

CalPACE

Board of Directors Meeting

February 06, 2020 | 4:00pm-5:00pm

The Waterfront Beach Resort, Huntington Beach, CA

AGENDA

1. Welcome
2. Approval of minutes from January 14, 2019 board meeting – *discussion and action item*
3. 2020 legislative and policy priorities -- *discussion and action item*
4. CalPACE Champion award – Joseph Billingsley – *discussion and action item*
5. CalPACE 2021 retreat update – *discussion item*
6. Other business
7. Adjourn

Attachments

- A. Draft minutes of January 14, 2020 board meeting
- B. CalPACE 2020 legislative and policy priorities – 1-28-20

Board Members

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



Minutes of CalPACE Board Meeting

January 14, 2020 | Conference Call

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
Joyce Hayes, Redwood Coast PACE
Kevin Mattson, San Diego PACE
Pamela Ansley, Sutter SeniorCare PACE
Tim Lash, Gary and Mary West 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:

Barbara LaHaie, Redwood Coast PACE
Carol Hubbard, St. Paul's PACE
Julie Erdmann, Sutter SeniorCare PACE
Linda Trowbridge, Center for Elders' Independence
Renata Smith, Gary and Mary West PACE

Board members absent:

Maria Zamora, AltaMed PACE
Patricia Sandoval, Fresno PACE

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

Board Secretary Eileen Kunz welcomed members and convened the meeting at 10:40 A.M.

DECISIONS

Minutes of November 06, 2019 board meeting. Approved on a 9 -0 vote (Mattson/Lee)

Sutter designation of Julie Erdman as board representative. Approved on a 9 -0 vote (Ansley/Kunz)

Fresno designation of Phil Tsunoda as board representative. Approved on a 9 – 0 vote (Mattson/Lee)

Approval of Family Health Centers of San Diego membership. Peter Hansel described the application CalPACE has received from Family Health Centers of San Diego for full membership in CalPACE. Family Health Centers PACE became operative in July 2019. CalPACE reached out to them regarding CalPACE membership several times in 2019. Approved on a 9 – 0 vote (Mattson/Erdman)

DISCUSSION

2020 legislative and policy priorities. Peter Hansel went over a list of 11 potential policy areas for CalPACE to focus its advocacy efforts on in 2020. They include seeking amendments to the Medi-Cal Healthier California for All proposal; seeking recognition and support for PACE expansion in the state’s Master Plan for Aging; making improvements to the PACE level of care review process, and supporting and providing input to DHCS on staffing increases and implementation of AB 1128, and creation of a new dedicated PACE unit. Board members asked about the timing and amount of resources that will be needed to carry out advocacy efforts in these areas. Fred Main, CalPACE counsel and advocate, noted that some, such as the Medi-Cal Healthier California for All proposal and Master Plan for Aging, will require very active and involved advocacy efforts. In the case of the Medi-Cal Healthier California for All proposal, CalPACEs efforts would need to last for a significant part of the year; in the case of the Master Plan at least through July.

Board members discussed each of the policy areas. Based on the discussion, there was consensus to designate the following as high priority areas for advocacy in 2020. These are areas where CalPACE will develop, adapt and advocate for its own proposals:

- Medi-Cal Health California for All
- Master Plan for Aging
- Level of Care review process
- DHCS staffing for oversight of PACE and plans for implementation of AB 1128

There was consensus that advocacy efforts to eliminate or modify PACE contract provisions that are difficult to comply with or not applicable to PACE due to its differences from managed care may need to become a high priority depending on the next set of contract changes that DHCS proposes.

There was consensus CalPACE efforts in 2020 related to issues that are stemming from the state’s policy of approving overlapping service areas should be focused on participating in NPAs efforts to develop recommendations and best practices for states.

There was consensus that CalPACEs efforts related to simplifying the PACE application process for PACE applications in COHS counties should consist of advocating for inclusion of a blanket waiver or authority in the state’s 1115 and 1915 (b) waiver renewal proposals for DHCS to approve these applications if they otherwise meet the requirements for PACE and are supported by the COHS plan.

There was consensus that three policy areas – senior and supportive housing, new populations, and AB 5 dealing with independent contractors and employees – should be treated as lower priority issues where CalPACEs efforts should be limited to supporting other organizations’ proposals and efforts. In the case of AB 5, the

efforts should be limited to tracking efforts to seek additional exemptions from AB 5 and developing resources to help members better understand how the bill applies to them.

