CalPACE

Board of Directors Meeting

June 09, 2021 | 1:00 PM- 2:30 PM| Zoom
To join the meeting by smart phone, tablet, or computer, click this link:
https://calpace.zoom.us/j/512705514?pwd=MVR4bCtkSDYxekxRTzZXMUN3c3VKUT09
To listen by phone call (669) 900-6833 and enter: Meeting ID: 512 705 514 | Passcode: 297440

A G E N D A

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1. Welcome
2. Approval of minutes of April 22, 2021 board meeting – *discussion and action item*
3. 2021-22 strategic plan – *discussion and action item*
4. 2021-22 budget – *discussion and action item*
5. Public policy update – discussion and action item
6. PACE pilot proposal – *discussion and action item*
7. Work group on rate methodology – *discussion and action item*
8. Other business
9. Adjourn

Attachments

A. Minutes of April 22, 2021 CalPACE board meeting
B. Notes of May 18, 2021 Executive Committee meeting
C. Draft CalPACE 2021–22 strategic plan
D. Key strategies for consideration for inclusion in strategic plan document
E. Draft CalPACE 2021-22 budget (separate attachment; see Excel file in meeting invite)
F. Medicare-only PACE pilot proposal

Board Members

▪AltaMed, Joyita Garg
▪Brandman Centers for Senior Care, Susie Fishenfeld
▪CalOptima, Jackie Mark
▪Center for Elders' Independence, Maria Zamora --Treasurer
▪Central Valley PACE, Tony Weber
▪Family Health Centers of San Diego, Jeff Gering
▪Gary and Mary West PACE, Tim Lash
▪Innovative Integrated Health, Phil Tsunoda
▪North East Medical Services – Diana Kawasaki-Yee
▪On Lok PACE, Eileen Kunz - Chair
▪Redwood Coast PACE, Melissa Hooven
▪San Diego PACE, Kevin Mattson - Secretary
▪St. Paul's PACE, Cheryl Wilson – Vice Chair
▪Sutter SeniorCare PACE, Julie Erdmann
▪WelbeHealth, Elizabeth Carty

Minutes of CalPACE Board Meeting

April 22, 2021

Zoom Meeting

Attendees

Board members:	Cheryl Wilson, St. Paul's PACE Eileen Kunz, On Lok PACE Jackie Mark, CalOptima PACE Jeff Gering, Family Health Centers of San Diego Joyita Garg, AltaMed PACE Julie Erdmann, Sutter SeniorCare PACE Maria Zamora, Center for Elders' Independence Phil Tsunoda, Innovative Integrative Health Elizabeth Carty, WelbeHealth Susie Fishenfeld, Brandman Centers for Senior Care Kevin Mattson, San Diego PACE Melissa Hooven, Redwood Coast PACE
CalPACE staff:	Peter Hansel, Chief Executive Officer Jennifer Blankenship, Vice President of Operations Lucas Evensen, Public Policy Analyst Fred Main, CalPACE Counsel
Other officers:	Bing Isenberg, CalPACE CFO
Guests:	Barbara LaHaie, Redwood Coast Jason West, Central Valley PACE Karli Holkko, WelbeHealth Rena Smith, Gary and Mary West PACE
Board members/officers absent:	Castulo De La Rocha, AltaMed PACE Diana Kawasaki-Yee, NEMS Tim Lash, Gary and Mary West PACE Tony Weber, Central Valley PACE

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

Following roll call, Chair Eileen Kunz, convened the meeting at 1:05 P.M.

DECISIONS

Minutes. Minutes of the March 10, 2021 board meeting were approved on an 11-0 vote (Mattson/Wilson).

AltaMed designation of Joyita Garg as board representative. AltaMed's request to designate Joyita Garg as its board representative effective April 22, 2021 was approved on an 11-0 vote (Zamora/Fishenfeld).

Approval of ConcertoCare application for Associate membership. ConcertoCare's application to become an Associate member of CalPACE was approved on an 12-0 vote (Mattson/Erdmann).

Approval of Providence PACE application for Associate membership. Providence PACE's application to become an Associate member of CalPACE was approved on an 12-0 vote (Mattson/Fishenfeld).

