

# **PACE Overview**

## **An Integrated Model of Care**

May 21, 2013

Clark County Commission on Aging

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

An innovative program for serving seniors  
with complex care needs



# CMS Definition

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

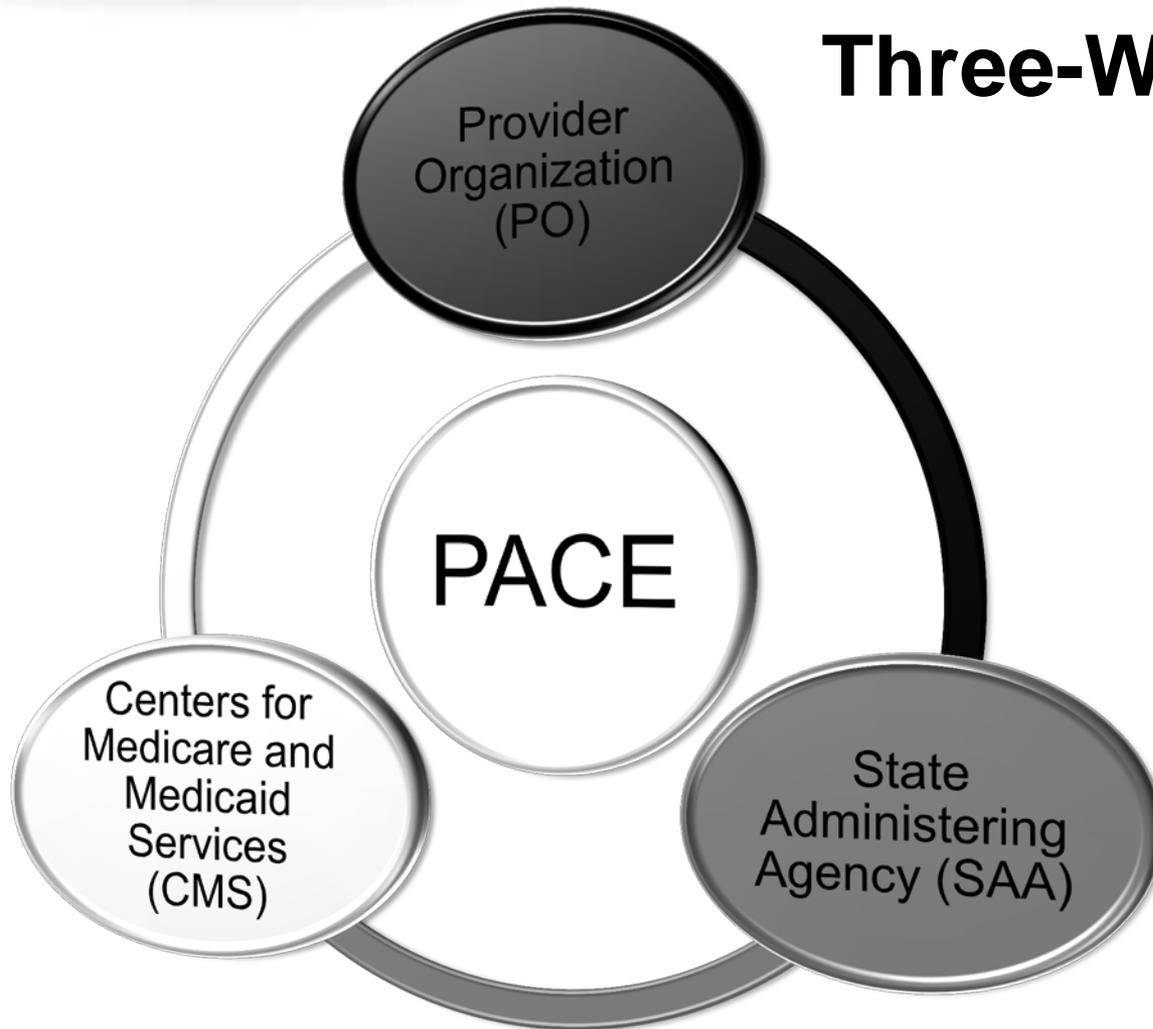
The Program of All-Inclusive Care for the Elderly (PACE) provides comprehensive long term services and supports to Medicaid and Medicare enrollees. An interdisciplinary team of health professionals provides individuals with coordinated care. For most participants, the comprehensive service package enables them to receive care at home rather than receive care in a nursing home.

