



PACE

Program of All-inclusive Care for the Elderly

January 20, 2015

PACE Provides A Solution

Program of All-inclusive Care for the Elderly

- The PACE philosophy

It is better for the well-being of seniors with chronic care needs and their families to be served in the community whenever possible

- PACE is designed to promote services in the community to enhance quality of life and independence; maximize dignity and respect; and preserve and support the family unit.

PACE History

1973 – On Lok opens one of the nation's first adult day centers in San Francisco

1986 – On Lok's new financing is extended and 10 additional organizations are allowed to replicate the model around the country

1990 – The first PACE organizations receive Medicare and Medicaid waivers to operate the program

1994 – National PACE Association (NPA) is formed

2006 – Congress awards grants of \$500,000 to 15 organizations for rural PACE expansion

2008 – 49 PACE organizations are operational in 23 states

2015 – 104 PACE organizations in 31 states

Program of All-inclusive Care for the Elderly

Inter-Disciplinary Team (IDT)

PACE uses a team of physicians and healthcare professionals to work with the older adult, and their caregivers, in coordinating and providing all medically necessary preventive, primary, acute & long-term care services. This team meets daily to manage the changing needs of the participant.

Capitation & Full-Risk Model of Care

The program is at risk for, and accountable for, the quality and quantity of all services provided. The payment methodology provides incentives to insure that the right care is provided at the right time and in the right place.

Qualifications to Enroll in PACE

PACE participants must:

- Be 55 years old and older
- Be assessed to meet the functional eligibility guidelines established by the state
- Be able to live safely in the community at the time of enrollment
- Live in the PACE service area
- Agree to receive services from program's provider and physician network

Who does PACE serve?

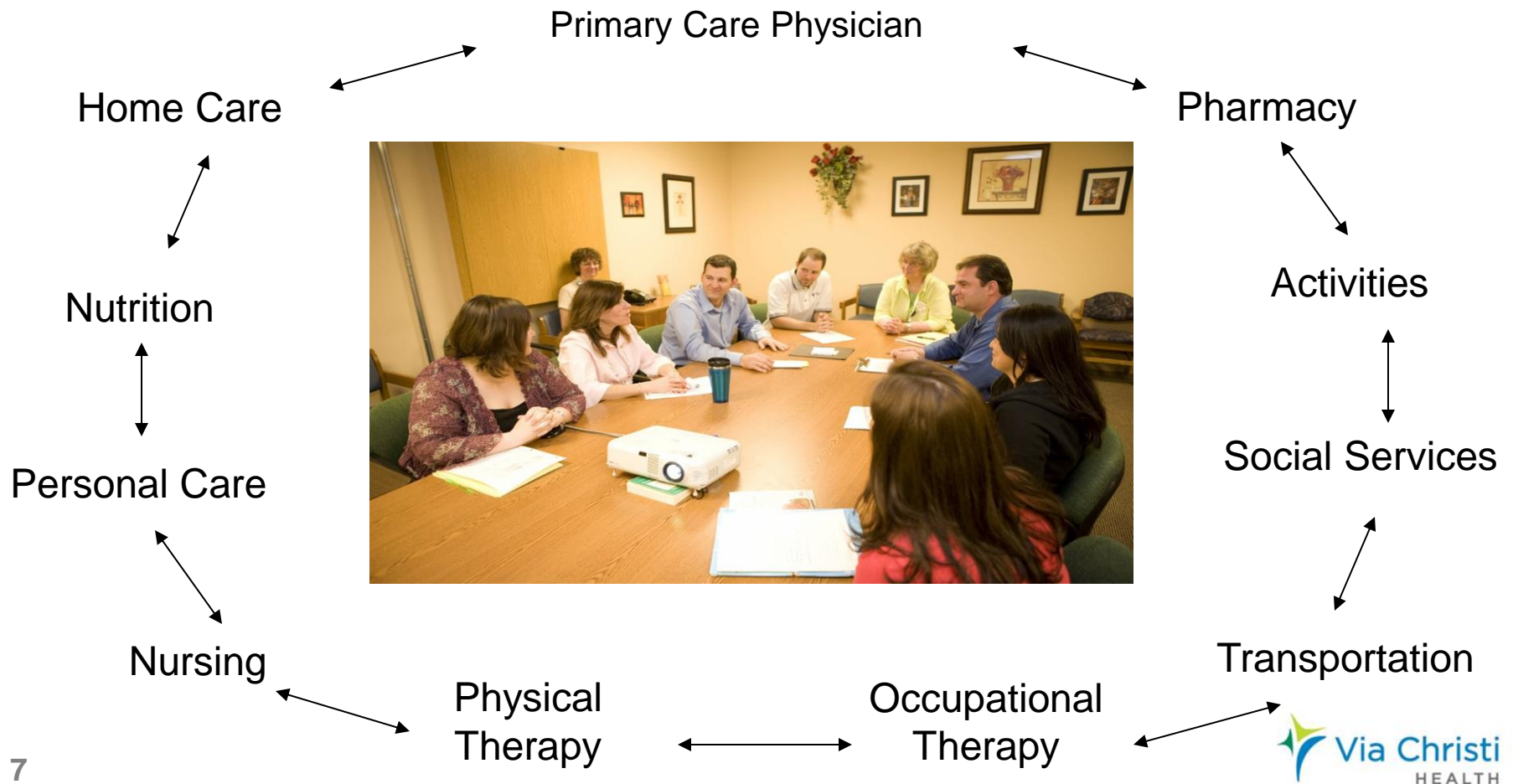
The average PACE participant:

- 80 years old
- Female
- 7.9 medical conditions
- Limited in 3 ADLs
- 49% have dementia
- Nationally, more than 90% live in the community
(Their own home, with family, supportive housing, or AL)



Team Managed Care

Interdisciplinary Team



Plan of Care

The process of developing the plan of care is a collaborative effort between the participant, their caregiver and the PACE Team.

The focus is placed on **creating a working plan, agreed upon by all stakeholders, to meet the unique needs of the person.**

PACE provides services on the basis of medical necessity. Program participants may be personally responsible for the cost of unauthorized or out-of-network services.

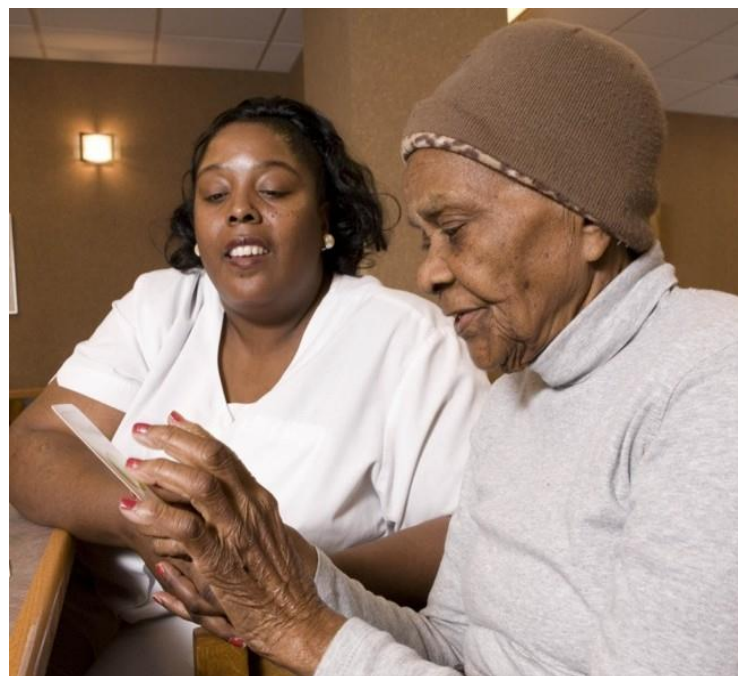


Day Center

The day center is the focal point for most PACE organizations. Most services are provided at the center and participation is encouraged, although not always required.

Services available include:

- Activities and socialization
- Nursing & physician services
- Restorative and skilled therapy
- Social Services
- Meals and nutritional counseling
- Personal Care



Benefits and Coverage



- Physician & Specialist Care
 - ◆ Via Christi HOPE physicians serve as the participant's primary care physician – (Patient-Centered Medical Home)
 - ◆ Medical specialists such as cardiology, audiology, dentistry, optometry, podiatry, and speech therapy are coordinated by the PACE physician

Medical care is provided by PACE physicians familiar with the history, needs and preferences of each participant

Benefits and Coverage

- Home Care Services
 - ◆ Skilled Nursing
 - ◆ Home Health Aide
 - ◆ Homemaker Services
- Rehabilitative Therapy and Durable Medical Equipment (DME)
- Medications
 - ◆ All necessary prescription and over-the-counter drugs

- Outpatient Health Services
- Hospital Inpatient Care
- Nursing Facility Care
- End of Life / Palliative Care

Benefits and Coverage

Urgent Care

- Staff is available 24 hours a day, seven days a week for urgent care needs. All necessary services will be arranged.

