

# PACE: How to Achieve Widespread Adoption



HCBS Conference  
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Washington, DC



NATIONAL PACE ASSOCIATION

Advancing Programs of All-inclusive Care for the Elderly

[www.NPAonline.org](http://www.NPAonline.org) | (703) 535-1565

# Questions for Today:



What would widespread adoption of PACE look like?

What will it take to get there?

# Program of All-Inclusive Care for the Elderly (PACE)





# Agenda

- 1 Where Are We Now & Growth Potential
- 2 Federal, State & Marketplace Issues
- 3 Scaling PACE as a National Provider
- 4 Dialogue

# 50th Anniversary of Medicare and Medicaid



"On Lok [is] part of a very important program called PACE," Slavitt said. "Places like On Lok really impress me. When I visit them, I feel like I'm glimpsing very much into our future."

Andrew Slavitt

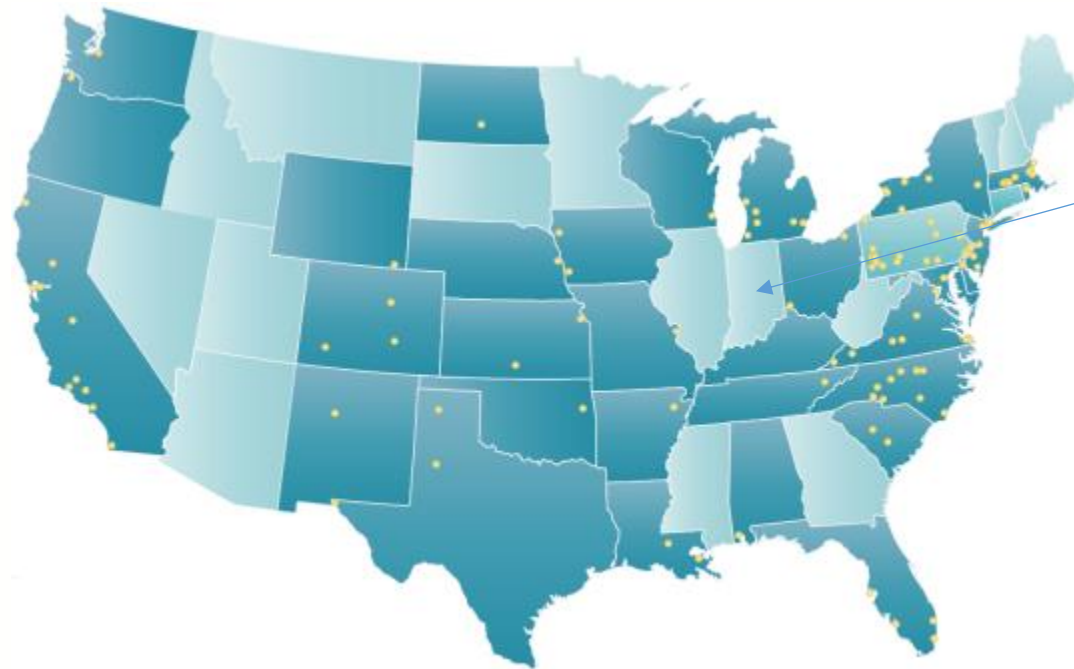
CMS Administrator

Speaking at the 50th July 29, 2015

<https://youtu.be/bHCCAvE2GaY> starts at 59.50

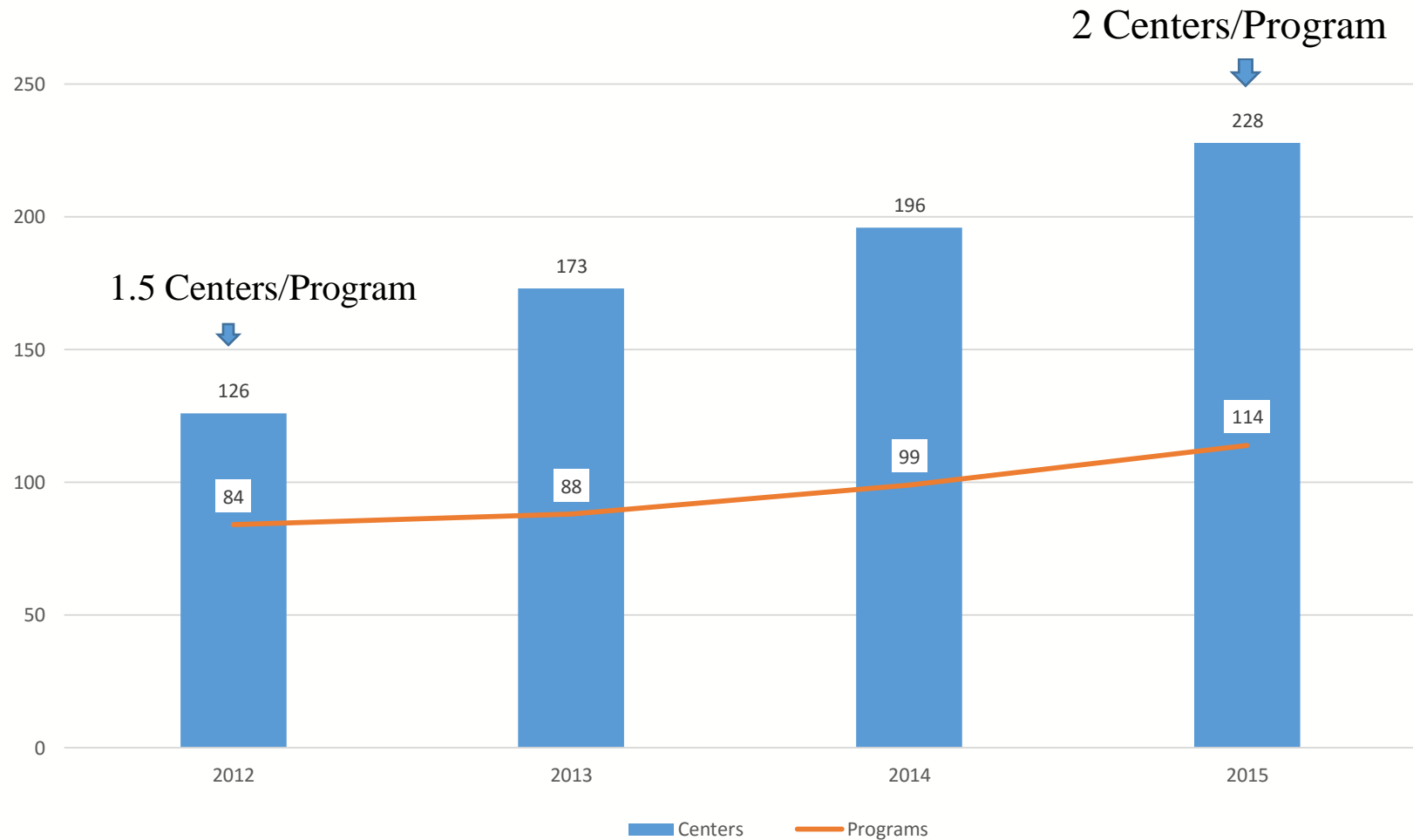
# PACE Programs around the Country

(Jan. 2015)

