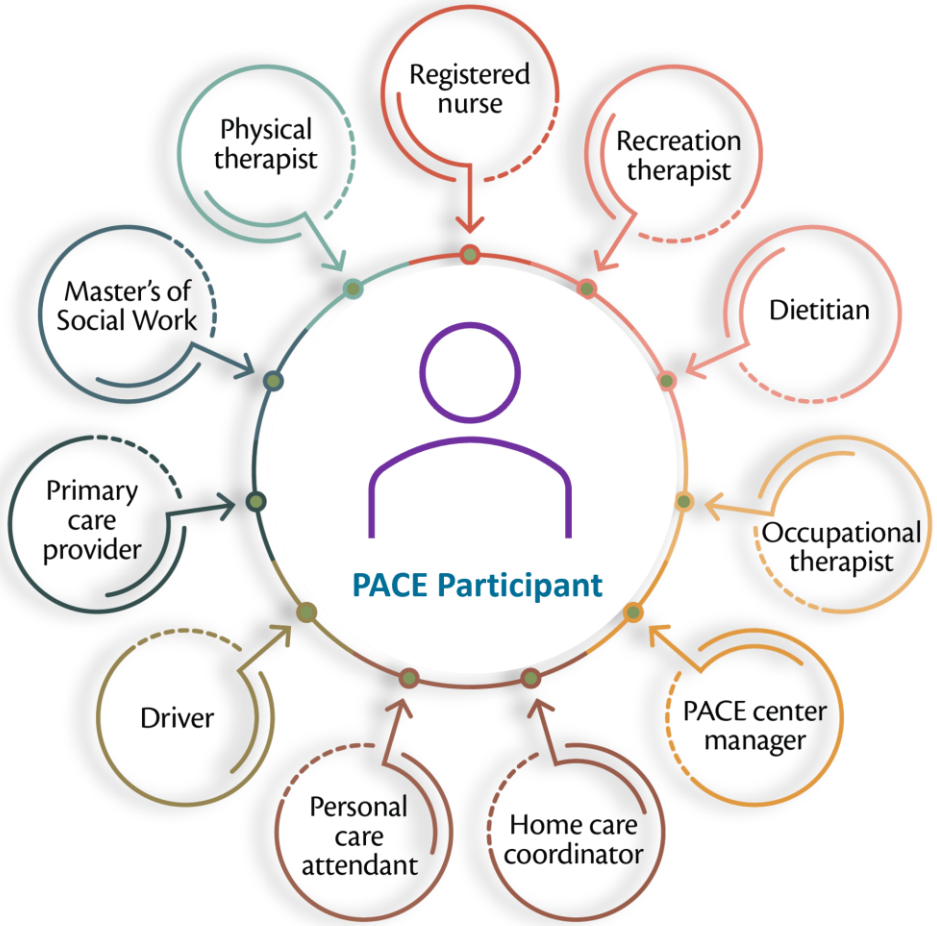
In 1971, the first PACE program opened –

On Lok in San Francisco

Today, there are 150 PACE organizations located in rural areas, inner cities, and the Cherokee Nation Reservation

These programs empower a diverse range of older adults and those living with disabilities to remain independent for as long as possible while living in their homes and communities

The PACE Model of Care



- PACE participants are served by an 11-member interdisciplinary team
- PACE participants receive services at the PACE center and at their homes
- PACE programs provide all Medicare, Medicaid, and medically necessary services with no benefit limitations, copays, or deductibles
- PACE programs receive capitated payments per participant and are at full risk for the services provided; payments do not change based on the utilization patterns of participants

The PACE Model Philosophy

The PACE Model of Care is centered on the belief that it is better for the well-being of frail elders with chronic care needs and their families to be served in the community whenever possible.

Honoring the wants and needs of frail elders and their families

- To be cared for in familiar surroundings
- To maintain autonomy of their care
- To maintain a maximum level of physical, social, and cognitive function

Who Does PACE Serve?