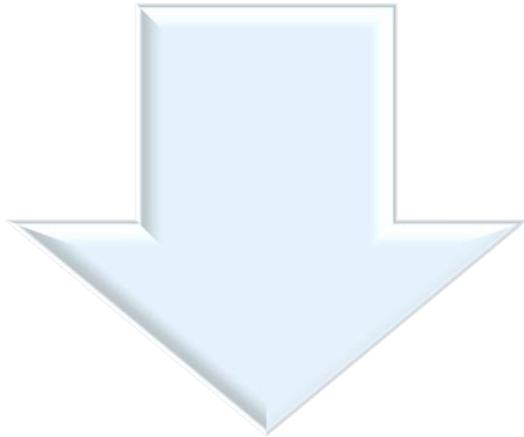
Financing for the program is capped, which allows providers to deliver all services participants need rather than limit them to those reimbursable under Medicare and Medicaid fee-for-service plans. The PACE model of care is established as a provider in the Medicare program and as enables states to provide PACE services to Medicaid beneficiaries as state option.

## PACE Eligibility Criteria

- 55 years of age or older
- Live in a PACE service area
- Be certified as eligible to receive nursing home level of care
- Be able to live safely in the community at point of enrollment
- *95% dually eligible*

# Three-Way Partnership





## Use Dollars Sparingly

- Hospital
- Emergency Room
- Nursing Home



## Use Dollars Generously

- PACE Team
- Home Health
- Day Center



## **PACE Nationally**

- Currently 90 sponsoring organizations in 30 states
- Wyoming added 1/1/13

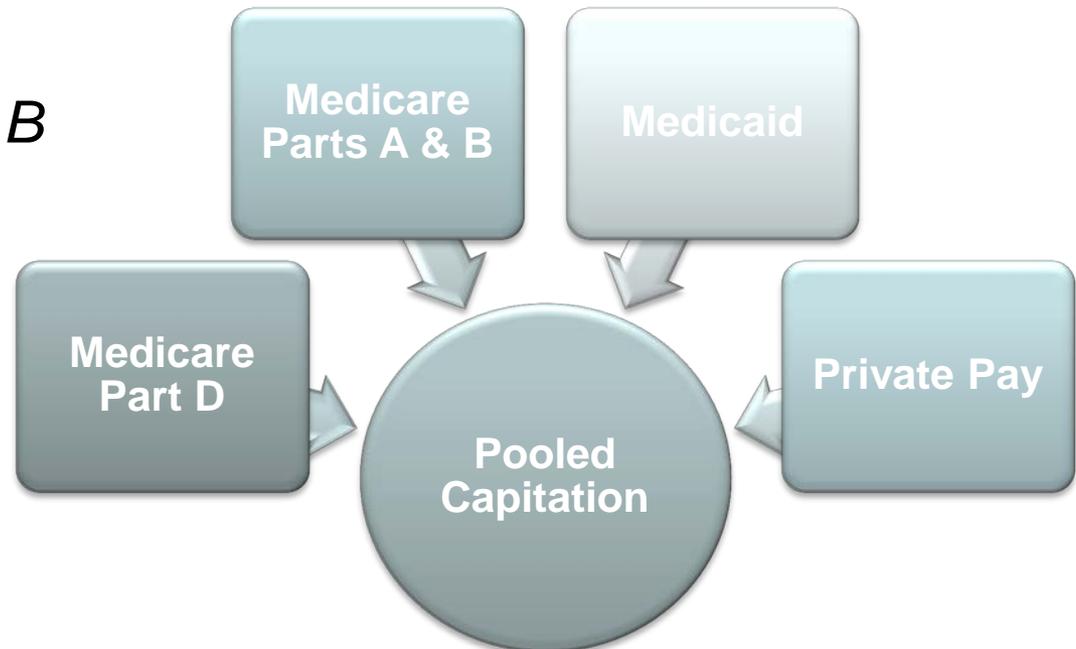
- Providence ElderPlace in King County (WA)



