

# CalPACE

## Board of Directors Meeting

March 24, 2020 | 1:00 PM – 2:00 PM

Conference Line (267) 930-4000 | Participant Code 177-134-261

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## AGENDA

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1. Welcome
2. Approval of minutes of February 25, 2020 board meeting – *discussion and action item*
3. COVID-19 issues facing PACE – *discussion and action item*
4. CalPACE CalAIM proposals – *discussion and action item*
5. Contract with Sarah Brooks – *discussion and action item*
6. Adjourn

### ATTACHMENTS

- A. Improving Beneficiary Access to PACE legislative language and fact sheet (2)
- B. Draft minutes of CalPACE February 25, 2020 board meeting

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### Board Members

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- AltaMed PACE, Maria Zamora
- Brandman Centers for Senior Care, Arnold Possick
- CalOptima, Elizabeth Lee
- Center for Elders' Independence, Linda Trowbridge
- Family Health Centers of San Diego, Fran Butler-Cohen
- Gary and Mary West PACE, Tim Lash
- Innovative Integrated Health, Phil Tsunoda
- On Lok Lifeways, Eileen Kunz
- Redwood Coast PACE, Joyce Hayes
- San Diego PACE, Kevin Mattson
- St. Paul's PACE, Cheryl Wilson
- Sutter SeniorCare PACE, Julie Erdmann
- WelbeHealth, Elizabeth Carty

## **Improving Beneficiary Access to PACE**

### **Proposed Amendments**

**Add a new Section 14595 to the Welfare and Institutions Code, to read:**

14595. (a) A beneficiary who is enrolled in PACE organization with a contract with the department pursuant to Chapter 8.75 (commencing with Section 14591) is exempt from mandatory or passive enrollment in a Medi-Cal managed care plan.

(b) In areas where a PACE plan is available, the PACE plan shall be presented as an enrollment option in the same manner as other managed care plan options, included in all enrollment materials, enrollment assistance programs, and outreach programs, and made available to beneficiaries whenever enrollment choices and options are presented. Outreach and enrollment materials shall enable beneficiaries to understand what PACE provides; that, if eligible, they may be assessed for PACE eligibility and enroll in PACE; and how they can receive additional information and request to be assessed for PACE eligibility. Persons meeting the age qualifications for PACE and who choose PACE shall not be assigned to a managed care health plan for the lesser of 60 days or until they are assessed for eligibility for PACE and determined not to be eligible for a PACE plan. Persons enrolled in a PACE plan shall receive all Medicare and Medi-Cal services from the PACE program pursuant to the three-way agreement between the PACE program, the department, and the Centers for Medicare and Medicaid Services.

(c) As part of the managed care enrollment process for dual eligible beneficiaries and seniors and persons with disabilities, the department shall establish an auto referral system to refer beneficiaries to PACE organizations who appear to be eligible for PACE, based on age, residence, and prior use of services. People meeting the age qualifications for PACE who are auto referred to PACE shall not be assigned to a managed care plan for the lesser of 60 days or until they are assessed for eligibility for PACE and determined not to be eligible of a PACE plan.

(d) Health plan risk stratification and health risk assessment processes completed by Medi-Cal managed care plans shall include criteria to identify and refer to PACE beneficiaries who appear to be eligible for PACE based on age, condition, functional impairment and use of services.

(e) In areas where a PACE plan is available, PACE shall be identified and presented as a Medicare plan option in any mailings or notices to dual eligible beneficiaries regarding their options to enroll in a Medicare plan and shall provide information about how they can receive additional information and be assessed for PACE eligibility.



## Improving Beneficiary Access to PACE Legislation Fact Sheet

March 5, 2020

### Background

The Program of All-inclusive Care for the Elderly (PACE) has operated as a Medi-Cal benefit since 2003 as a capitated, comprehensive care program for adults and seniors over age 55 with higher needs who qualify for nursing home placement but who wish to remain in the community. Medi-Cal beneficiaries enroll in PACE in lieu of receiving Medi-Cal services on a fee-for-service basis or through a managed care plan.

PACE organizations currently serve over 10,000 participants through 50 PACE Centers and Alternative Care Sites in 15 counties, including Alameda, Contra Costa, Fresno, Humboldt, Kern, Los Angeles, Orange, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Joaquin, Santa Clara, and Stanislaus. PACE is expected to expand to several additional counties by 2021. Enrollment in PACE is voluntary on the part of beneficiaries.