PACE Participants

87%
are dually eligible for Medicaid & Medicare

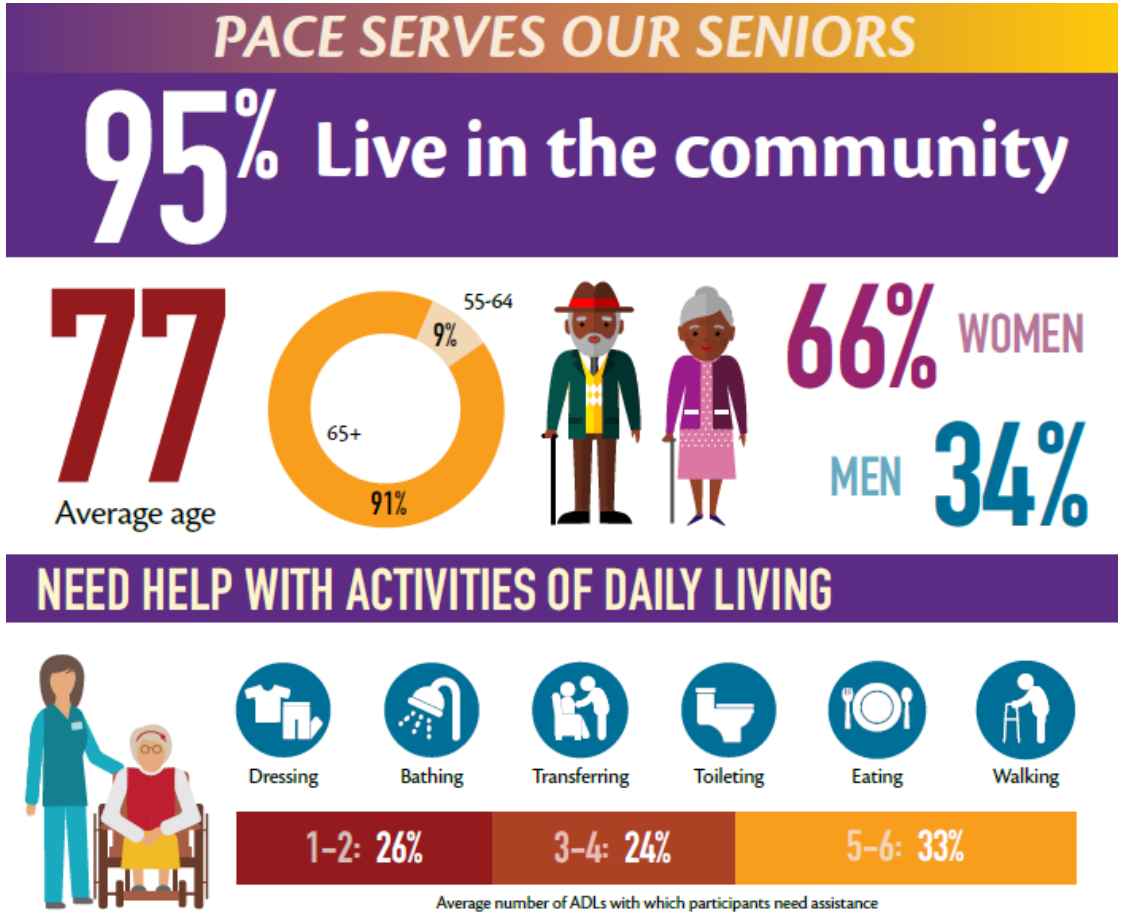
13%
are Medicaid-only

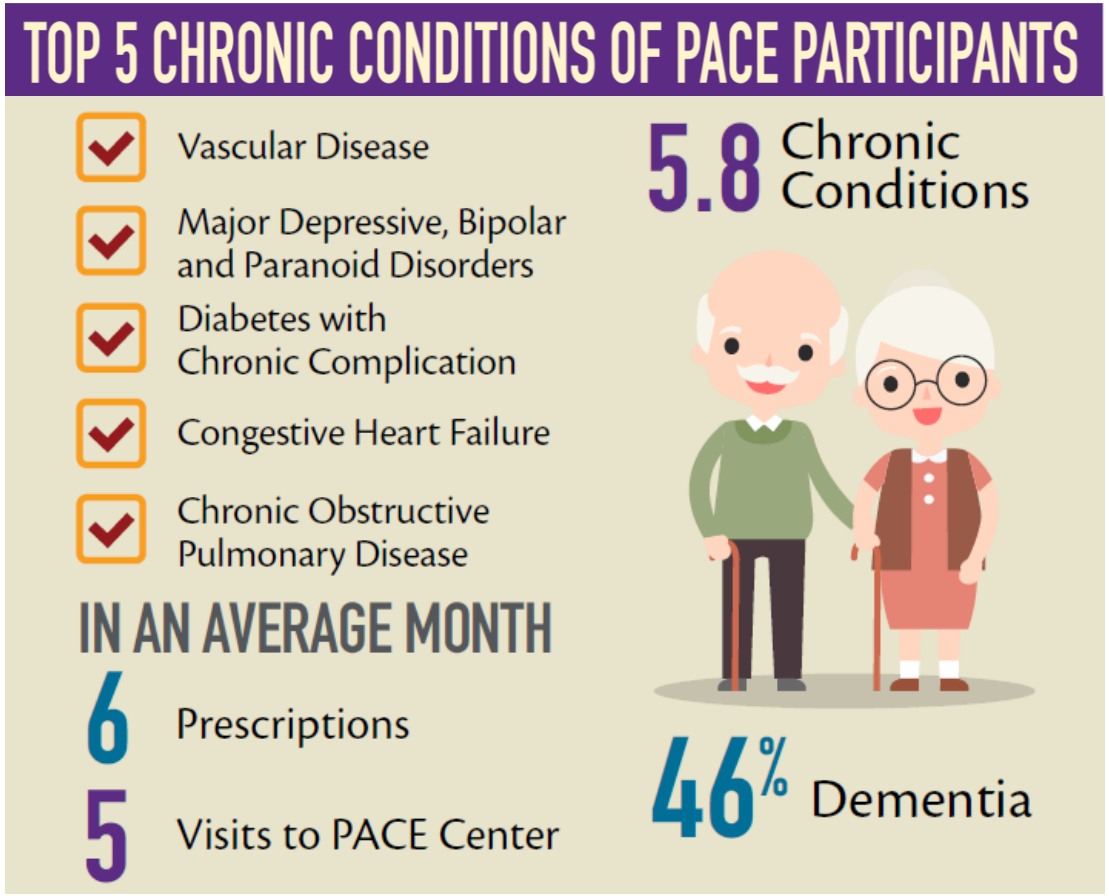
0.5%
pay a premium (Medicare-only or other)

- About 70,000 older adults and individuals with disabilities receive care daily
- Participants are eligible to join PACE if they are:
  - 55 years of age or older
  - Live in a PACE geographic service area
  - Certified by their state as needing nursing home care
  - Able to live safely in the community with the services of the PACE program at the time of enrollment

Source: https://www.npaonline.org/sites/default/files/PDFs/infographic/NPA_infographic_may2023-combined.pdf