Update on CalPACE sponsored bills. CalPACE advocate and counsel Fred Main provided an update on the status of the two bills that CalPACE is sponsoring, AB 523 and AB 540. Mr. Main reviewed amendments to AB 523 that Assembly Health Committee staff have requested that would limit some of the regulatory flexibilities. There was consensus to further refine two of the amendments and to study further HIPAA privacy issues that may be created by allowing for enrollment based on verbal agreements. Board members will review amendments that have been made to AB 540 and notify committee staff of any concerns.

Positions on non-CalPACE sponsored bills. Mr. Main presented staff recommendations for CalPACE to take positions on several pending bills. Following discussion, a motion to adopt support positions on AB 470 dealing with Medi-Cal eligibility and AB 848 dealing with the Medi-Cal monthly maintenance amount, and to join the coalition of groups opposing AB 650 dealing with hazard pay retention bonuses for health care workers was adopted on an 11-0 vote with Tsunoda abstaining. (Mattson/Zamora).

Supplemental payment using enhanced FMAP funds. CalPACE CEO Peter Hansel provided an overview of a draft CalPACE proposal to the state to allow PACE to receive supplemental payments for increases in spending on certain services and activities, as allowed under the American Rescue Plan. The proposal would allow PACE organizations to receive supplemental funding for services and activities such as staff recruitment, retention and training; telehealth; and services to reduce isolation and address mental health needs. Funding requests are expected to be dealt with in the revised budget that is heard in May. Following discussion there was consensus to approve staff moving forward with the proposal.

DISCUSSION

Passing of Bob Edmondson. Chair Kunz shared news of the unexpected passing of Bob Edmondson, former CalPACE board chair and founding member. Fred Main discussed his extensive history of involvement with CalPACE dating from its inception and highlighted some of his significant accomplishments.

Draft 2021-22 CalPACE strategic plan. Due to timing constraints, discussion of the draft 2021-22 CalPACE strategic plan was postponed until the June 09, 2021 board meeting. Chair Kunz encouraged everyone to read the draft plan in advance and be prepared to engage in conversation at the next meeting.

The meeting was adjourned at 2:30 P.M.

Respectfully submitted,

Kevin Mattson, Secretary

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

CalPACE Executive Committee
May 18, 2021 | Zoom
Meeting Notes

Attendees: Bing Isenberg, InnovAge
Cheryl Wilson, St. Paul's PACE
Eileen Kunz, On Lok PACE
Maria Zamora, CEI
Julie Erdmann, Sutter SeniorCare
Kevin Mattson, SD PACE

CalPACE Staff: Peter Hansel, CalPACE
Jennifer Blankenship, CalPACE
Fred Main, Clear Advocacy

Committee Chair Eileen Kunz convened the meeting at 1:05 PM.

CalPACE dues methodology. After reviewing a draft baseline budget for 2021-22, Peter Hansel, CEO, provided an overview of two alternative dues models that staff have developed. The models incorporate dues tiers to better apportion dues and reduce the upper dues to a level more commensurate with other organizations. While both models would produce a level of dues revenue comparable to the current level, they result in reductions for some organizations and increases for others. Following discussion, there was consensus to recommend the second model to the board, with a cap of $5,000 on the amount of dues increase for any individual member organization.

CalPACE meetings in 2021-22. Mr. Hansel reviewed the budget assumptions staff are making for in-person meetings in 2021-22. Staff are currently planning for CalPACE to conduct one set of quarterly meetings in person in spring 2022, as well as to conduct the retreat in February 2022 in person, and a Meet and Greet event in spring, 2022. Staff are also assuming the NPA 2022 Spring Policy Forum will be in person as well. Following discussion there was consensus to additionally plan and incorporate in the budget funding for in-person quarterly meetings in fall 2021. Staff will gather information about available venues for the meetings and guidelines for holding in person meetings.

Administrative assistance position. Mr. Hansel presented a recommendation that the budget include funds to hire a half-time administrative/executive assistant. Lucas Evensen is moving into full-time policy work and CalPACE needs administrative support for meeting planning, scheduling, member servicing, support of the CAlPACE Affiliates program and other functions. There was consensus to include funding for this in the budget and to increase the funding level to reflect current salary and benefit levels.

