



Integrated Care For Frail Elders: The PACE Example

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What is PACE?

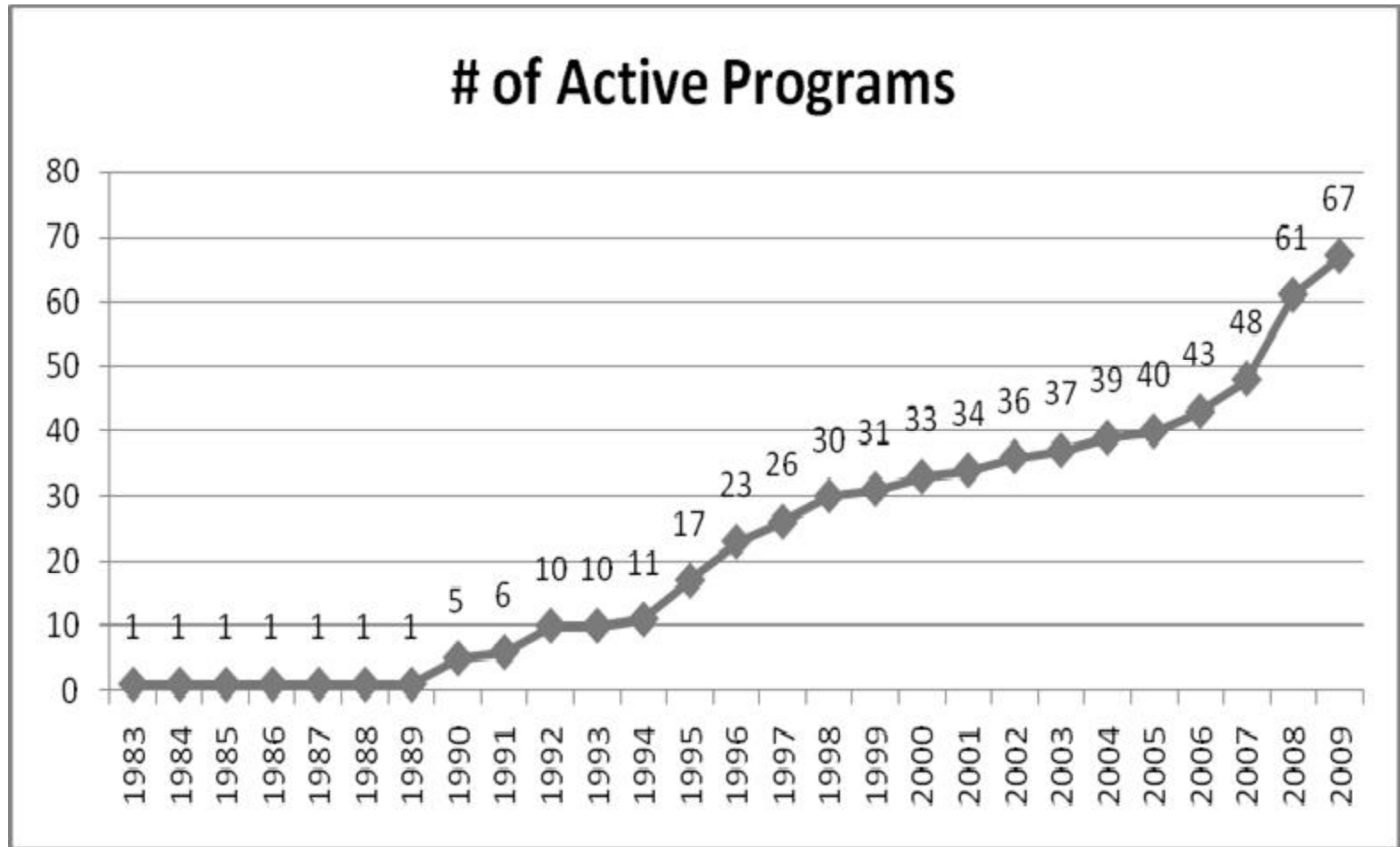
Program of All-Inclusive Care for the Elderly