Board members did not reach consensus on what CalPACeS advocacy efforts should be related to PACE rate setting and there was agreement to bring this item back to the board for further discussion at the next board meeting.

Non-dues revenue opportunities. Due to time constraints, this item was moved to the next board meeting.

CalPACE retreat updates. Due to time constraints, this item was moved to the next board meeting.

Other business. There being no further business to discuss, the meeting was adjourned

Adjourned at 11:33 A.M.

Respectfully submitted,

Eileen Kunz, Secretary

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

2020 CalPACE Legislative & Policy Priorities
As Adopted by CalPACE Board
1-28-20

POLICY AREA	BACKGROUND	COMMENTS	ADVOCACY FOCUS IN 2020
High Priority Areas			
Medi-Cal Healthier California for All proposal	<p>The pending proposal would give Medi-Cal managed care plans additional tools to better manage care for complex populations, make plans responsible for institutional LTSS, phase out current demonstrations including the CCI, Cal MediConnect and health homes and whole person care pilots, require mandatory enrollment of duals and seniors and persons with disabilities in all counties and establish annual enrollment in managed care plans.</p> <p>CalPACE was able to get language adopted in the 2017 budget, which allows beneficiaries who are subject to mandatory enrollment in managed care in CCI counties to be informed that they may alternatively request to be assessed for PACE eligibility.</p>	<p>Pursuant to provisions of the enabling legislation for Cal MediConnect, DHCS has included PACE in the choice books and enrollment forms it has developed for Cal MediConnect.</p> <p>For non-duals and duals not eligible for Cal MediConnect, and for SPDs in non-CCI counties, DHCS provides inserts with information about PACE in the managed care enrollment materials they provide to beneficiaries who must enroll in managed care. The inserts that DHCS has developed that go to beneficiaries 55 and older in non-CCI counties are outdated and of limited value to beneficiaries.</p> <p>It is not clear whether duals and SPDs in CCI counties who are not subject to passive enrollment in Cal MediConnect but are subject to MLTSS are receiving information and guidance that they may alternatively be assessed for PACE eligibility.</p>	<p>Seek amendments to Medi-Cal Healthier California for All budget and legislative proposals to:</p> <ul style="list-style-type: none"> • Require PACE to be offered as an enrollment choice and included in all enrollment outreach and materials for dual eligibles and seniors and persons with disabilities in any county in which they are subject to mandatory or passive enrollment. • 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, such as certain waiver programs or extended nursing home stays. Similar to the process for Cal MediConnect, PACE organizations would have 60 days to conduct assessments and determine eligibility for PACE. Those determined to not be eligible or who decline enroll in PACE would be referred back to Health Care Options for assignment to another plan; • Allow persons who are eligible for PACE to disenroll from health plans and enroll in PACE, or vice versa, on a month-to-month basis, similar to the Special Election Period process that applies to Medicare Advantage; • Develop consistent and up-to-date information and materials about PACE for SPDs and duals who are subject to managed care enrollment. The materials should enable beneficiaries to understand what

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			<p>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.</p> <ul style="list-style-type: none"> Require plans and PACE to report data to assess plans (and PACE) performance in traditional areas of hospital and ER utilization and readmissions; success in maintaining beneficiaries in the community such as percentage of nursing home eligible or higher tier beneficiaries living in the community versus nursing homes at a point in time and percentage of nursing home eligible or higher tier beneficiaries admitted to nursing homes for extended stays; and success in managing end of life care needs such as percentage of beneficiaries who die at home versus in other settings. Also collect data reflecting plans' and PACE performance in meeting social determinants of health such as percentage of beneficiaries receiving transportation, meals and medication management. Require DHCS to seek a blanket waiver or other authority to approve independent PACE applications in COHS counties if they otherwise meet the requirements for PACE and are supported by the COHS plan.
<p>Master Plan for Aging</p>	<p>Executive Order N-14-19 requires the Secretary of HHS in conjunction with affected departments to develop a master plan for aging by October 2020. Several stakeholder workgroups have been established to assist with this process. Several goals have been</p>	<p>Recommendations supporting the ability of persons to live where they choose and to receive the help they need to do so are expected to include the establishment of a statewide information and referral system to provide person-centered information,</p>	<p>Advocate for adoption of a goal that the state will provide access to PACE for all older adults and seniors with complex care needs who need it and can benefit from it, supported by the following:</p> <ul style="list-style-type: none"> Inclusion of PACE among the HCBS programs and services a statewide information and