Public policy update. Fred Main, CalPACE advocate, provided an update on CalPACEs sponsored bills, AB 523 and AB 540. Both are expected to pass out of the Assembly Appropriations Committee this week and will be eligible to be taken up by the full Assembly next week. Mr. Main called committee members' attention to two areas where AB 523 will need to be amended. The first is to limit the flexibility to provide nursing services in the home, if a PO doesn't possess and Home Health Agency license, to services for PACE participants only. The second is to revise or remove provisions imposing time and distance standards for out of area moves and placements. Following discussion, there was consensus to adopt the first amendment and to remove the provisions of the bill dealing with the time and distance standards, and to check with committee staff to make sure those changes are acceptable and when the amendments will need to be adopted.

Mr. Hansel informed the committee that with the release of CMS guidance on use of enhanced FMAP funding for expansions and enhancements of home and community based services, including PACE, CalPACEs proposal for use of the funds for PACE will need to be revised. The guidance permits rate increases for PACE organizations for these purposes, but not supplement payments of any kind. Following discussion there was consensus to revise the proposal to request rate increases for PACE for enhancements and expansions as outlined in the original proposal, and to submit the revised proposal to the state as soon as possible.

Agenda items for next board meeting. Board Chair Eileen Kunz reviewed agenda items for the June 9 board meeting, which will include the proposed budget and strategic plan for 2021 – 22 and public policy updates.

Adjournment. Vice Chair Cheryl Wilson adjourned the meeting at 2:30 PM.

Committee Members

Chair: Eileen Kunz, On Lok PACE
Vice Chair: Cheryl Wilson, St. Paul's PACE
Treasurer: Maria Zamora, Center for Elders Independence
Secretary: Kevin Mattson, San Diego PACE
At Large Member: Julie Erdmann, Sutter SeniorCare
CFO: Bing Isenberg, InnovAge
At Large Member: Vacant

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Strategic Plan

2021 -- 2022

I. CalPACE Mission

II. Environmental Landscape Facing PACE in California

III. Strengths, Weaknesses, Opportunities and Threats

IV. Major Goals, Strategies, and Benchmarks

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I. CalPACE Mission

- To promote expansion of comprehensive home and community-based health care services for the frail elderly in the State of California through the Program of All-inclusive Care for the Elderly (PACE).

- To support, maintain, safeguard and promote through education and advocacy the PACE Model of Care and to promote quality health care services for the elderly in the State of California.

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II. Environmental Landscape Facing PACE in California

1. Continued realignment of health care system towards models of care that promote prevention, provide medical homes, and achieve the triple aims of improving the experience of care, producing better outcomes, and reducing costs.
2. Continued pressure on reimbursement rates with payers increasingly focused on outcomes and value and, in the case of public payers, needing to achieve budget savings to deal with chronic budget deficits.
3. Additional pressure on reimbursement rates due to budget uncertainties brought about by state and federal funding changes.
4. Increasing competition for beneficiaries in more areas of the state that PACE serves as health plans enter the market and expand their roles serving duals under Medi-Cal and Medicare and contract with increasingly sophisticated medical groups with expertise in serving older beneficiaries with chronic conditions.
5. Growing numbers of providers and services targeting Medicare only seniors with higher needs for whom hospitals, health plans, medical groups and hospitals are at risk.
6. Continued upward pressures on costs of serving beneficiaries due to costs of new regulatory requirements and shortages of providers.
7. Continued regulatory environment for PACE that constrains growth.
8. Growing workforce shortages and challenges in attracting and retaining professional staff.
9. Increasing offerings of supplemental benefits by Medicare Advantage plans, blurring the distinction between MA plans and PACE.

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III. Strengths, Weaknesses, Opportunities and Threats

Strengths:

- PACE organizations have highly skilled, experienced and specialized staff
- PACE organizations are culturally competent
- The reputation of PACE programs is universally good
- PACE has broad political support and influence
- PACE has a strong market position by virtue of its staff, quality, and reputation
- PACE has longevity and experience serving very hard to serve populations
- PACE programs achieve high rates of satisfaction and quality
- CalPACE provides platform for implementing common vision
- PACE is beginning to produce standardized quality data to prove its value

Weaknesses:

- Burdensome regulatory environment leads to lost opportunities
- Small size and scalability constraints facing PACE cause policymakers to discount value of PACE
- PACE organizations have been slow to adapt to market changes
- PACE organizations face slow speed to market in new programs and expansions
- Competitors are catching up with PACE
- PACE organizations conduct limited PR and face limited brand recognition
- PACE is a capital intensive model
- PACE is complex and difficult to explain to policymakers and the public

Opportunities:

- New payers and external opportunities provide options for PACE programs to offer PACE-like products and services
- Changing market and regulatory conditions are creating opportunities to look at changes in the PACE model
- Move towards testing new models of integrated care is causing people to pay more attention to PACE
- The current environment creates opportunities to use PR, messaging, and quality benchmarking to demonstrate the value of PACE
- The market for PACE services is growing
- Medicare and Medicaid initiatives as well as payment and policy changes are creating opportunities for PACE organizations to serve populations not traditionally served by PACE, including Medicare-only, under 55, and at risk of nursing home placement
- Use of monitoring, telehealth, and other aging technologies is expanding rapidly, creating growing opportunities for PACE organizations to enhance the outcomes, value and visibility of the services they provide through use of technology.

Threats:

- Rates will likely be inadequate to justify expansion of PACE under the model it has historically operated under
- Regulatory burdens, while easing, will continue to place PACE at a disadvantage relative to health plans
- PACE faces a challenge to grow fast enough to justify its existence
- Shortages of specialized providers with elder care and other clinical resources will hamper expansion of PACE
- Despite greater exposure and visibility, people may continue to misunderstand PACE
- Competition for enrollment, e.g. through the Coordinated Care Initiative and agreements between housing providers and health care plans and medical groups, could dry up the pipeline for PACE

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Major Goals, Strategies, and Tasks for 2021-22

CalPACEs overarching goals are to improve the lives of frail seniors in California and their families by promoting the expansion of PACE and increasing access to PACE, particularly in underserved areas of the state, and by supporting the viability and sustainability of the PACE model over time. It will work to achieve these overarching goals by developing and carrying out strategies related to the following goals:

A. Demonstrate the value of and need for PACE
B. Promote awareness and visibility of PACE
C. Advocate for PACE growth, stability and sustainability
D. Promote best practices and innovation

A. Demonstrate the Value of and Need for PACE

Strategies:

Develop and disseminate data and information that showcase PACE, demonstrate its cost effectiveness and differentiate it from other types of plans and programs offering integrated care to older adults and seniors with higher needs.

Tasks:

1. Collect and update quality and outcome measures that project the value of PACE relative to other providers of integrated care and are feasible to collect and report.

2. Develop and update maps showing areas of the state that are served, unserved and underserved by PACE.

3. Collect and update information on the size of the potential PACE population and percent of eligible beneficiaries with access to PACE at the state and regional level.

B. Promote Awareness and Visibility of PACE

Strategies:

Conduct ongoing communications and public relations efforts to disseminate data, information and stories to increase awareness of and support for PACE and what it does.

Tasks:

1. Collect, update, and showcase participant profiles showcasing the impact of PACE, including videos showcasing participants' experiences and improvements.

2. Develop and update easy to understand fact sheets and material that showcase what PACE does, who it serves and the outcomes it achieves.

3. Carry out website and social media strategies that boost visibility for PACE and use of the CalPACE website.

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4. Issue press releases and place feature stories showcasing PACE growth and expansion, outcomes, and accomplishments.

5. Expand partnerships and links with other aging and disability organizations.

C. Advocate for PACE growth, stability and sustainability

Strategies:

Advocate for policy changes at the state and federal level that support PACE growth and stability, promote regulatory flexibility, and facilitate expansion of PACE to new populations.

Tasks:

1. Advocate for policies to elevate awareness of PACE as a Medi-Cal managed care and Medicare plan choice.

2. Advocate for continuation of regulatory flexibilities established during the public health emergency to enable PACE to better and more effectively serve participants.

3. Advocate for inclusion of and recognition of PACE in all aspects of the state's implementation of Master Plan for Aging implementation

4. Establish a work group to research and propose modifications to or supplements to the PACE rate methodology at the state level.

5. Advocate for parity with managed care plans in the authorities and flexibilities provided in the state's implementation of CalAIM.

6. Advocate for inclusion of PACE in COVID relief funding and payments.

7. Advance policies and demonstrations to enable PACE to better reach and serve Medicare-only beneficiaries and private pay individuals.