An integrated system of care for the frail elderly that is:

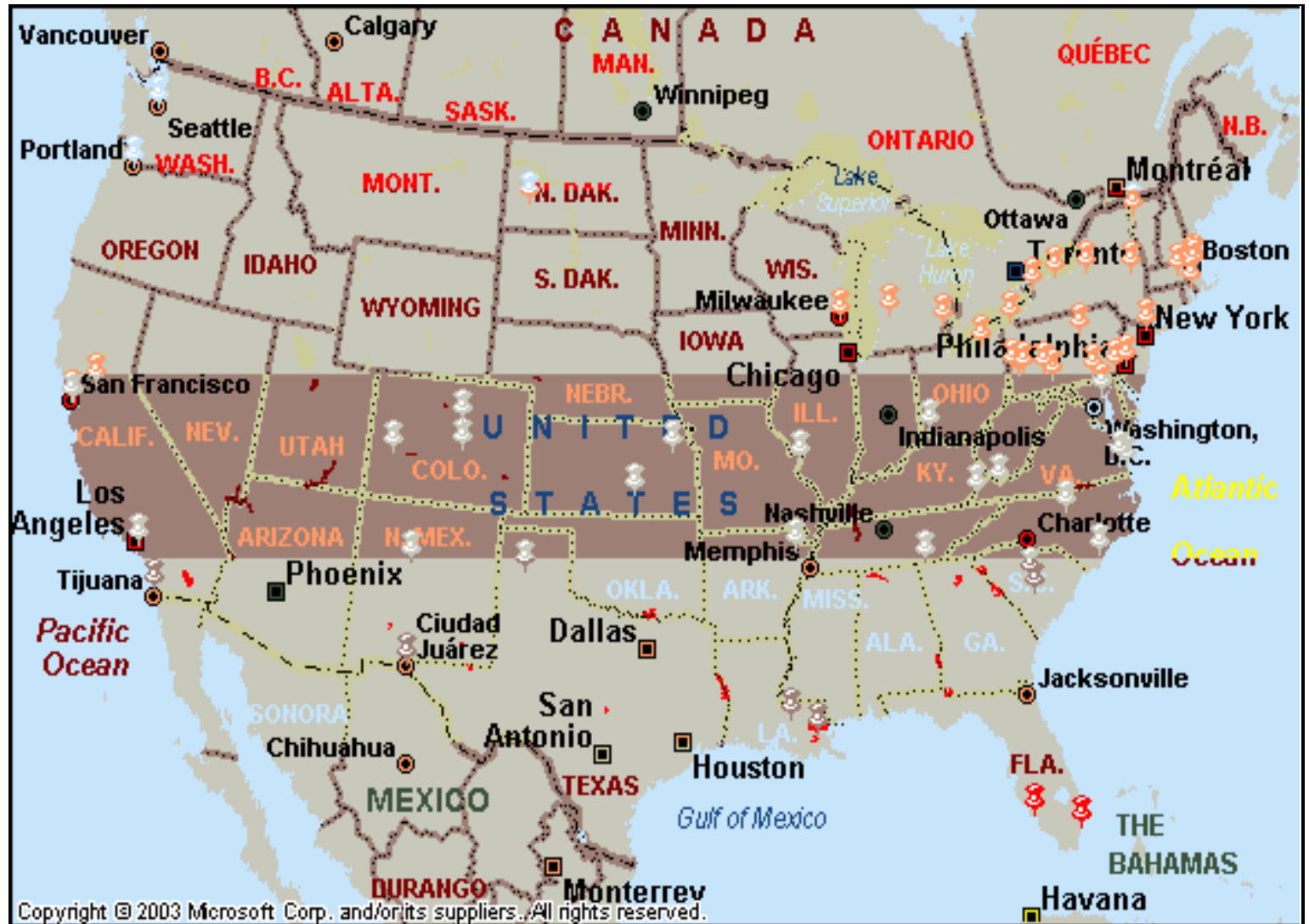
- Community-based
- Comprehensive
- Capitated
- Coordinated