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	<p>established, including promoting the ability of persons to live where they choose as they age and have help they and their families need to do so.</p>	<p>assessments, and referrals to services including HCBS, supported housing, assisted living, skilled nursing options. Also mapping to identify areas of the state that are underserved in terms of HCBS options, and potentially the creation of a new long-term care financing program.</p>	<p>referral system would be linked to and refer persons to;</p> <ul style="list-style-type: none"> • Inclusion of PACE among HCBS programs for which the state assesses unmet need by region; • Inclusion of PACE as a benefit that persons could use revenues from a long-term care financing program for; • Adoption of benchmarks including: <ul style="list-style-type: none"> --By 2020...PACE enrollment is continuing to grow at current rate; at least 50 percent of eligible beneficiaries have access to PACE --Mid-term: By 2025...PACE enrollment growth and expansion has accelerated from current levels; at least 65 percent of eligible beneficiaries have access to PACE --Long-term: by 2030... All counties that can sustain PACE have PACE operating in them; at least 80 percent of eligible beneficiaries have access to PACE.
<p>Level of Care Review Process</p>	<p>Under the current expedited enrollment process in place, DHCS is required to review and act on level of care requests from POs within five business days. POs submit summary assessment info on a standard assessment form. DHCS approves or denies the requests based on the summary information but reviews a sample of medical records in conjunction with its onsite reviews, to ensure that level of care standards are being met by PACE participants.</p>	<p>POs are encountering increasing numbers of denials or deferrals of level of care requests. In some cases, the reasons are based on judgments that the beneficiary may be better served in another program. Some delays in approvals appear to be related to workload issues within DHCS. These are at odds with the purposes of the expedited enrollment process developed by DHCS. CalPACE is collecting data on the disposition of level of care requests by its members.</p>	<p>Provide recommendations that DHCS can adopt administratively to add additional staff for level of care reviews and to further streamline the level of care review process to make better use of the resources that DHCS has. These recommendations are being developed by a workgroup that CalPACE has established and will reviewed by the board. Include options to create a level of care review process that is more similar to what nursing homes use, in which level of care is approved quickly and reviewed after the fact through audits.</p>
<p>DHCS staffing for oversight of PACE and plans for</p>	<p>Maintaining adequate staffing for oversight of PACE as it grows has been a challenge for DHCS. The department</p>	<p>DHCS is expected to submit a budget change proposal asking for up to 11 positions to help implement AB 1128,</p>	<p>Support proposals to increase staffing for PACE oversight functions. Monitor and provide input to</p>

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implementation of AB 1128	did receive two additional positions in the 2019 – 20 budget to enable ISCD to conduct timely contract, monitoring and oversight, and level of care assessment functions. Delays and deferrals of level of care assessment submissions have become more frequent with the growth in PACE enrollment.	which consolidates PACE licensing functions within DHCS.	DHCS on its plans for implementation of AB 1128 and establishment of a new dedicated PACE unit.
Pending Further Board Review			
PACE Rate Setting	<p>The PACE Modernization Act (PMA) authorizes the use of experience based rate setting for PACE starting in 2017.</p> <p>The PMA recognizes several principles including recognizing unique aspects of PACE, adjusting for geographic disparities, and providing transitional protections and protections for new POs.</p> <p>DHCS' implementation of the new rate setting provisions has not fully meet these principles, particularly in the areas of recognizing capital costs and level of risk associated with operating PACE.</p>	CalPACE successfully sponsored budget bill language in 2019 to make further modifications to the rate methodology provisions of the PMA, including allowing DHCS to pay higher in the actuarially sound rate range as needed to mitigate impacts of the rate methodology on an ongoing basis, to require the lower enrollment and higher operating costs associated with new PACE organizations to be taken into account in setting their rates, and to require the rate methodology to provide for all reasonable, appropriate, and attainable costs for each PACE organization within a region.	<p>If needed based on the proposed 2020 rates, sponsor budget language to further amend the PACE rate methodology provisions in the PMA to reduce downward pressure on rates and ensure that experienced based rates are sustainable.</p> <p>Submit Optumas analysis to state raising concerns with reductions in trending factors used to develop rates.</p>
PACE Contract	In June 2019 DHCS released extensive proposed changes to the PACE contract. CalPACE and individual POs		If needed, send a formal letter to DHCS requesting additional changes to the contract and ask