Emergency Care

- Emergency situations do not require prior authorization – call 911

Hospitalizations

- All general medical and social services

PACE Funding

Funding Options:

- Dual Eligible (Medicare and Medicaid)
- Medicaid Only
- Medicare Only (private pay)

PACE takes the place of standard Medicare and/or Medicaid programs.

The only payment Medicare/Medicaid makes is to the PACE organization. They will not pay other providers.

PACE manages and funds all services through internal staff or contracts with outside providers.

Cost to program participants is determined based upon Medicare/Medicaid eligibility and income. Some participants pay nothing at all.

If the participant does have a cost share, it is a set monthly membership fee. There are no additional out-of-pocket costs or copays for any approved services.

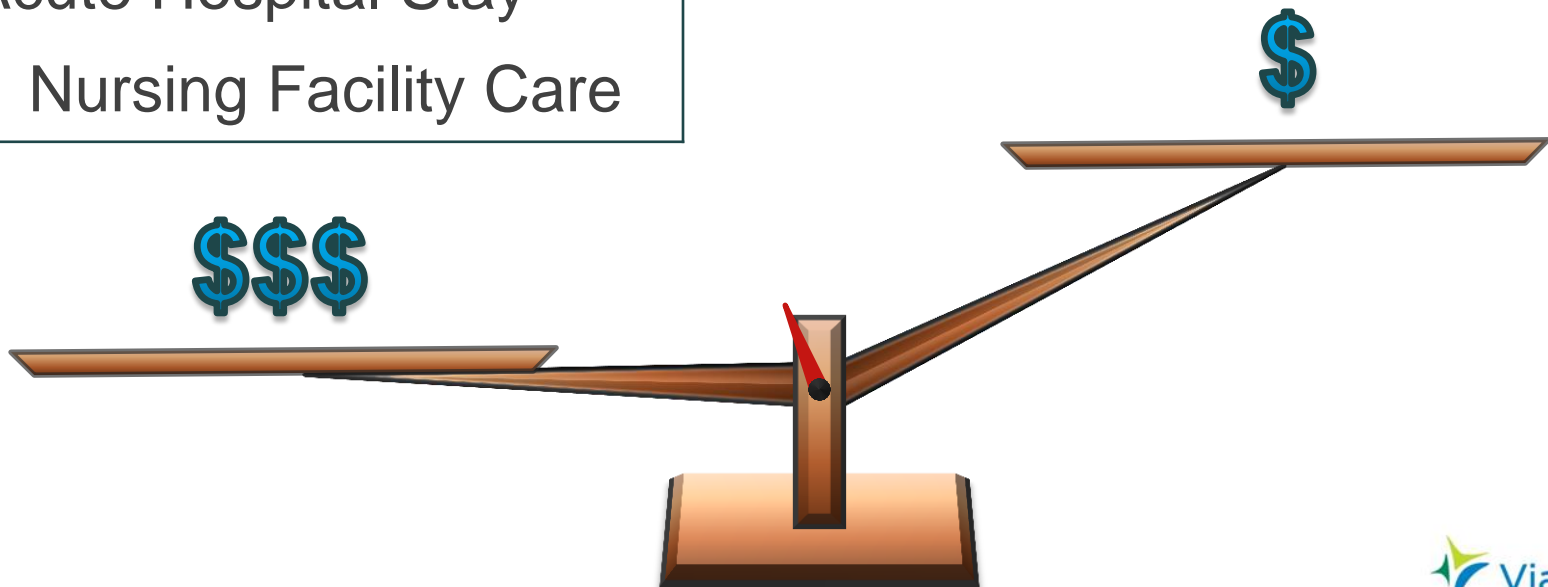
Balancing Services and Costs

Reactive

Emergency Services
Acute Hospital Stay
Nursing Facility Care

Proactive

Day Center Participation
Home Care Services
Restorative Therapies



Medicaid Expenditures

	Average Medicaid Expenditures, Per Customer Per Month
PACE	\$1,832
HCBS/FE	\$1,512
NF	\$2,968

Program of All-inclusive Care for the Elderly (PACE) Medicaid Cost-Benefit Study, The University of Kansas, June 2013

Medicaid Expenditures

Those with greater needs

- Although on average PACE costs are higher than HCBS/FE, Medicaid expenditures are similar when comparing costs for those with greater cognitive needs and greater Activities of Daily Living (ADL)/Instrumental Activities of Daily Living (IADL) needs.