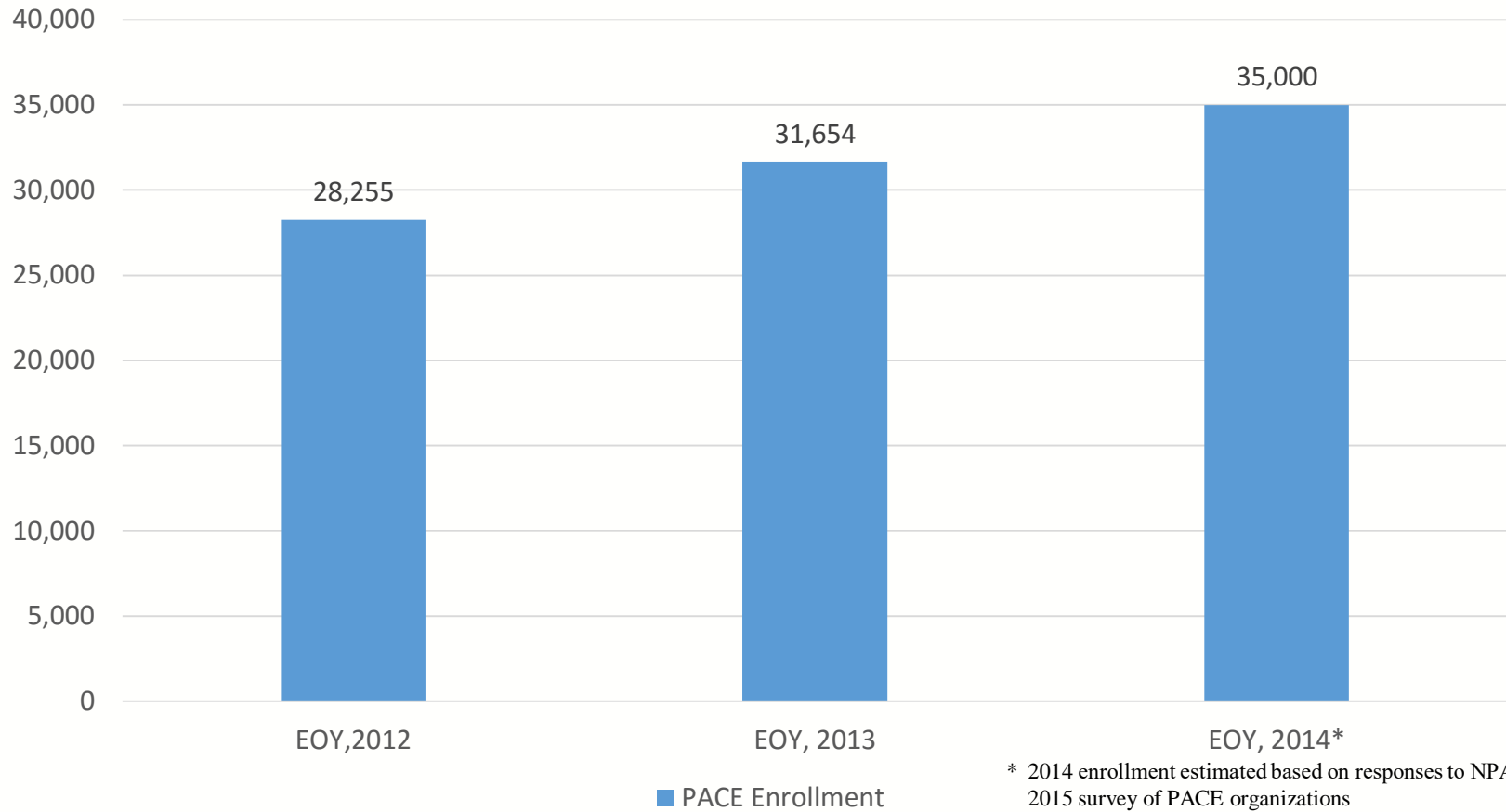


32  
States –  
newest  
is  
Indiana

# PACE Programs and Centers



# People







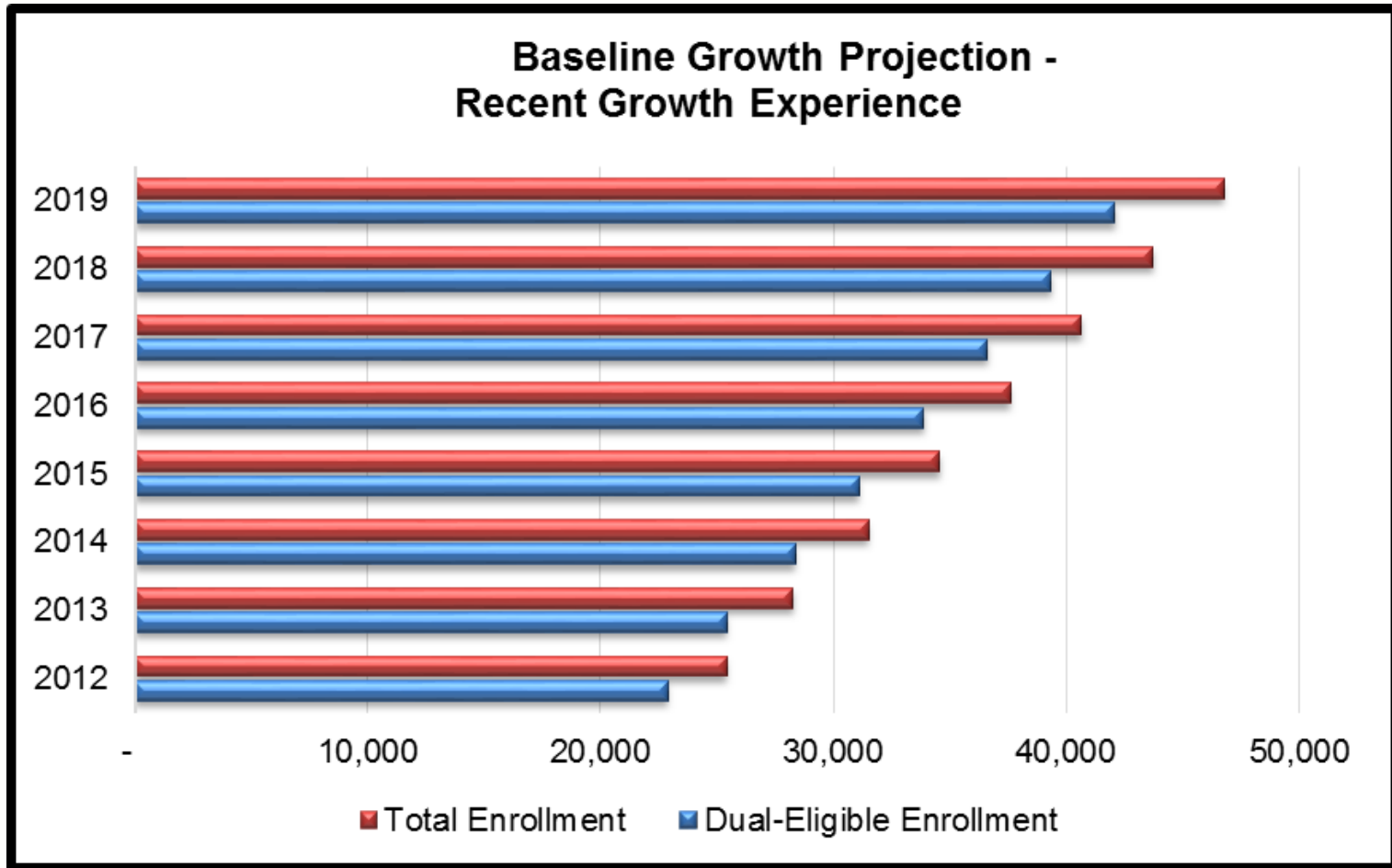
# Why Grow PACE

- Delivery system reform – fully realized
  - Integrated (Medicare/Medicaid; Acute/Primary/LTSS)
  - Community based
  - Person centered, provider-sponsored
- Value
  - Below states' cost of serving a comparable population – 13%
  - Predictable, capitated cost to states
- Quality
  - Increased life expectancy <sup>1</sup>
  - Improved physical and mental functioning <sup>1</sup>
  - Higher quality of life <sup>1</sup>
  - Longer ability to live at home <sup>2</sup>

<sup>1</sup> Wieland, D., Boland, R., Baskins, J., Kinosian, B. (2010). Five-year survival in a Program of All-Inclusive Care for the Elderly compared with alternative institutional and home- and community-based care. *J Gerontol A Biol Sci Med Sci*. July: 65 (7), pp. 721-726.

<sup>2</sup> Segelman, M., Cai, X, van Reenen, Temkin-Greener, H. *Transitioning From Community-Based to Institutional Long-term Care: Comparing 1915(c) Waiver and PACE Enrollees*. *The Gerontologist* 2015.