8. Advocate for addition of DHCS staff dedicated to PACE and better training of staff to facilitate projected enrollment growth.

9. Support NPAs federal policy agenda and also advocate for specific federal PACE application and policy changes needed to facilitate growth in California.

10. Work with Leading Age CA to advance policies to increase access to and resources committed to senior and affordable housing.

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D Promote PACE best practices and innovation

Strategies:

Conduct technical assistance and member education to highlight best practices.

Tasks:

1. Develop and share webinars and case studies for members highlighting best practices in the area of recruiting and retention of staff, including use of former IHSS workers.

2. Develop and share webinars and case studies highlighting best practices in the area of developing supportive housing partnerships with senior and affordable housing providers and serving formerly homeless older adults.

3. Develop and share webinars and case studies highlighting best practices in the area of developing contracts and referral relationships with Medi-Cal managed care plans and Medicare Advantage plans.

4. Continue the West Coast PACE 2.0 learning collaborative and extend it to PACE organizations with one year or more of operational experience.

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CalPACE

CalPACE Key Strategies for Consideration for Inclusion in CalPACE's Next Strategic Plan Survey Results

April 2021

Key Strategies for Consideration	**% who believe it should be a highest priority**
Advocating for policies to elevate awareness of PACE as a Medi-Cal managed care choice	72.73%
Advocating for post-pandemic regulatory flexibility to enable PACE to better and more effectively serve participants	54.55%
Establishing a work group to research and propose modifications to or supplements to the PACE rate methodology at the state level	45.45%
Strengthening DHCS staff support for PACE and better training of staff	36.36%
Facilitating development of best practices in area of recruiting and retaining staff, including use of former IHSS providers	27.27%
Developing best practices in the area of developing contracts and referral relationships with Medi-Cal managed care plans and Medicare Advantage plans	18.18%
Developing best practices in area of working with senior and affordable housing providers and in serving formerly homeless older adults	18.18%
Advocating for CMS and DHCS to develop guidance to enable POs to utilize enrollment brokers	18.18%
Painting a picture for policymakers of what PACE will look like moving forward beyond the end of the pandemic if it is allowed to continue the use of regulatory flexibilities	18.18%
Tracking more closely PACE market penetration rates statewide and regionally as a benchmark of PACE success	9.09%
Advancing policies to enable PACE to better reach and serve Medicare-only beneficiaries and private pay populations	9.09%
Developing new tools and methods to improve CalPACE governance and transparency	9.09%

Key Strategies for Consideration	% who believe it should be a highest or very high priority
Advocating for policies to elevate awareness of PACE as a Medi-Cal managed care choice	90.91%
Establishing a work group to research and propose modifications to or supplements to the PACE rate methodology at the state level	90.91%
Developing best practices in area of working with senior and affordable housing providers and in serving formerly homeless older adults	72.73%
Advocating for post-pandemic regulatory flexibility to enable PACE to better and more effectively serve participants	72.73%
Strengthening DHCS staff support for PACE and better training of staff	72.73%
Facilitating development of best practices in area of recruiting and retaining staff, including use of former IHSS providers	63.64%
Developing best practices in the area of developing contracts and referral relationships with Medi-Cal managed care plans and Medicare Advantage plans	54.55%
Advocating for CMS and DHCS to develop guidance to enable POs to utilize enrollment brokers	54.55%
Painting a picture for policymakers of what PACE will look like moving forward beyond the end of the pandemic if it is allowed to continue the use of regulatory flexibilities	54.55%
Advancing policies to enable PACE to better reach and serve Medicare-only beneficiaries and private pay populations	45.45%
Developing new tools and methods to improve CalPACE governance and transparency	45.45%
Tracking more closely PACE market penetration rates statewide and regionally as a benchmark of PACE success	36.36%