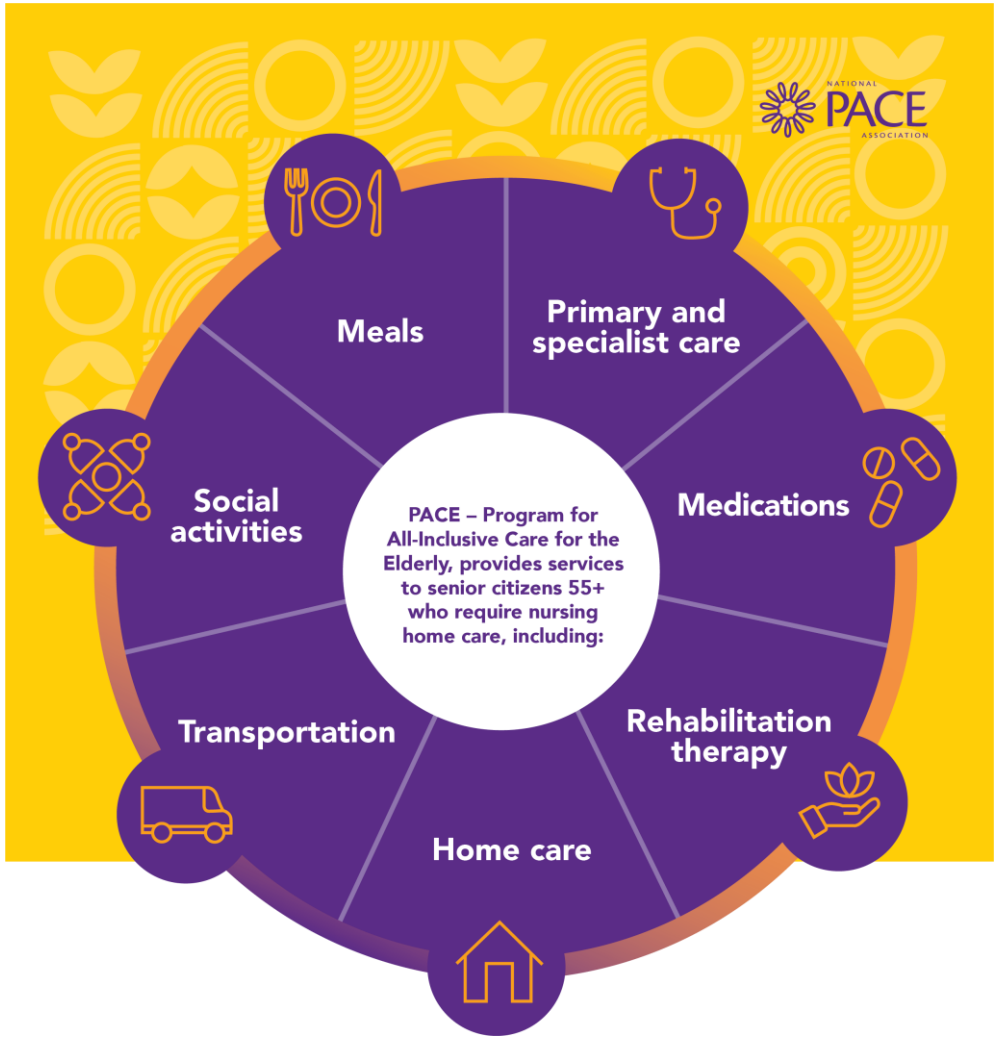
Who are PACE Participants?





Source: https://www.npaonline.org/sites/default/files/PDFs/infographic/NPAinfographic_Sept2022.pdf

Services Provided



- Nursing
- Nutritional Counseling
- Social Work
- Medical Care
- Personal Care
- Social Services
- Audiology
- Dentistry
- Optometry
- Podiatry
- Respite Care
- Care Management