# Growth Potential: Trend Analysis



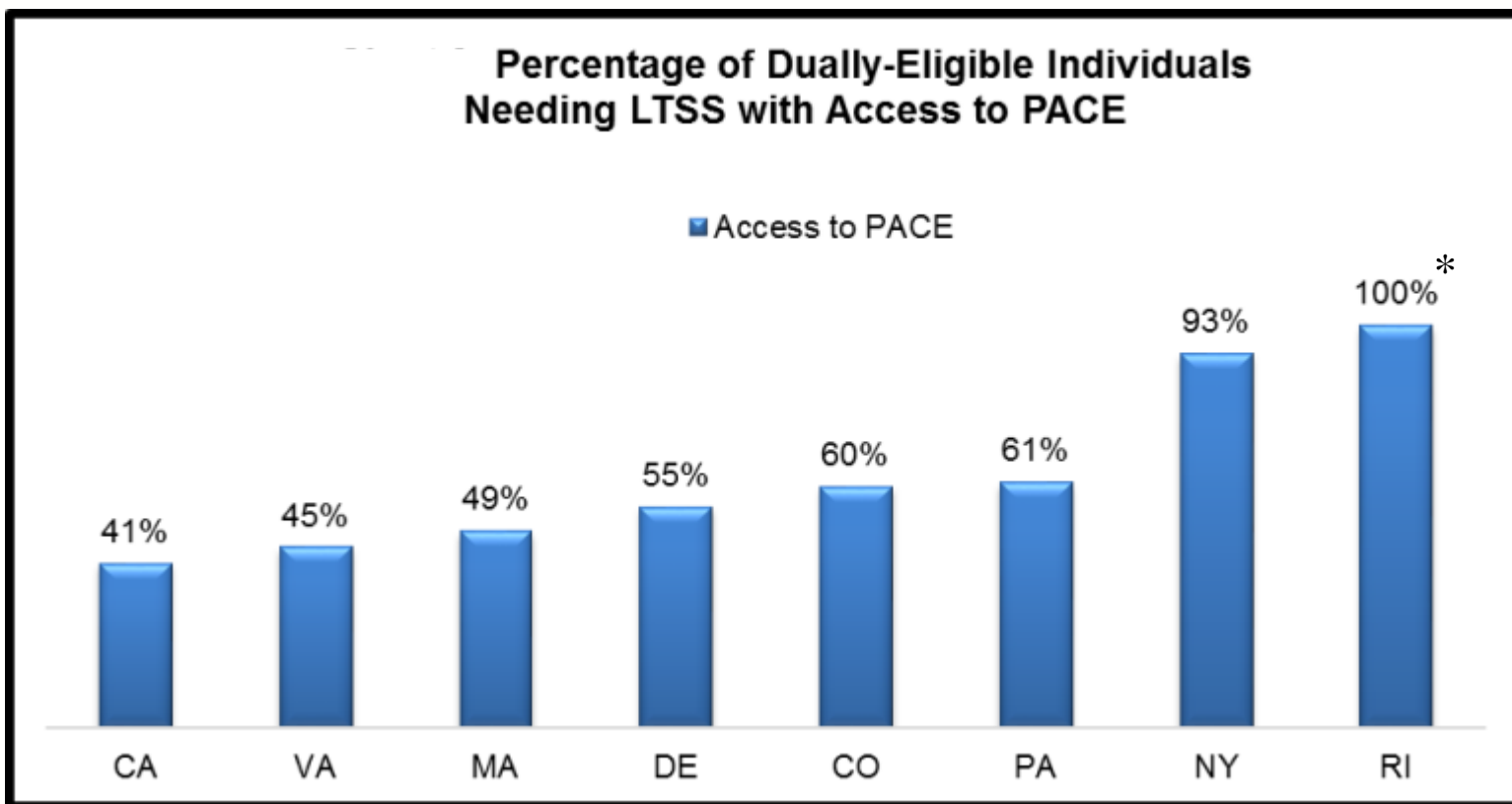
# Growth Potential: Scaling Up



**Five Largest PACE Organizations by Enrollment**

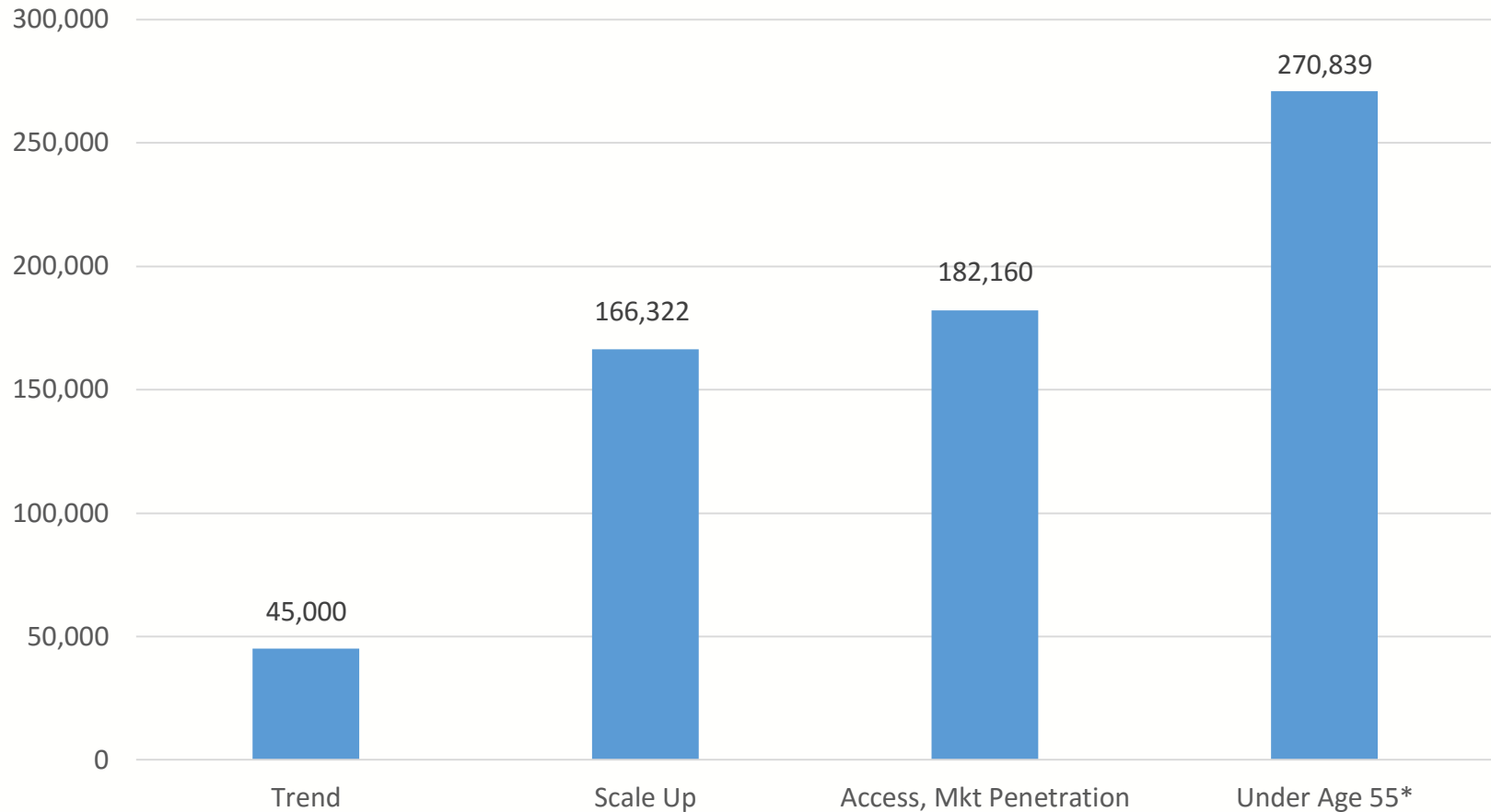
<b>PACE Organization</b>	<b>Metropolitan Statistical Area (MSA)</b>	<b>State</b>	<b>1/1/2014 Enrollment</b>	<b>July 1, 2013 MSA Population Estimates <sup>i</sup></b>
<b>CenterLight</b>	New York-Newark-Jersey City, NY-NJ-PA Metro Area	NY	3,813	19,949,502
<b>InnovAge Greater Colorado</b>	Denver-Aurora-Lakewood, CO Metro Area	CO	2,056	2,697,476
<b>AltaMed Health Services</b>	Los Angeles-Long Beach-Anaheim, CA Metro Area	CA	1,592	13,131,431
<b>On Lok Lifeways</b>	San Francisco-Oakland-Hayward, CA Metro Area	CA	1,382	4,516,276
<b>Providence ElderPlace</b>	Portland-Vancouver-Hillsboro, OR-WA Metro Area	OR	1,055	2,314,554