NYS PACE Alliance

Proposal to Increase PACE Enrollment of Medicare-only Individuals

Produced in March 2021

National PACE Association

PACE Pilot Summary

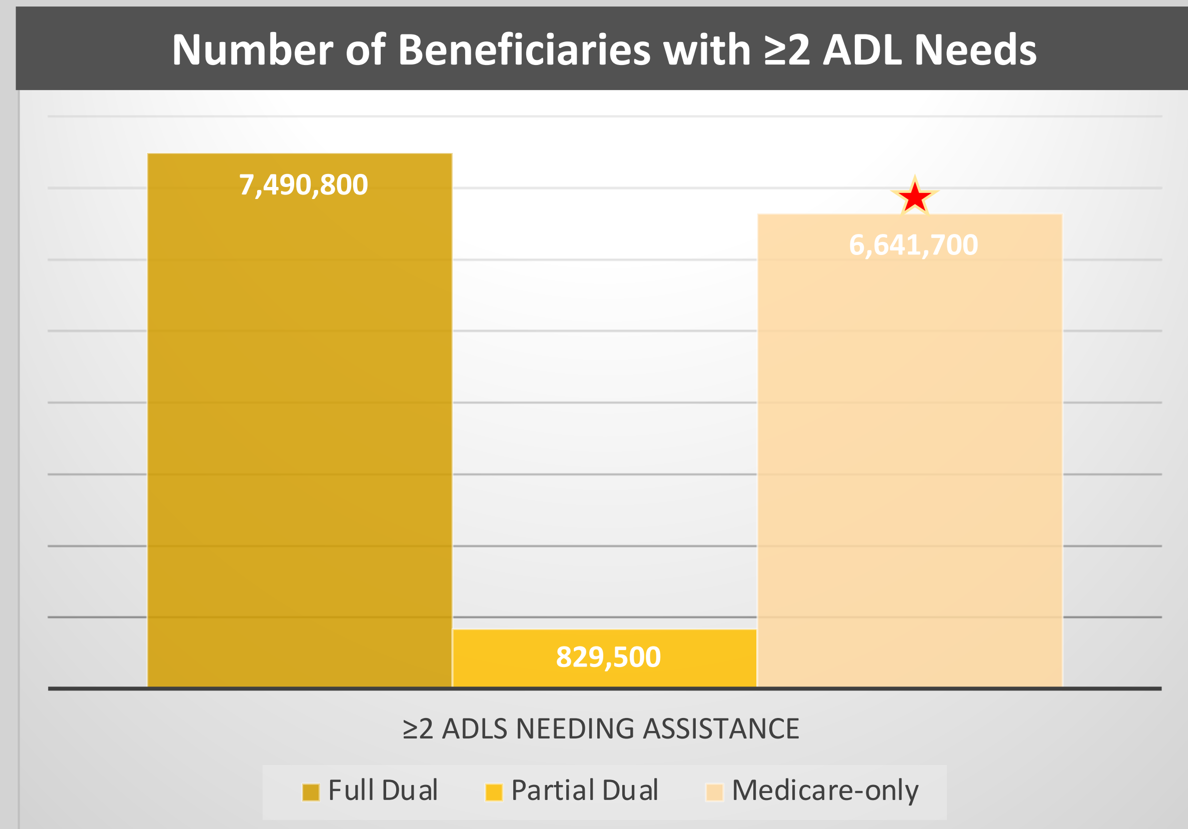
The Medicare-only PACE Pilot improves beneficiary access to a proven model.

- PACE provides a comprehensive and fully informed response to the personal care, health care and care coordination challenges confronting the private pay population.
- The Medicare-only PACE Pilot seeks to provide frail, elderly individuals who are ineligible for Medicaid, assured access to the services and supports that will keep them as healthy and independent as possible, while also conserving taxpayer and government funding.
- By creating a simplified, national standard of eligibility for Medicare-only enrollment in PACE, eligible Medicare beneficiaries, in areas served by PACE programs, can make an informed choice about their service options.
- Replacing the current "one size fits all" required capitation rates for Medicare-only individuals, the Pilot will offer programs payment rates that are reflective of their varying needs and choices.
- Medicare-only participants will have the opportunity to obtain services and supports at four escalating tier levels with the payment requirement for each tier established at a percent of each PACE program's State approved Medicaid payment rate.

Market Size Opportunity

Scaling the PACE Pilot has potential to address the growing support needs of millions of Medicare beneficiaries.

- Currently, Medicare-only PACE enrollment nationally is just one percent of total PACE enrollment.
- Yet over 6.64 million (13%) of Medicare-only beneficiaries nationally required assistance with ≥2 ADLs in 2017.



