

Presentation #10.B



on LOK®
where seniors embrace life

Overview of PACE

(Program of All-Inclusive Care for the Elderly)

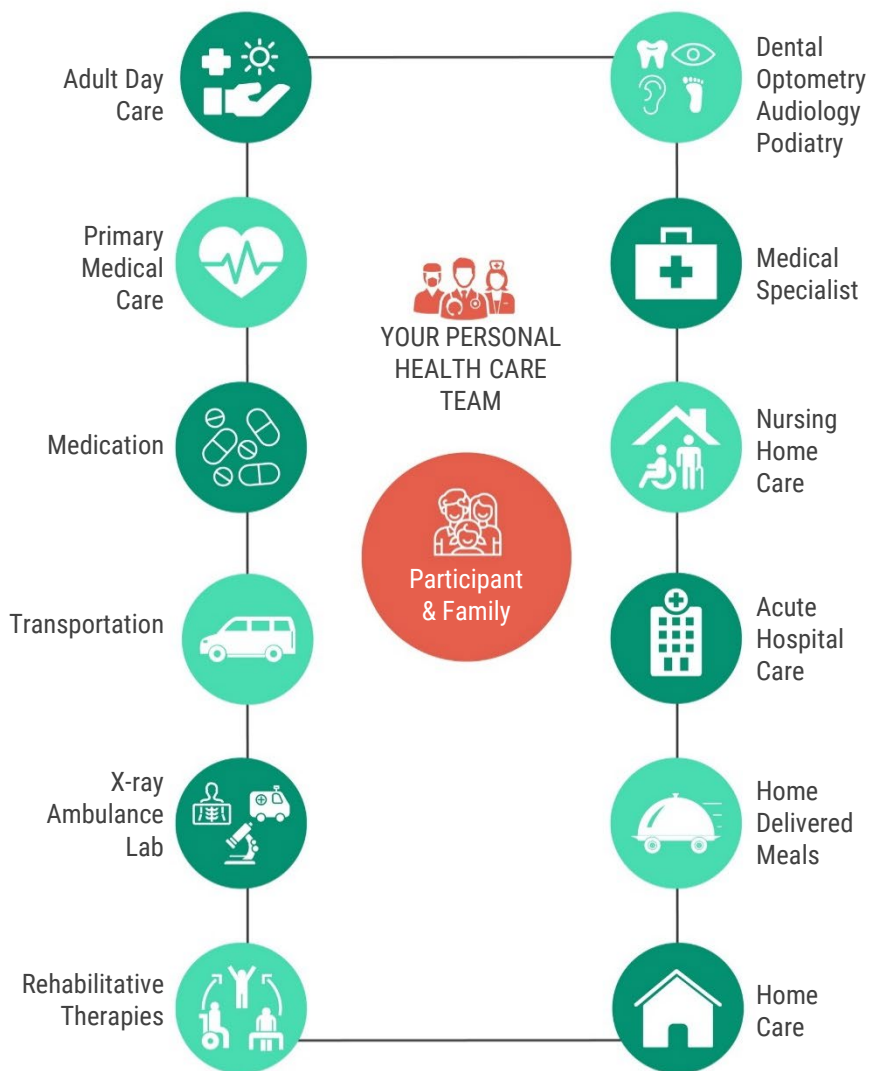
April 2022



Above: The inauguration of On Lok House at 1441 Powell Street in San Francisco in 1980.

History

- Founded in 1971 and began as one of the first adult day health care programs in the country.
- Created the PACE model and launched national demonstration, leading to federal legislation in 1997.
- Founding members of National PACE Association and CalPACE.
- As of April 2022, On Lok had 1,722 nursing home eligible older adults enrolled in On Lok PACE.
- Operates senior housing and array of senior services and meal programs that serve over 6,000 older adults per year.



What is PACE?

Program of All-Inclusive Care for the Elderly

- Comprehensive, person-centered care to support individuals eligible for nursing home care to remain in their homes and communities.
- Care coordination by interdisciplinary team comprised of primary care providers, nurses, social workers, rehab therapists, activity therapists, dietitians, home care nurses, and caregivers and drivers.
- Focus on prevention, health & wellness.
- Provider-based managed care that is a choice in Coordinated Care Initiative (CCI) and CalAIM.

Who can join PACE?