# Growth Potential: Access and Market Penetration

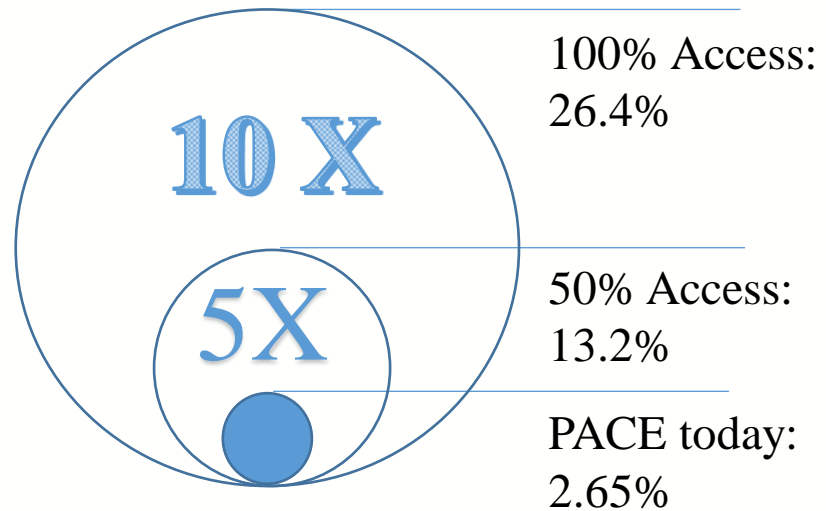


Market Penetration varies; high performing PACE organizations average 23%; average is 10%

# Estimating Growth Potential

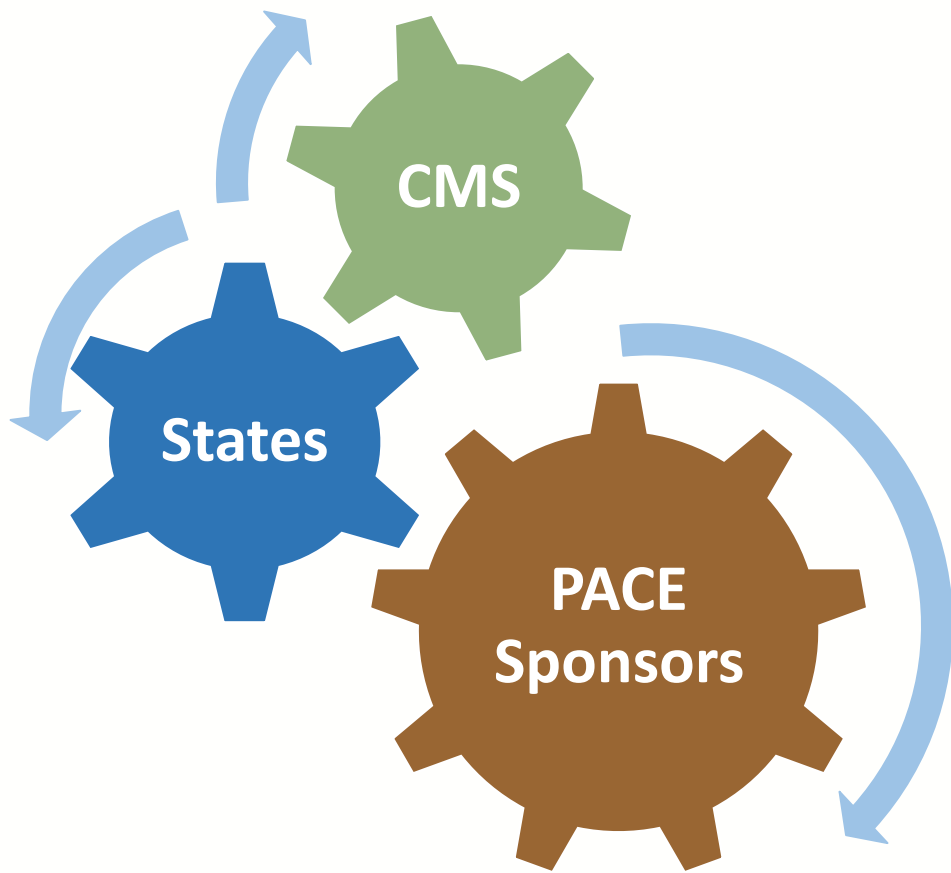


# Of the 1.32 Million Dually-Eligible, Elderly Who Will Need LTSS...



## How Many can PACE Serve...

# Achieving Scale Requires Coordinated Efforts





# 5 States Lead Growth

State	2015 Enrollment	Growth 2012-2015
New York	5,653	1,379
Pennsylvania	4,733	1,450
California	4,655	1,675
Virginia	1,311	576
North Carolina	1,196	920