- Providence ElderPlace in Multnomah County (OR)

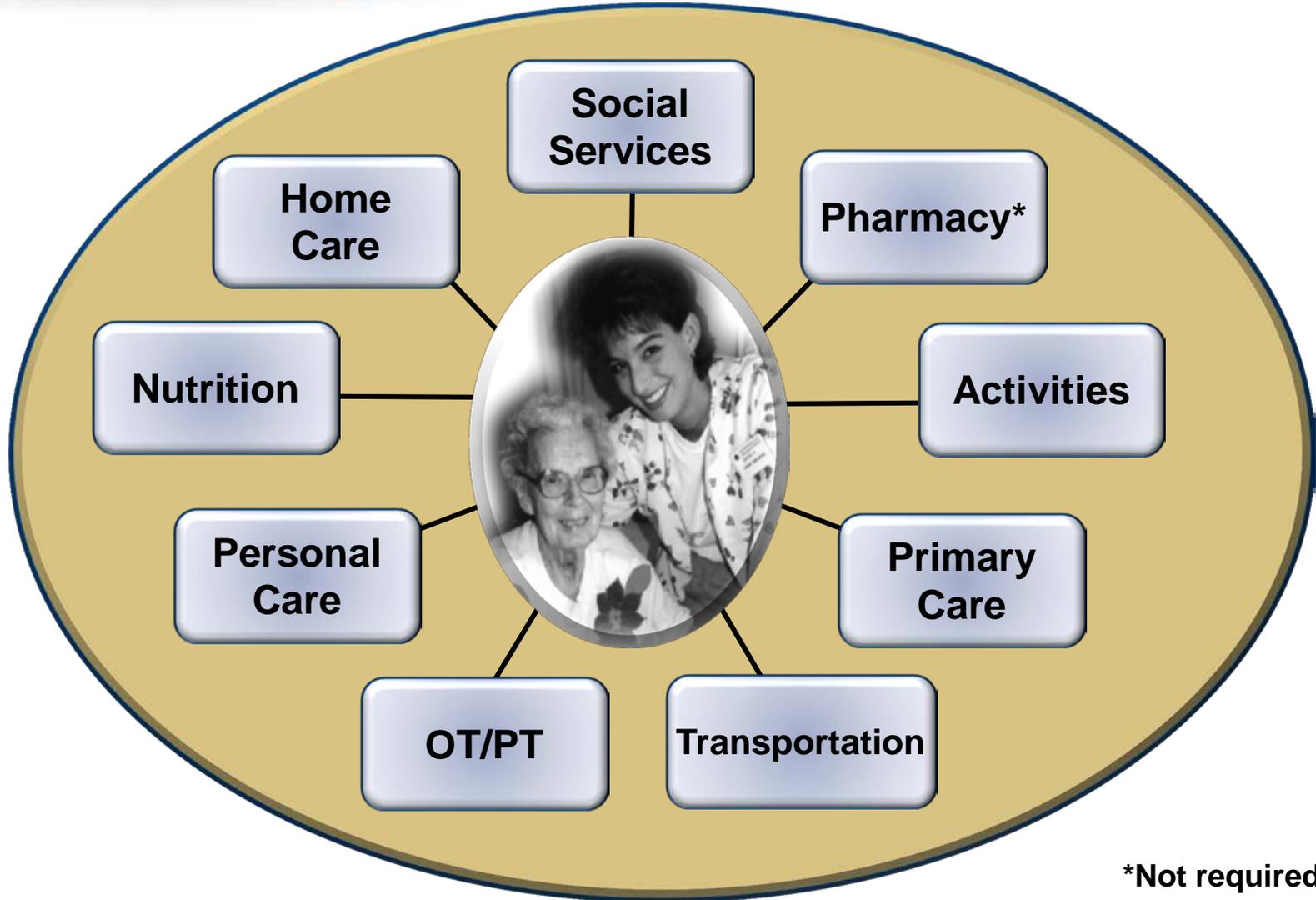


- Payment features are unique compared to other health care payment models
- Capitated payment system (per member per month)
- Combines funding from multiple sources to meet all participant needs:
  - *Medicare Part A & B*
  - *Medicare Part D*
  - *Medicaid*
  - *Private Pay*  
(not common)



## PACE Center

- On average, participants visit center 2.25 days/week
  - *Primary care*  
**(PCP panel = 100)**
  - *Nursing*
  - *Rehab*
  - *Counseling*
  - *Diagnostics (labs, EKGs, X-rays)*
  - *Specialists (dental, optometry, podiatry, mental health, massage)*
- Social interventions: meals, activities, exercise, community, spiritual services