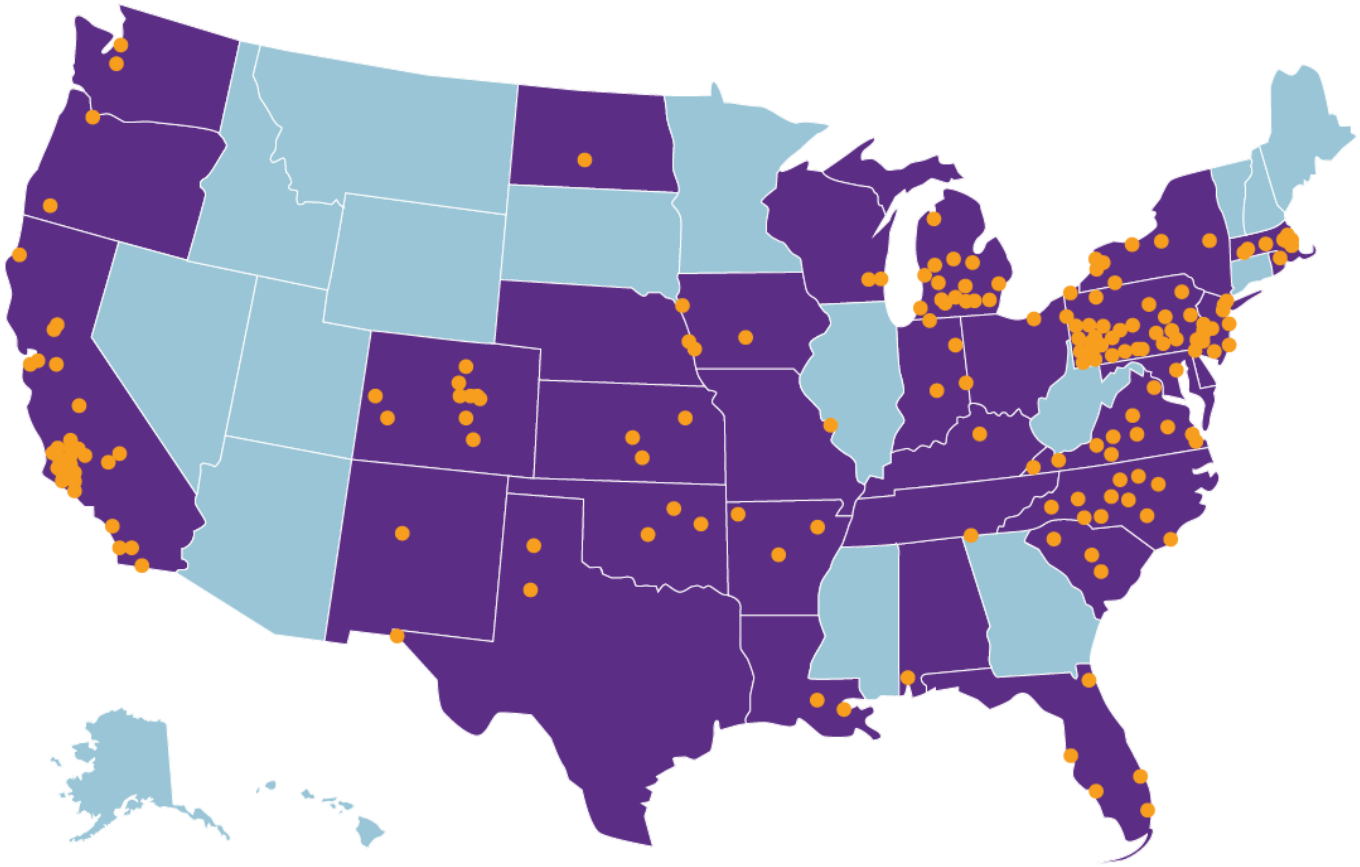
- Hospital and nursing home care are provided when necessary
- Any other care, services, or supports deemed medically necessary to maintain or improve the health status of participants.

If a PACE participant needs nursing home care, the PACE program pays for it and continues to coordinate the participant's care.

PACE Provides Transportation & Meals

Source: https://www.npaonline.org/sites/default/files/PDFs/infographic/NPAinfographic_Sept2022.pdf

Where Is PACE?



163 Sponsoring Organizations*

322 PACE Centers

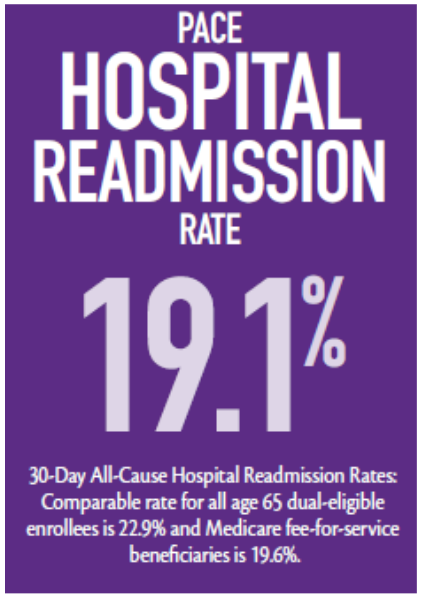
*All PACE organizations are members of NPA

32 States and the District of Columbia Have PACE Organizations, Serving Over 72,000 Participants

PACE Quality and Outcomes

PACE Provides High-Quality Outcomes

- Reduced hospital admissions
- Decreased rehospitalizations
- Reduced ER visits
- Fewer nursing home admissions
- Better preventative care



Source: https://www.npaonline.org/sites/default/files/PDFs/infographic/NPAinfographic_Sept2022.pdf