# High Growth State Features



- Competitive Managed LTSS Environments
  - New York
  - California
- State Planning to Increase Number of Programs
  - Pennsylvania
  - Virginia
  - North Carolina

# State Policies That Can Support PACE Adoption



- Established RFP process
- Equitable rate setting process
- Timely review of new PACE applications
- Unbiased options counselling that includes PACE

# State Policies Can Support PACE Enrollment

## Expedite State Eligibility Determination

- State policies and resources should be allocated to assure timely, qualified and unbiased assessments to allow enrollment in PACE

## Allow Enrollment for All PACE Eligibles

- Any individual assessed as PACE eligible should be allowed to enroll without a state imposed enrollment cap, waiting list or other state imposed barrier

## Passive Enrollment Should Include PACE

- Intelligent assignment processes should be developed to include PACE in passive and auto enrollment when it is applied to other programs for dual eligibles

# Federal Flexibilities Can Maximize PACE Investment and Growth Potential

## Flexibility in Rate Setting for Non Medicaid Enrollees

- Allow PACE Organizations to have flexibility in setting rates for non Medicaid, private pay enrollees based upon patients needs and marketplace issues

## Enrollment Flexibility

- Allow enrollment on a continuous basis (similar to nursing home enrollment) so that enrollment can be on a level playing field

## Streamline Approval Process for new POs

- Allow concurrent state and federal reviews to shorten current review times of two plus years

# Federal Flexibilities Can Maximize PACE Investment and Growth Potential

## Flexibility to Use Community Settings

- Allow PACE Organizations to use community settings such as adult day care centers as PACE centers so that existing provider capacity already existing in the community is used

## Flexibility in Providing Primary Care

- Allow enrollee to receive primary care from community-based primary care physicians
- Allow use of nurse practitioner and physician assistants without a wavier request

## Flexibility in Composition of IDT

- After initial comprehensive assessment, allow PACE Organizations to establish an IDT based upon participant specific need

# New Payment and Delivery Models Emerging



**MLTSS**

**MMP (Duals)**

**Independence  
at Home**

**HCBS**

**Medicare  
Advantage**

# New Payment and Delivery Models

## Independence at Home Demonstration

- Targets Medicare patient with multiple chronic conditions
- Provides home based primary care
- In year 1, 15 programs served 8,400 beneficiaries and saved \$3070 saved per beneficiary

## Managed Long Term Support Services

- Risk based arrangements to provide LTSS (HCBS and institutional care)
- 22 states have MLTSS programs and interest is growing among states

## Medicare and Medicaid Plans (FAD)

- New CMS program combining payment for Medicare and Medicaid
- 15 states are pursuing a Financial Alignment Demonstration (capitated or managed FFS)

# Trinity Health PACE Plans







# Trinity Health PACE

Program	State	City	Date Opened	June 2015 Census
Catholic Health LIFE <sup>1</sup>	New York	Buffalo	1-Nov-09	199
Eddy SeniorCare	New York	Schenectady	1-Oct-96	171
LIFE at Lourdes	New Jersey	Camden	1-May-09	223
LifeCircles <sup>2</sup>	Michigan	Muskegon	1-Feb-09	225
LIFE St. Francis	New Jersey	Trenton	1-Apr-09	318
LIFE St. Joseph of the Pines	North Carolina	Fayetteville	1-Apr-11	232
LIFE St. Mary	Pennsylvania	Langhorne	1-Mar-10	229
LIFE St. Michael	New Jersey	Newark	Projected Opening March 2017	
Mercy LIFE (AL)	Alabama	Mobile	1-Jan-12	174
Mercy LIFE (MA)	Massachusetts	Springfield	1-Mar-14	93
Mercy LIFE (PA)	Pennsylvania	Philadelphia	1-Oct-98	659
Saint Francis LIFE	Delaware	Wilmington	1-Feb-13	142
Saint Joseph PACE	Indiana	South Bend	Projected Opening August 2016	
				<b>2,665</b>

☐ Largest Provider of PACE Programs in the Country

☐ Operates 11 programs in eight states

☐ TH PACE Programs comprise 10% of all programs

# Expansion Potential



## Streamline Approval Process

- Average growth of each program is less than three new net participants each month. With a streamlined process there would be the ability to enroll 15 – 20 net participants monthly.