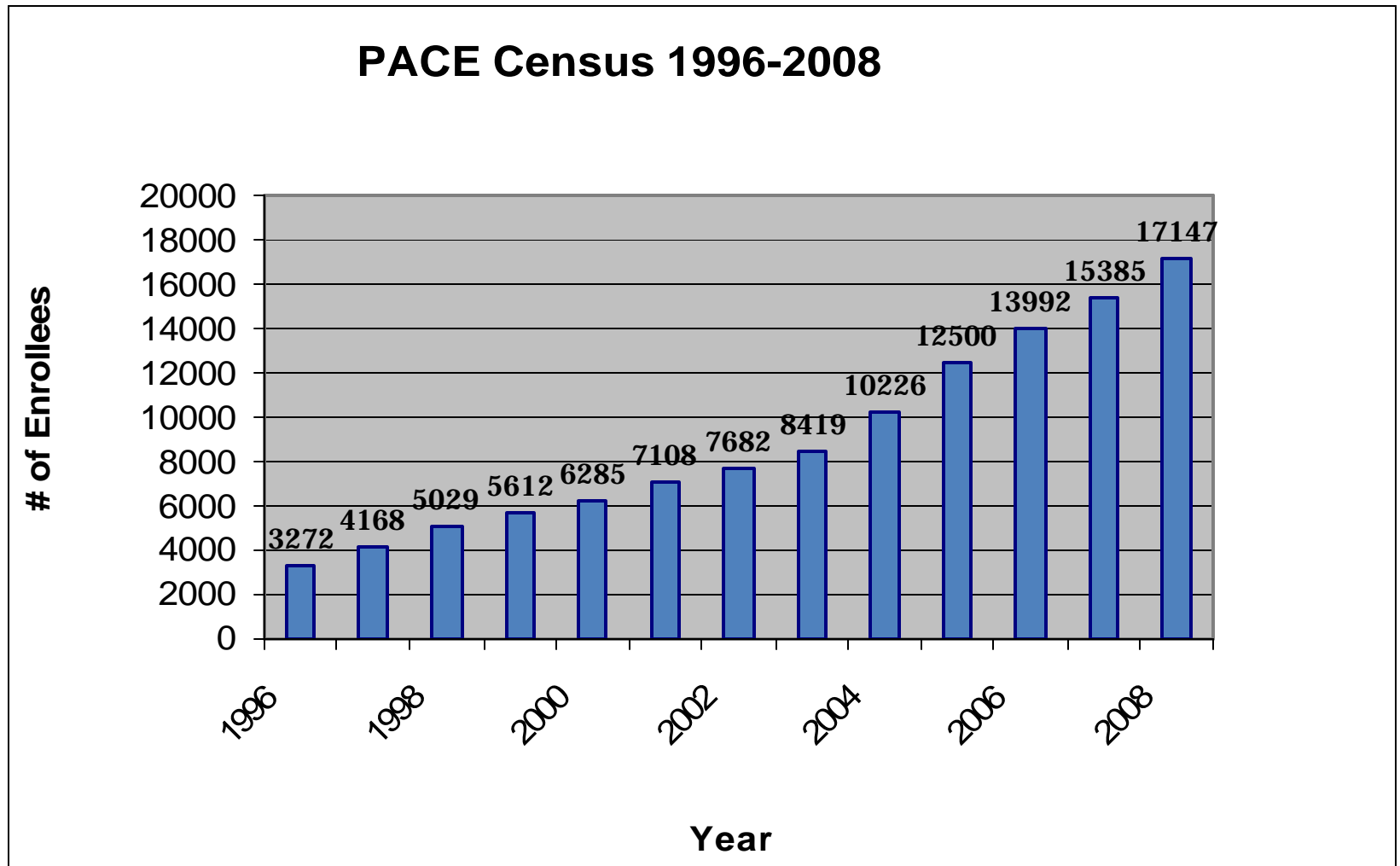
Number of PACE Organizations



PACE Locations



PACE Participant Population



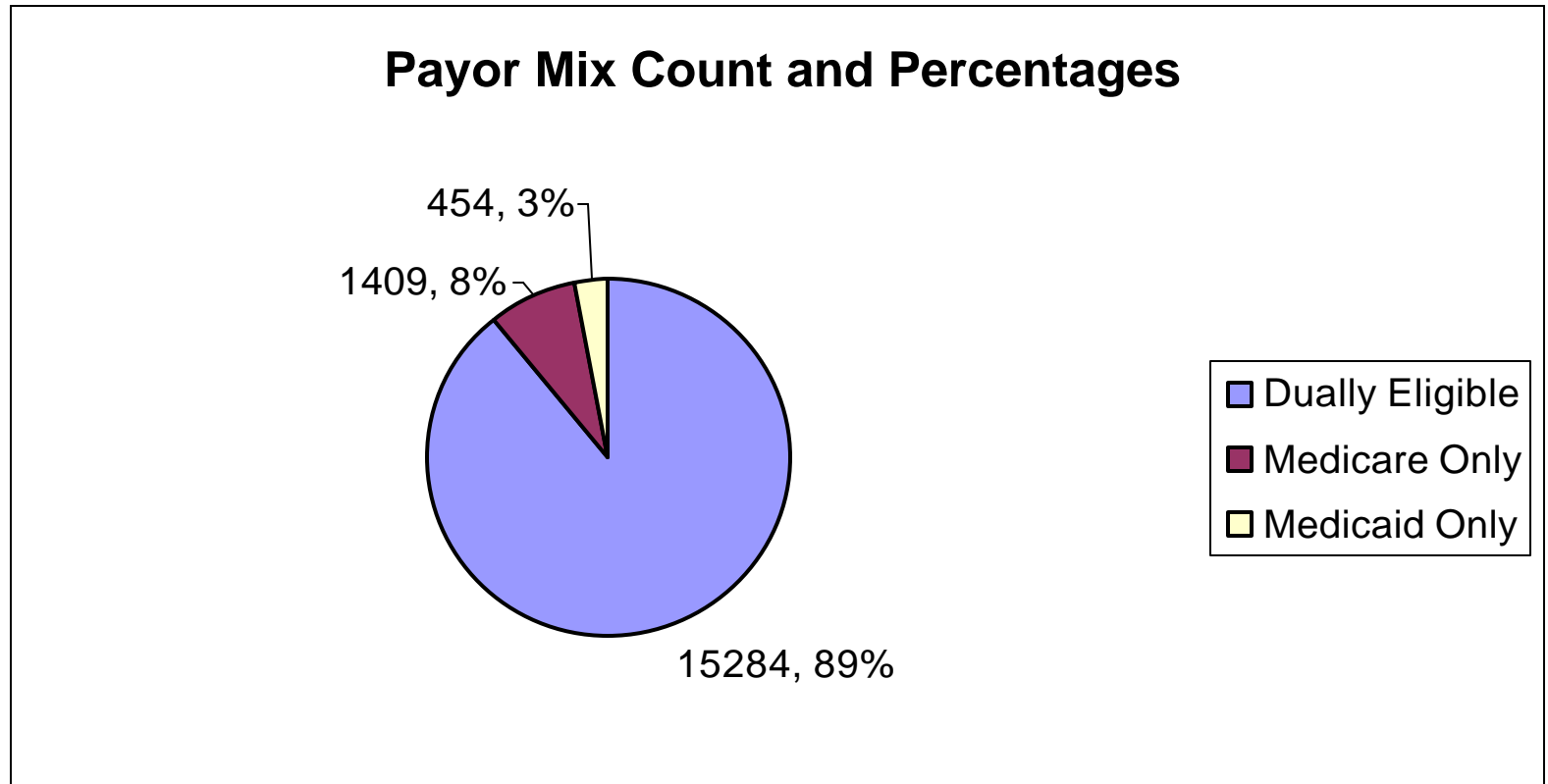
Eligibility

- Individuals 55 years of age and older
- State certified Nursing Home Eligible
- Participant profile:
 - 76% Female; 24% Male
 - Average age: approximately 84 years
 - Median number of ADL dependencies : 3.31 (self-report)
 - Median number of diagnosis: 12.74 (unduplicated)