PACE Provides High-Quality Outcomes

97.5%

of family caregivers would recommend PACE

to someone in a similar situation

- Over 96% of family members are satisfied with the support they receive
- High participant satisfaction
- Low disenrollment rate

Source: https://www.npaonline.org/sites/default/files/PDFs/infographic/NPA-infographic-dec2022.pdf

ASPE Finds PACE to be "A Consistently 'High Performer'"

Study conducted by the U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning – Comparing Outcomes for Dual Eligible Beneficiaries in Integrated Care

Findings

- PACE was determined to be "a consistently 'high performer'"
- PACE participants, when compared to Medicare Advantage enrollees
  - Did not have a notably higher mortality risk
  - Were "significantly less likely to be hospitalized, to visit the ED, or be institutionalized[.]"

States' Policy Environment & Responsibilities

PACE Is a State Option

- State must amend its Medicaid Plan to elect PACE as a voluntary state option.
- The State Plan Amendment (SPA) and provider application processes can occur simultaneously.
- State must receive CMS approval of SPA before three-way Program Agreement can be signed.

What Is in a State Plan Amendment?

The State Plan Amendment covers three major areas:

1. Clinical and financial eligibility and post-eligibility treatment of income requirements for PACE enrollees
2. Rate-setting methodology for the Medicaid capitation rates
3. Procedures for processing Medicaid enrollments and disenrollments in the state's management information system.

State Role in PACE Development

In 2009, Nevada enacted legislation authorizing the state to establish and administer PACE (AB 263 – 2009)

State Role in PACE Development Continue

PACE organizations need support from state policy-makers and the Medicaid State Administering Agency (SAA) to develop and succeed.

- SAA concurrence required on initial application, expansion applications, waiver requests and ACS notices.
- SAA determines Medicaid rate-setting methodology.
- SAA establishes Medicaid eligibility requirements, level-of-care determination processes, and Medicaid enrollment and disenrollment processes.
- SAA establishes state oversight requirements, including provider licensing and health plan licensing.
- SAA determines how much PACE can grow in the state.

Growing PACE

Federal Requirements for Rate Setting

Federal law requires that states make a prospective monthly capitation payment to a PACE organization for a Medicaid participant that:

- is less than what would otherwise have been paid under the state plan if not enrolled in PACE;
- considers comparative frailty of participants; and
- is a fixed amount regardless of changes in a participant's health status.

Medicaid Rates

- Every state has a separate dual rate and Medicaid-only rate
  - Average dual rate is $4,487
  - Average Medicaid-only rate is $7,371
- Some states have separate rates based on age and geography
  - 9 states have different rates based on geography
  - 3 states have different rates based on age
  - 5 states have different rates for age and geography
  - 15 states have one dual rate and one Medicaid-only rate