Source: Twelve Year Medicare Enrollment Trends (found here); 2017 Current Medicare Beneficiary Survey

Lack of Other Marketplace Alternatives

Medicare beneficiaries face challenges in coordinating care as needs grow.

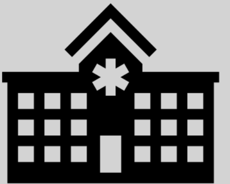
- Recent changes in the Medicare program recognize that it is important for beneficiaries to have access to additional non-Medicare supplemental benefit services, including those referred to as the social determinants of health (SDoH) care.
- However, Medicare Advantage plans do not offer the level of care management that can facilitate a beneficiary's access to SDoH care or that can assist with the coordination of those services.
- Some physician providers may coordinate medical and pharmacy services but lack expertise and the ability to be reimbursed for expenses related to comprehensive care planning and management.
- Although local area Offices for the Aging can provide service and support for non-Medicaid eligible individuals, these are often means tested and not widely available.
- Medicare-only, frail, elderly individuals are vulnerable consumers and the largely unregulated marketplace for the support and services they may require is complex.

PACE Produces Cost Savings for Medicaid

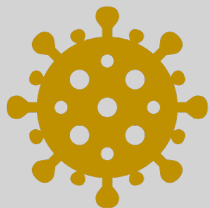
- Frail, elderly Medicare-only individuals who are not yet Medicaid eligible, but have growing long-term care needs have uncertain access to necessary support services (i.e., assistance with ADLs and IADLs) and face challenges in coordinating health care from multiple providers.
  - In the absence of readily available and supportive families and friends, they have no where to turn in the event of trauma or sudden illness except for emergency services from providers they may not know.
- PACE avoids premature nursing home admission and the associated “spend-down” of private assets. PACE participants have a low risk of being admitted to a nursing home, with only 5% of current PACE participants residing in a nursing home.
- Once nursing-home eligible, states pay PACE programs on average **15 percent less** than the cost of caring for a comparable population through other Medicaid services, including nursing homes and home and community-based waiver programs.

PACE Produces Cost Savings for Medicare

- PACE is the only statutorily authorized nursing home alternative model of care available across the nation and can enroll Medicare-only (“private pay”) individuals. PACE enrollment results in a more informed and improved utilization of Medicare covered benefits as opposed to Medicare FFS.
  - Reduced Hospital Admissions: A 24% lower hospitalization rate than dually-eligible beneficiaries who receive Medicaid nursing home services
  - Reduced Hospital Readmissions: PACE participants 30-day all cause hospital readmission rate is lower (19.1%) compared to all age 65 dual-eligible enrollees (22.9%) and Medicare FFS beneficiaries (19.6%).



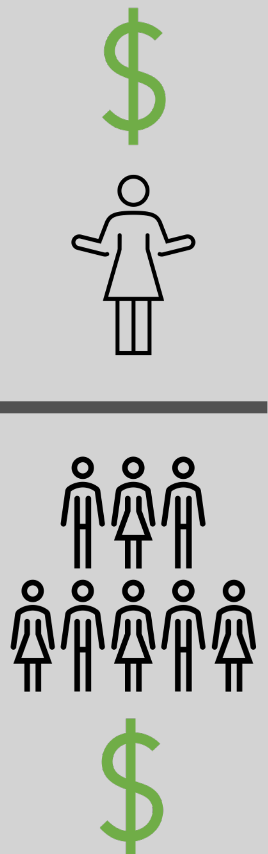
- Additionally, the COVID-19 pandemic highlighted that care at home is a better alternative to institutional care. Current PACE participants are at one-third of the risk of nursing home residents of contracting and dying from COVID-19.



Key Barrier to Medicare-only Enrollment

PACE programs lack the flexibility to adjust a Medicare-only beneficiary's premium to a price that corresponds to their care needs.