Financing

- “Blended” Medicare and Medicaid capitated model
 - 89% of all participants are “dual eligible”
- Medicare only: private pay amount equivalent to Medicaid rate for that state
- Medicaid only: state pays a “compromise” amount, higher than Medicaid rate for dual eligible but lower than the blended rate

Financing



Payment: Medicare

- Medicare payments are risk adjusted, reflecting the diagnostic and demographic characteristics of each participant
- “Predictive” model with prospective rates for the calendar year based on the participant’s previous year’s diagnostic history
- Rates are fixed for the year unless participant becomes LTI (90 day or longer in NH) triggering a new lower risk adjustment rate

Payment: Medicaid

- Medicaid payment rates are calculated with two main considerations:
 - Per person reimbursement rates must fall below the assumed cost of serving comparable individuals in traditional Medicaid fee-for-service, guaranteeing the state a cost savings
 - Payments must be inclusive of all Medicaid services
 - State-specific factors will influence these considerations, e.g. proportional spending between community-based and SN care; per capita spending variations
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Services Provided

- Regulations require that PACE provide all medically necessary services
 - Such services include but are not limited to:
 - Primary (physician and nursing), acute (hospital), and long-term (other locations)
 - Social services
 - Restorative therapies
 - Personal and supportive care
 - Nutrition counseling and meals
 - Recreational therapy
 - Home care
 - Housing support as appropriate
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Medication Coverage

- Prescription
 - Medicare and Medicaid eligible (dually eligible): prescription medications are provided
 - Medicare-only eligible are required to pay Medicare Part D for drugs (range is \$300 to \$500 per month)
 - Medicaid-only individuals completely covered
- Over-the-counter
 - Covered when authorized by the care team and included in the participant's care plan

Regulations and Quality Monitoring

- One federal PACE statute
- States licensing includes some combination of:
 - Primary/ clinical, Day care, Home care provider licenses
- Data elements for monitoring include:
 - Routine immunizations
 - Grievances and appeals
 - Enrollments, disenrollments, prospective enrollments
 - Hospitalizations and emergent care
 - Unusual incidents and deaths

How PACE Works

- Interdisciplinary team approach
 - Professionals and paraprofessionals attend weekly team meetings
 - Expands care beyond “medical model” approach
 - Coordinates planning, implementation, evaluation
- Day center attendance
 - Average attendance: 2 to 3 days per week
 - Monitoring, early intervention, relationships
- Goal alignment
- Home care/ family involvement

What's Working Well

- Participant outcomes
 - Strong clinical and social indicators
- Cost of care
 - No longitudinal study, but at minimum cost equivalent to traditional fee-for-service for comparable populations
- Model expansion
 - Rural communities
 - Veterans Administration
 - Tribal populations

The Challenges

- For Potential New Providers
 - Very new approach to care
 - Lack of understanding of the PACE model
 - Concern with risk-based nature of payment model
 - Model fit within the broader long-term care system within the community and state

The Challenges

- For States
 - Rate setting and licensing challenges
 - Model fit within and potential competition within the larger state long-term care system
- For Participants
 - Awareness and understanding of the model
 - Requirement to give up existing providers
 - Requirement to attend day center

Contact Information

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www.NPAonline.org

<http://www.cms.hhs.gov/PACE/>

<http://www.cms.hhs.gov/PACE/Downloads/externalfactsheet.pdf>