Costs to States

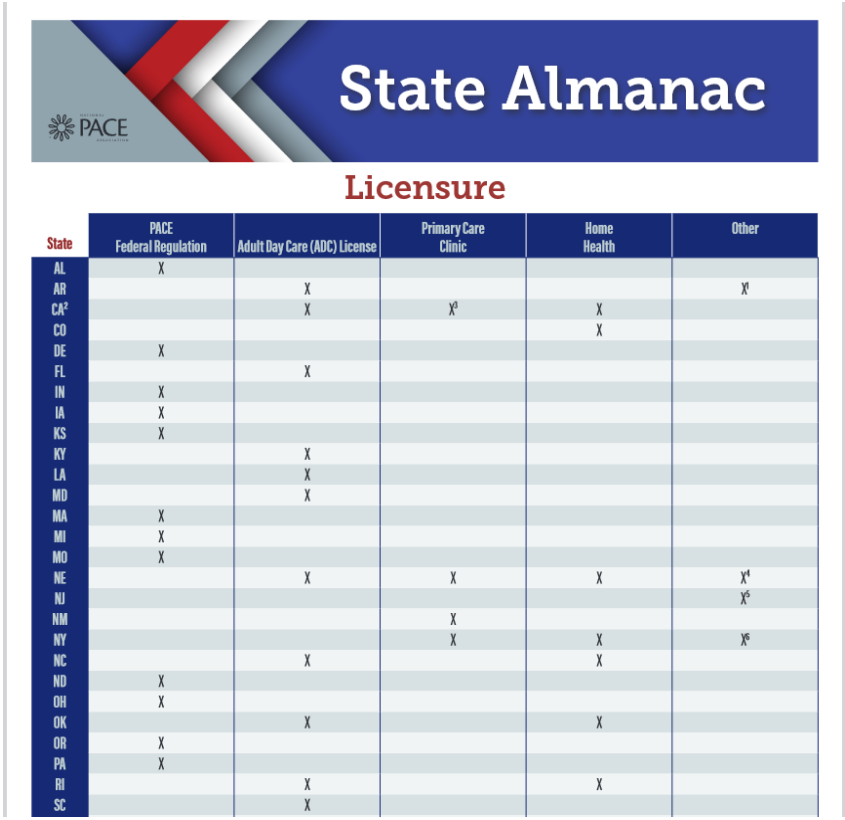
- **The PACE capitation payment MUST be less than what would otherwise have been paid under the state plan if not enrolled in PACE.**
- On average PACE programs provide care for a dual-eligible population age 65+ at a cost that is about 12% less per person per month than the costs the Medicaid programs would incur to provide services to these individuals if they were not enrolled in PACE.

	Medicaid 65+ Dual-Eligible AWOP	Medicaid 65+ Dual-Eligible PACE Rate	Estimated Savings in Percent PMPM through PACE	Estimated Cost Savings PMPM through PACE
Average	$4,761	$4,183	12%	$578
Median	$4,787	$4,309	10%	$478

State Oversight and Flexibility

Significant variation in licensure and oversight:

- PACE federal regulation: 13 states
- Adult day care: 13 states
- Home health: 8 states
- Primary care clinic: 4 states
- Other: 5 states
- More than one type of licensure: 6 states



PACE

State Almanac

Licensure

State	PACE Federal Regulation	Adult Day Care (ADC) License	Primary Care Clinic	Home Health	Other
AL	X				
AR		X			X[1]
CA[2]		X	X[3]	X	
CO				X	
DE	X				
FL		X			
IN	X				
IA	X				
KS	X				
KY		X			
LA		X			
MD		X			
MA	X				
MI	X				
MO	X				
NE		X	X	X	X[4]
NJ					X[5]
NM			X		
NY			X	X	X[6]
NC		X		X	
ND	X				
OH	X				
OK		X		X	
OR	X				
PA	X				
RI		X		X	
SC		X			