PACE provides all of the services needed by frail seniors to enable them to live safely in the community, including acute care, long-term supports and services, and social services.

Research shows that PACE achieves significant reductions in hospital use; significant improvements in health status and quality of life; significant delays in the onset of extended nursing home stays; very high rates of beneficiary and family satisfaction; and relief of caregiver burdens.

According to estimates prepared for CalPACE, PACE will save California over **\$69 million** in 2020 for the beneficiaries it serves, compared to what it would cost to care for them outside of PACE.

Even though PACE is a model of care for frail seniors, many beneficiaries are unaware of PACE and how it may benefit them. The bulk of enrollment occurs through individual referrals from community sources including hospital discharge planning, senior housing, AAAs and other

sources. As a result, many seniors with higher needs who could benefit from PACE are not aware of it.

### **What the Proposed Legislation Would Do**

1. Require PACE to be offered as a Medi-Cal plan choice, in areas where it is available, in the same manner as other managed care plan options and included in all enrollment and outreach materials for all dual eligibles and seniors and persons with disabilities in any county in which they are subject to Medi-Cal mandatory or passive enrollment;
2. Require PACE to be identified as a Medicare plan choice and included in all enrollment materials and information provided to dual eligible beneficiaries who receive Medicare Advantage plan enrollment information from DHCS;
3. Require DHCS, as part of the managed care enrollment process, to establish an auto referral process to refer beneficiaries to PACE who appear to be eligible based on age, residence and prior use of services;
4. Require health plan risk stratification and assessment processes to include criteria to identify, and provide for referral to PACE, beneficiaries who appear to be eligible for PACE based on age, condition, functional impairment, and use of services; and
5. Ensure continuity of enrollment by exempting Medi-Cal beneficiaries who are enrolled in PACE from mandatory or passive enrollment in Medi-Cal managed care.

### **Arguments in Support of Proposal**

- Older adults with significant conditions and impairments can benefit from a specialized plan that is designed to meet their needs;
- PACE plans have a long and well-established track record of successfully caring for older adults with higher needs;
- While the proposal would result in a higher number of beneficiaries receiving information about PACE and being assessed for PACE eligibility, enrollment in PACE would continue to be voluntary for beneficiaries.

Contact: Peter Hansel, CEO, CalPACE; [phansel@calpace.org](mailto:phansel@calpace.org)



## Minutes of CalPACE Board Meeting

February 25, 2020

The California Endowment – Sacramento, CA

### Attendees

#### Board members:

Arnold Possick, Brandman Centers for Senior Care  
Cheryl Wilson, St. Paul's PACE  
Eileen Kunz, On Lok Lifeways  
Elizabeth Carty, WelbeHealth  
Elizabeth Lee, CalOptima PACE  
Julie Erdmann, Sutter SeniorCare PACE  
Kevin Mattson, San Diego PACE  
Linda Trowbridge, Center for Elders' Independence  
Maria Zamora, AltaMed PACE  
Phil Tsunoda, Fresno PACE

#### CalPACE staff:

Peter Hansel, Chief Executive Officer  
Jennifer Blankenship, Senior Director of Operations  
Fred Main, CalPACE Counsel

#### Other CalPACE Officers:

Bing Isenberg, Center for Elders' Independence

#### Guests:

Bev Dahan, InnovAge  
Carol Hubbard, St. Paul's PACE  
Cindy Ward, LeadingAge California  
Jackie Mark, CalOptima PACE  
Jeff Gering, Family Health Centers of San Diego  
Karli Holkko, WelbeHealth  
Maria Lozzano, InnovAge  
Pamela Ansley, Sutter SeniorCare PACE  
Randall Sanner, St. Paul's PACE  
Rena Smith, Gary and Mary West PACE  
Susie Fishenfeld, Brandman Centers for Senior Care

#### Board members absent:

Fran Butler Cohen, Family Health Centers of San Diego  
Joyce Hayes, Redwood Coast PACE  
Tim Lash, Gary and Mary West PACE

**Note: These minutes are confidential and privileged and should not be circulated outside of the CalPACE Board.**

Board Chair Linda Trowbridge welcomed members and convened the meeting at 2:30 P.M.