- Personal care
- Observation and care environment
- Full-service clinic:



\*Not required IDT member

## PACE Critical Success Factors

- Sufficient demand
- Positive market factors
- Strong state support
- Adequate Medicaid payment
- Strong organizational capacity
- Adequate capitalization



## PACE Financial Performance Benchmarks

Total Capital Investment

- \$3 million to \$6 million

Break-even Cash Flow

- 18–24 months

Investment Payback

- 48–72 months

Given the challenges with Medicaid reimbursement, meeting these benchmarks will require many partnerships and a great deal of creativity.

# Why PACE Now?

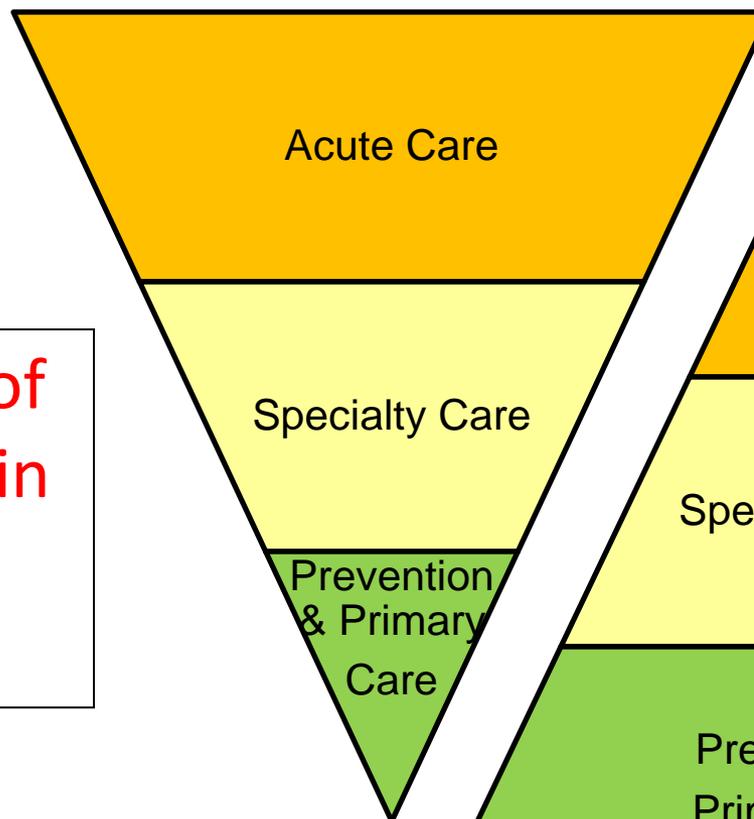
## Long-Term Senior Population Projections for Washington State & Clark County