## Alternate Care Sites

- Contracting for Adult Day services reduces Center capacity issues.

## Reduce Capital Costs

- Between developing a PACE Center and achieving break-even costs \$4 - \$7 million.
  - Contracting for services already in the community reduces the need for a 20,000 – 30,000 square foot Center and eliminates competition concerns from local providers.

## Inter Disciplinary Team

- Keep the IDT concept to ensure the model of care is continued but provide flexibility in the service locations.

# Current State: Advocacy and Collaboration Result in Opportunities for Growth

## National

National PACE Association-PACE Innovations Act, if passed will:

- Allow PACE to serve persons under 55 years of age
- Allow persons under 55 with cognitive and/or physical disabilities to enroll in PACE

## State

Rise of state PACE associations successfully advocated for changes at the state level that promote PACE growth:

Example: CalPACE worked with the state to implement a highly successful expedited PACE intake and enrollment process that resulted in a decrease in the time to enroll participants resulting in enrollment growth

# Future State: PACE Seen as an Equal Player in States' Managed Care Strategy

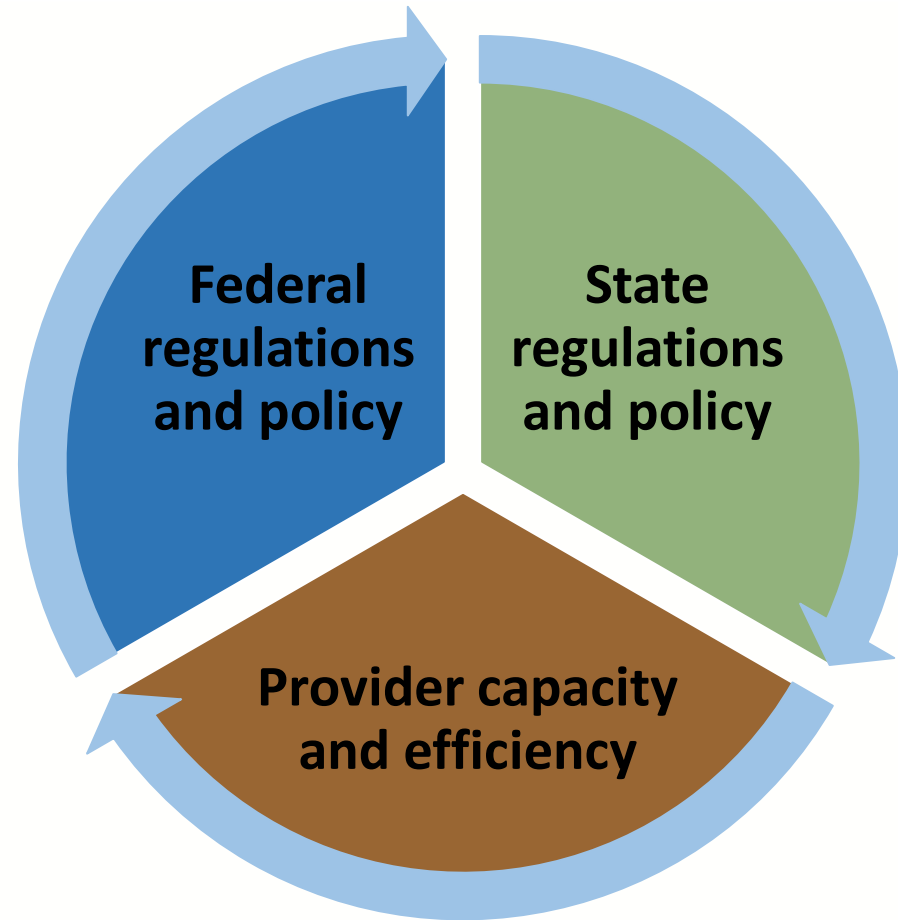


- Pennsylvania is now designing their MLTSS program.
  - Plans are to have a 12-month lock in period for persons auto enrolled in an MLTSS plan.
  - It would be optimal for PACE if the state will consider eliminating the lock-in period or at least reduce it to 6 months.

# State and County Systems Advocacy

- Increase in state-specific PACE associations, e.g., PALPA
  - Keep current on state issues and policy
  - Paid executive director advocates on behalf of membership, e.g. CalPACE successfully lobbied the state to adopt an expedited intake and enrollment process that significantly decreased referral to enrollment time

# Achieving Widespread Adoption



Knowing is not enough; we must apply.  
Willing is not enough; we must do.



Johann Wolfgang von Goethe - BrainyQuote.com, Xplore Inc, 2013.  
<http://www.brainyquote.com/quotes/quotes/j/johannwo1161315.html>, accessed  
December 2, 2014.

*Johann Wolfgang von Goethe*



# DISCUSSION





# Thank You!!!



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