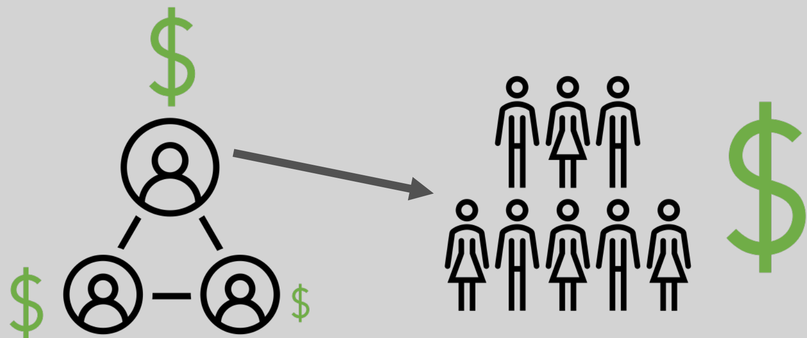
- Under current federal regulations, PACE organizations are not able to set monthly fees for Medicare-only beneficiaries that reflect variations in individual beneficiary needs.
- Individuals not eligible for Medicaid must pay a PACE organization a monthly fee tied to the average rate that the Medicaid program pays the program for all its dually eligible participants.
- The needs of Medicare-only individuals may differ considerably from the needs represented by the average PACE Medicaid payment.
- Requiring PACE to charge an average monthly capitation based on the state's Medicaid capitation is a disincentive to the enrollment of Medicare-only beneficiaries who would pay privately for LTSS who could benefit from PACE.



PACE Pilot Proposed Solution: Premium Flexibility for Medicare-only Enrollees

Pilot Eligibility:

- Establish a national eligibility standard of both medical and non-medical criteria that allows Medicare beneficiaries to pay a capitation rate consistent with their needs and interests.



Pilot Payment/Service Structure:

- Develop four tiers which include services or items that meet participant's care needs as determined by the care plan.
- Premium levels of each service tier will be established at 25, 50, 75 and 100 percent of each PACE program's State approved Medicaid payment rate.

Other Pilot Considerations and Details

- All Medicare (Parts A and B) will be covered through the PACE Medicare capitation.
- The IDT (which develops the care plan) must assure coordination of all care plan services and maintain responsibility for the service quality in each tier.
- Each tier will include those services that are necessary to carry out the care plan.
- In case of an emergency or sudden change in condition, additional services deemed necessary to protect the health and welfare of the participant shall be provided regardless of its inclusion in the service tier for up to thirty days.
- If the IDT determines that participant's needs continue to exceed the service limits of a tier after the limited time period, the participant will be asked to accept a move to a higher tier level. The PACE Pilot will adopt the same consumer protections as the PACE program, giving prospective participants the right to challenge the IDT decision to advance a tier payment level.
- All participants will retain the ability to independently and privately obtain goods and services they believe, in their sole determination, will enhance their quality of life. The IDT will not be required to incorporate such goods and services in the participants plan of care.

Pilot Tiers (For Illustration Only)

<table>
<tr><th>Tier</th><th>Status</th><th>Services</th><th>Payment</th></tr>
<tr><td>1</td><td rowspan="4">Medical Criteria:
• Two or more chronic medical conditions and/or early stages of cognitive impairment
• Confirmed presence of two or more functional ADL deficits and two or more IADL deficits

Non-Medical Criteria:
• Traditional Medicare (Parts A and B) and Part D drug coverage
• Community residence
• Participant consent to plan of care developed by the IDT
• Optional: participants will be advised on power of attorney</td><td>• IDT assessment and care planning
• Periodic phone contact
• Unlimited crisis management
• Care coordination (navigation, transition, provider communication)
• Patient, family education and support</td><td>25% of State Medicaid Capitation Rate</td></tr>
<tr><td>2</td><td>• All Tier 1 services
• Periodic home nursing visits and phone contact to assist with medication management and supervision of self-administered treatments
• Scheduled home social work visits and phone contact to assist with management of psychosocial issues and coordination of necessary non-medical support services
• Transportation to medical appointments</td><td>50% of State Medicaid Capitation Rate</td></tr>
<tr><td>3</td><td>• All Tier 1 and Tier 2 services
• Scheduled assistance to compensate for IADL functional deficits, including housekeeping, grocery shopping, and light ADL assistance and periodic caregiver respite
• Set amount of in-home personal care, adult day care and meal service</td><td>75% of State Medicaid Capitation Rate</td></tr>
<tr><td>PACE-Eligible</td><td>• Unlimited PACE authorized support and services, including extended nursing home care</td><td>Full State Medicaid Capitation Rate</td></tr>
</table>

Next Steps