### DECISIONS

**Minutes of February 6, 2020 meeting:** Adopted on 9 – 0 vote with Elizabeth Lee abstaining (Mattson; Erdman).

**CalPACE financials as of December 31, 2019:** Cindy Ward, Chief Financial Officer for Leading Age CA, presented six-month financial statements for CalPACE as of December 31, 2019. On the statement of financial position, there is an increase in cash over the prior year due to advance payments as well as receivables reflecting member receivables due. Overall, net assets reflect an increase of \$92,158 from June 30, 2019. On the statement of activities, revenues are 3% better than budget overall, primarily due to receipt of revenue for the PACE2.0 program which was not included in the approved budget. Overall operating expenses are 230% better than budget year to date but are expected to level out throughout the year. Most expenditure variances are related to timing of the expenses. Net Surplus is at \$92,158 for the year.

Ms. Ward noted that there are not any concerns with payments that are due but not yet paid. In response to a question concerning delays in website upgrades, Jennifer Blankenship noted that the delay has been in adoption of the back-end portal portion of the website. The technology for this has evolved and the costs have gone up. CalPACE staff are still evaluating and costing out options for this. Adopted on a 10-0 vote (Zamora; Mattson).

**CalPACE proposals for Medi-Cal Healthier CA for All:** Board chair Linda Trowbridge noted that CalPACE's proposal and overall strategy for the Medi-Cal Healthier CA for All proposal were discussed on a call with some board members on February 18. Peter Hansel summarized the proposals and tasks that were discussed, which include development of legislative language and formation of two technical work groups, one to develop recommended criteria for an auto referral system to refer potential PACE eligible beneficiaries to PACE organizations, and one to develop additional health risk assessment criteria for identification and referral to PACE of potential PACE eligible beneficiaries.

Members asked questions about the value of an auto assignment plan and how it would work in areas with more than one PACE organization. Elizabeth Lee noted that it could be problematic for COHS counties given how they process and refer new enrollments and recommended that COHS counties should be excluded from the process. Linda Trowbridge noted that to make it workable the turnaround time for assessments may need to be lowered to 30 days. She further noted that development of the actual processes for auto referral and PACE inclusion in risk assessment may take into 2022 or 2023. Eileen Kunz stated that CalPACE should leverage its experiences with Cal MediConnect in developing these proposals and recommended that an expert be brought in to help with the auto referral concept and that the technical work groups begin quickly.

Following discussion, three motions were put forward: (1) A motion to adopt the recommended legislative language with a carve out of COHS plans (Lee; motion failed due to a lack of a second); (2) A motion to adopt and put forward the legislative language with further discussion to occur on whether to include a carve out for COHS plans and with the ability of the board to amend later (Possick/Carty; passed on a 10-0 vote with Elizabeth Lee abstaining); and (3) A motion to proceed with the workgroups to develop recommendations on auto referral and inclusion of PACE in plans' health risk assessment processes with technical assistance (Carty/Maria Zamora; passed on 10 – 0 vote).

## **Discussion**

**CalPACE Affiliates program update:** Jennifer Blankenship provided a status report on the CalPACE Affiliates program. There is growing interest in the program but in order to keep growing CalPACE needs to receive leads for new membership from its board members. She requested that each board member provide three potential new vendors by April 1. CalPACE will be sending membership renewal invoices in the next few months and it is likely that several will decide to not renew their membership. In response to questions, Ms. Blankenship noted that the date for the next Meet and Greet event is August 26. She noted that informally, some Affiliate members are expressing concerns about not getting phone calls returned from CalPACE members. Several specific companies have indicated that they will not be renewing their membership and others could potentially as well.

**Other business:**

Fred Main provided an overview of AB 2492 (Choi), which has been introduced to require the Department of Public Health to approve the same capacity limit for an ADHC that is part of a PACE Center as is allowed as part of DHCS' approval. Karli Holkko explained that the bill originated from a legislative staff visit to the Sutter SeniorCare center. Members expressed concerns that the bill could allow DPH to set limits different from those set by the Fire Marshall. Following discussion, there was consensus to watch the bill carefully and provide updates to the board.

Maria Zamora noted the passing of Marie Torres' mother who was an active community member and entrepreneur in the east Lost Angeles area.

The meeting adjourned at 3:55.

Respectfully submitted,

Eileen Kunz, Secretary

Prepared by: Peter Hansel, Chief Executive Officer  
Jennifer Blankenship, Vice President of Operations