Medicaid Expenditures

For those with greater cognitive needs

	Average Medicaid Expenditures, Per Customer Per Month
PACE	\$1,786
HCBS/FE	\$1,783
NF	\$3,044

Program of All-inclusive Care for the Elderly (PACE) Medicaid Cost-Benefit Study, The University of Kansas, June 2013

Medicaid Expenditures

For those with greater ADL/IADL needs

	Average Medicaid Expenditures, Per Customer Per Month
PACE	\$1,802
HCBS/FE	\$1,819
NF	\$2,981

Program of All-inclusive Care for the Elderly (PACE) Medicaid Cost-Benefit Study, The University of Kansas, June 2013

Medicaid Expenditures

Three months before death

	Medicaid Costs, Three Month Total
PACE	\$5,179
HCBS/FE	\$9,086
NF	\$7,773

Program of All-inclusive Care for the Elderly (PACE) Medicaid Cost-Benefit Study,
The University of Kansas, June 2013

Before death costs:

- During the three-month period before death PACE costs were 43% lower than HCBS/FE and 33% lower than NF costs (saving \$3,907 and \$2,594, respectively).
- This indicates a need to track and compare Medicaid expenditures through death to truly understand overall savings potential for the PACE program.

Hospitalizations; per participant per year

	Number of Admissions	Number of Days
PACE	0.60	2.64
HCBS/FE	0.73	4.53
NF	0.78	4.99

Program of All-inclusive Care for the Elderly (PACE) Medicaid Cost-Benefit Study, The University of Kansas, June 2013

Worth noting

- PACE is unique in that it provides all necessary LTC and health care under a set capitated fee. In contrast, HCBS and NF provide a limited set of LTC and/or health care services, in which additional health care needs are covered separately through traditional fee-for-service Medicaid coverage.
- Capitated PACE payments remain consistent throughout a beneficiaries lifetime, curtailing health care costs in the period before death.

Why PACE?

For participants and their caregivers, PACE provides:

- Physicians and other team members who specialize in working with seniors
- A focus on treating the whole person, not just their combination of medical conditions
- Caregiver training, support groups and respite care to help families keep their loved ones in the community
- Preventive care to assist seniors to live in the community for as long as possible
- An emphasis on providing the right care at the right time and in the right place

Why PACE?

For those who pay for care, PACE provides:

- Cost savings and predictable expenditures
 - ◆ No benefit limitations, co-payments or deductibles
- A comprehensive service package – emphasizing preventive care that is typically less expensive and more effective than acute care
- A provider of choice for older adults – focused on keeping individuals at home and out of institutional settings

PACE and HCBS

PACE

- Care is managed by a local team, familiar with each other and familiar with the participant
- Center based care. One organization coordinates all
- Respite for caregivers in the form of day center services, home care, and respite stays in care home when needed
- Long-term care provided through same team

HCBS

- Larger network of providers, specifically PCP
- Option of self-direct pay for caregiver

Costs for HCBS and PACE are the same for the consumer

Improved Outcomes

- PACE participants are more likely to maintain their physical function.
- **PACE participants have lower rates of nursing home admission, and spend fewer days in hospitals, nursing homes and assisted livings, even though all PACE participants are certified for nursing home care.**
- PACE enrollees are over three times as likely to have advance directives as the general population.
- PACE participants at the end of life are able to die at home more than twice as often as others nationally.

Program on Aging, Disability, and Long-Term Care, Cecil G. Sheps Center for Health Services Research - University of North Carolina at Chapel Hill

PACE in Kansas

Kansas Programs

- Via Christi HOPE
 - ◆ Currently serves 207 participants in Sedgwick County
 - ◆ Will open center in Johnson County around July of 2015
- Midland Care
 - ◆ Currently serving the following counties: Shawnee, Douglas, Jackson, Jefferson, Osage, Pottawatomie or Wabaunsee.
 - ◆ Expansion
- Bluestem Communities
 - ◆ Will open site centered out of McPherson

Expansion in Kansas

- PACE currently is available in 8 Kansas counties
- Expansion will cover 51 additional counties, bringing total to 59
- Via Christi
 - ◆ 5 counties adjacent to Sedgwick
 - ◆ 6 counties, including Johnson, in northeast Kansas
 - ◆ 12 counties in the southeast corner of the state
- Midland Care
 - ◆ 3 additional counties in their current area
 - ◆ 5 county area in northeast Kansas, including Wyandotte
- Bluestem Communities
 - ◆ 20 counties, covering Newton, Hutchinson, Salina, Junction City, and Manhattan

Merv's story



"There would be a lot of people that would be in pretty bad shape if it wasn't for HOPE."

-Mervin Kraft

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