Geography	2010	2015	2020	2025	2030	2035	2040
Washington	827,677	989,124	1,210,895	1,449,119	1,654,289	1,774,401	1,857,527
Clark	48,710	60,822	76,033	91,612	106,363	116,716	125,863
Cowlitz	15,805	18,591	22,054	25,804	28,469	29,464	29,835

Source: <http://www.ofm.wa.gov/pop/gma/projections12/projections12.asp>

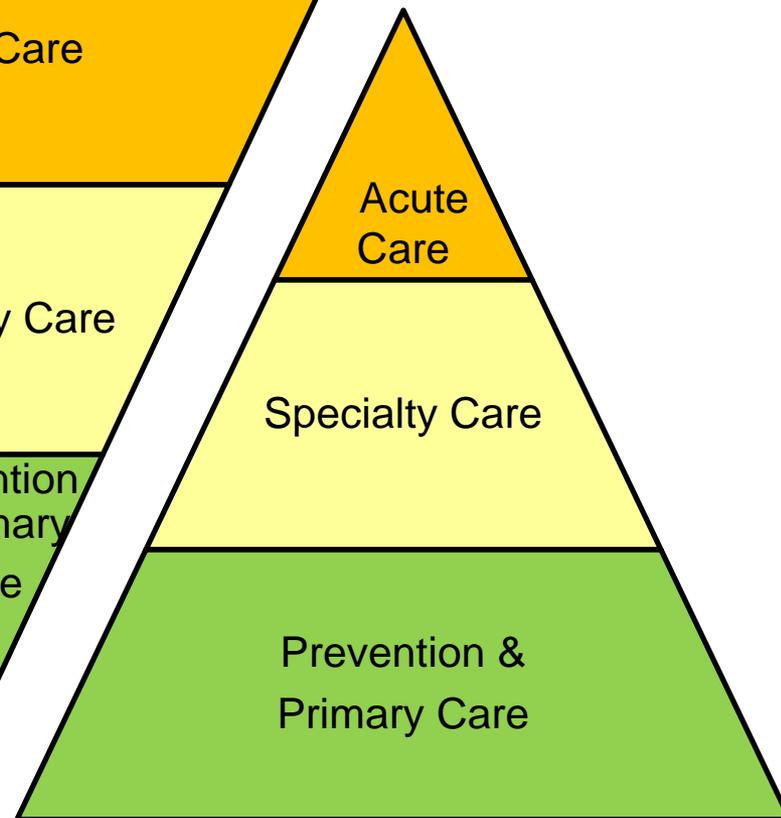
**Longer-term demographics favor PACE and other programs that support seniors.**

## Current Resource Allocation



The current model of resource allocation in healthcare is not sustainable.

## Needed Resource Allocation



## Quality Care Leads to Longer Life Expectancy

**“PACE clients have a significantly lower risk of dying, compared to similar clients who receive care in other home and community based service (HCBS) modalities. In the first 12 months after enrollment only 13 percent of PACE clients died, compared to 19 percent of HCBS clients. By year three, 29 percent of PACE enrollees had died, compared to 45 percent of HCBS clients”.**

*Source: Mancuso, D., Yamashiro, G., Felver, B. PACE An Evaluation, Washington State Department of Social and Health Services Research & Data Division, Report Number 8.26, June 29, 2005.*

PACE is the gold standard of care for nursing facility dual eligibles

PACE is fully accountable for the costs and quality of care

PACE supports consumers in their desire to remain at home

PACE allows a provider to meet individual needs without fee-for-service (FFS) restrictions

**Bottom Line:  
PACE  
(and similar programs)  
are the future**

# High-Level Start-up & Implementation Timeline By Month

		2013							2014								
Activity	Start Date	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
		J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	
Go/No-go decision	13-Jun																
Develop PACE application chapters	13-Jul																
State review of PACE application	13-Oct																
CMS review of PACE application	14-Jan																
State readiness review	14-Apr																
PACE program agreement executed; program opens	14-Jul	<b>The first PACE participants will be enrolled in July 2014.</b>															
Program serves first participant	14-Aug																

# Thank You

Questions / Comments?