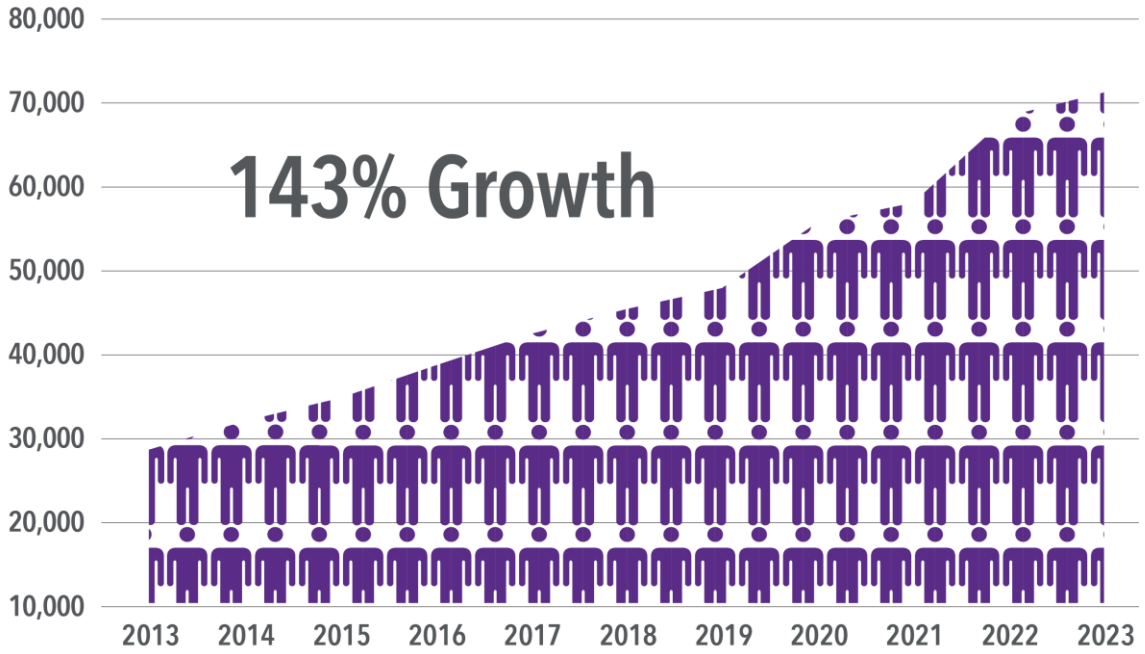
CMS Role in PACE Development

- Responsible for development/implementation of federal PACE regulatory requirements
- Implements Medicare payment methodology
- Reviews/approves PACE provider applications and SPAs
- Medicare enrollment and disenrollment systems
- Participates in 3-way program agreement
- Ongoing oversight and monitoring

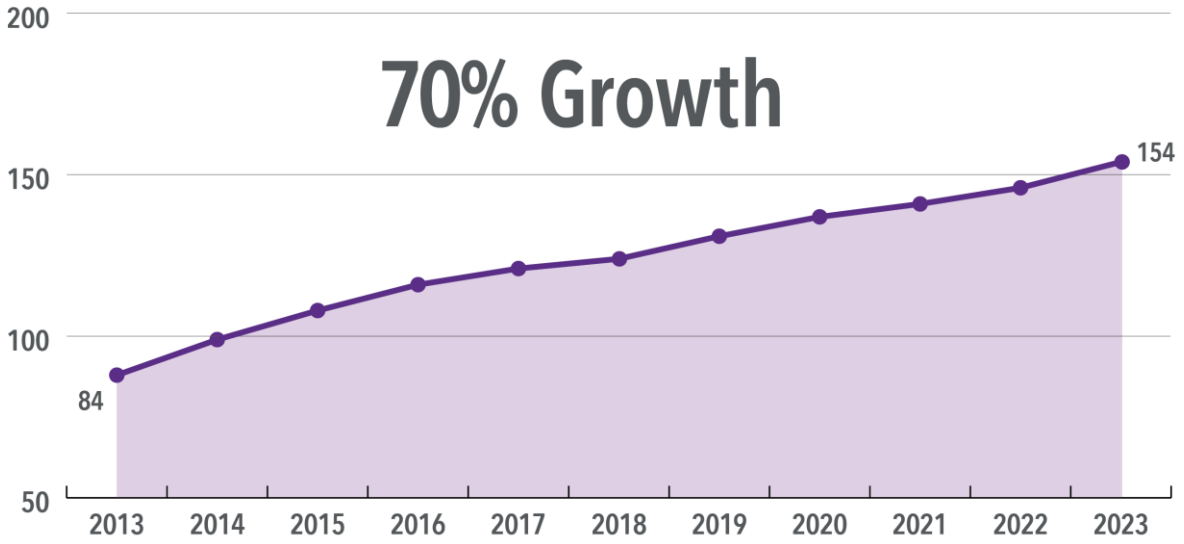
PACE Growth Across the Country

PACE Growth

PACE Census Growth – 2013-2023



PACE Organization Growth – 2013-2023



Future After COVID-19

- The infection and death rates for PACE participants were 1/3 those for nursing home residents
- These outcomes have resulted in increased recognition of the PACE model of care
- Expected to translate into substantial growth in the years ahead.

- Future Growth Potential
  - 50+ PACE programs expected to open in the next 2-5 years
  - PACE 200K project to implement PACE growth strategies
  - PACE receiving increased media attention and thought leader attention
  - More states are interested in expanding or developing PACE
  - Legislation supporting PACE growth is being introduced

Questions?

Please reach out at lizp@npaonline.org with questions!