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	<p>submitted extensive comments. Many of the proposed changes are taken from requirements that apply to Medi-Cal managed care plans that are not appropriate for PACE or are difficult for PACE to comply with. DHCS is reviewing the comments and will release final contract revisions in 2020. DHCS also intends to propose additional changes that are needed to conform to changes in the federal PACE regulations in 2020.</p>		<p>legislators to send letters to DHCS asking DHCS to reconsider the changes.</p>
<p>Support Other Organizations' Efforts – Lower Priority</p>			
<p>Overlapping Service Areas</p>	<p>DHCS has established a process and criteria for how it processes and evaluates applications with overlapping service areas. Under the current process, an existing PO that is affected has an opportunity to submit its own market feasibility study by the initial application submission date.</p>	<p>The current process is not transparent with respect to the data, analysis, and criteria that DHCS uses to determine whether it is feasible for more than one PO to operate in overlapping areas. The current process also does not allow enough time to carefully assess the feasibility of overlapping service areas.</p> <p>Michigan has passed legislation requiring the state to determine whether there is unmet need in a designated geographic area already covered by an existing PO and to give the existing PO an opportunity to submit a plan to expand capacity to accommodate need. If the existing PO fails to submit a reasonable plan for expansion within 6 months, the</p>	<p>Participate in NPA workgroup to develop recommendations and best practices for states.</p>

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		<p>state may allow proposals from other PACE organizations.</p> <p>NPA will be forming a workgroup to develop recommendations or best practices for states.</p>	
New Populations	<p>NPA is seeking support for Congressional proposals to provide POs with greater flexibility to serve Medicare-only beneficiaries, including by being able to enroll in PACE with their own Part D coverage and to be charged flexible premiums linked to their level of need. At least one PO nationally has sought waivers to do this but was rejected.</p>	<p>CMS has turned down wavier requests from Huron Valley PACE to allow Medicare only beneficiaries to bring with them their own Part D coverage in lieu of enrolling in the POs Part D coverage.</p>	<p>Support NPA initiatives to authorize PACE to more easily serve Medicare only beneficiaries.</p>
Senior and Supportive Housing	<p>The Legislature passed three housing finance bills in 2017, which are expected to provide new revenues for development of affordable housing. There is a growing demand for senior housing and supportive housing arrangements, in which residents have access to services to enable them to age in place. However, none of the bills passed by the Legislature direct funds into senior or supportive housing.</p> <p>Several POs have pursued or implemented supportive housing projects with developers including co-location of PACE centers and set asides of units for PACE participants.</p>		<p>Continue to advocate with Leading Age CA for incentives or set asides to steer greater housing resources into senior and supportive housing arrangements.</p> <p>Advocate to ensure that PACE is eligible to provide supportive services under any proposals designed to encourage development of senior and supportive housing.</p>
AB 5 – Employees and Independent Contractors	<p>AB 5, which takes effect January 1, creates a presumption that workers are “employees” and establishes the ABC</p>	<p>The California Hospital Association is leading a coalition to gain additional</p>	<p>Join the CHA coalition and monitor efforts to seek additional exemptions for health professionals</p>

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	<p>test and not independent contractors and then provides exemptions from the presumption.</p> <p>PACE organizations may have some exposure to AB 5 through contracting arrangements that are not exempted in the bill. Home health workers, and some licensed medical professionals come to mind.</p> <p>The Dyanamex decision applies a similar test even without the bill.</p> <p>Compliance issues are complicated.</p>	<p>exemptions in the health area. PACE should reach out to them.</p> <p>Additionally CalPACE could work with a law firm to provide a seminar and then counseling to PO's. CAADS is also involved in these efforts.</p>	<p>impacted by the bill and ruling. Work with a law firm to provide a webinar and information to POs.</p>