To qualify, one must:

- Be 55 years of age or older
- Live in a zip code served by PACE
- Need a nursing home-level of care
- Be able to live safely in the community at the point of enrollment



PACE Centers: The Hub of Care

EACH PACE CENTER HOUSES:



Primary care & urgent care



Interdisciplinary team



Medical rooms for on-site specialty services, including dental, podiatry, audiology, optometry, speech therapy



Rehabilitation facilities and staff



Recreational activities



Adult day center



Shower and personal care facilities



Transportation vans and services for member seniors to/from Centers and medical appointments



Nutritional services including dietitian-managed lunch, take-home dinner, snacks



Lab/diagnostic services



Operational days and hours
Monday – Friday,
8:00am – 4:30pm



Prescription medications administered at centers and available for home delivery

ACCESS TO SERVICES ALL IN ONE PLACE

Integration of Medical Care



The goal is to maximize medical management in outpatient setting and integrate social and functional support needs



Primary care team on-site:
MD, NP, RN



24-hour call system with on-call physicians and nurses linked to Interdisciplinary Team

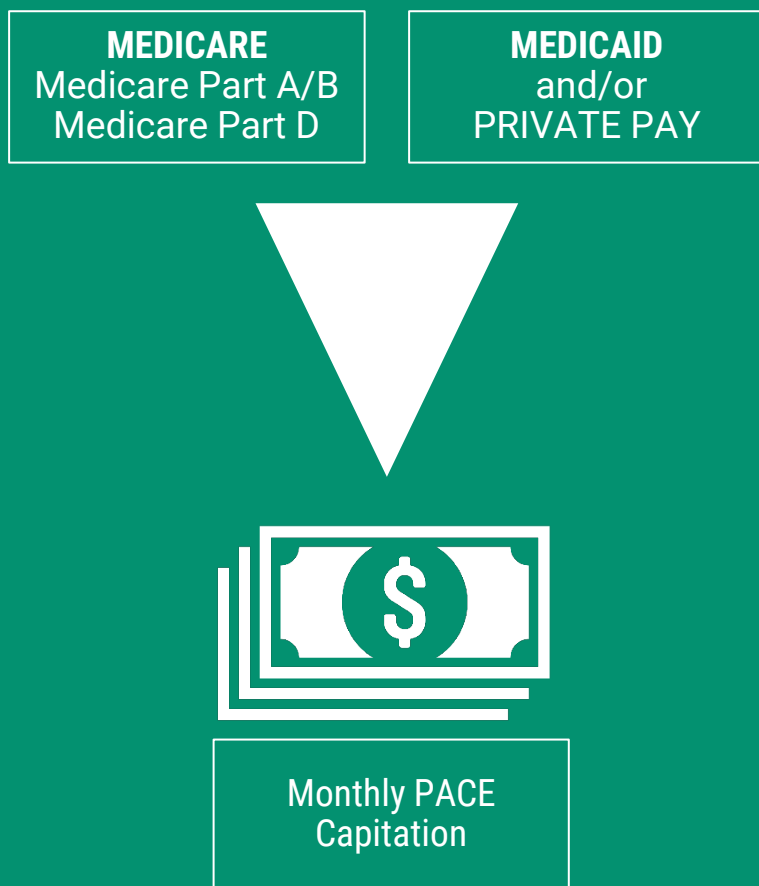


Full-service clinic for urgent care and management of chronic conditions

- IV and respiratory therapy and wound care management
- Frequent visits for management of chronic disease such as CHF, diabetes, chronic lung disease

PACE

Integrated Financing



PACE Rate-Setting Methodology

- PACE covers all Medicare and Medicaid services and additional services when authorized by the Interdisciplinary Team (IDT).
- PACE organizations accept full financial risk for all medically necessary services.
- Average % PACE participant eligibility:
 - 90% are dually eligible for Medicare & Medicaid
 - 9% are only Medicaid eligible
 - 1% Pay private premium (Medicare-only or other)

PACE Provides High-Quality Outcomes

1 Care Team:

All PACE participants have an interdisciplinary team, including a primary care provider, who provides services and care coordination.

2 Better Preventative Care*:

PACE participants receive better preventive care, specifically with respect to hearing and vision screenings, flu shots and pneumococcal vaccines.

3 Reduced Hospital Admissions:**

PACE participants have a 24% lower hospitalization rate than dually-eligible beneficiaries who receive Medicaid nursing home services.

4 High Rates of Community Residence***:

95% of PACE participants live in the community instead of a nursing home.

5 High Caregiver Satisfaction****:

96% of family members are satisfied with PACE support, 97.5% would recommend PACE.

*Leavitt, M., U.S. Department of Health and Human Services, Interim Report on the Quality and Cost of the Program of All-Inclusive Care for the Elderly, 2009, Mathematica Policy Research evaluation prepared for the Secretary of Health and Human Services for submission to Congress.

**Segelman, M., Szydlowski, J., Kinosian, B., et al. (2014). Hospitalizations in the Program of All-Inclusive Care for the Elderly. *Journal of the American Geriatrics Society*, 62: 320-24.

***<https://www.npaonline.org/sites/default/files/images/NPA%20infographic%203%2020%20%281%29.pdf>, 7/30/2020

****National PACE Association. (2018). PACE Reduces Burden of Family Caregivers, Aug. 30.

PACE Participants Have High Needs

28% are **Over 80 Years** of Age

100% are **Nursing Home Eligible**

Average of **18 Medical Conditions**

Average Age
74

55% have **3+ Limitations** in Daily Living Activities

32% have **Alzheimer's or Related Dementia**

Prevalent Chronic Conditions

Vascular disease | Polyneuropathy

Major depressive, bipolar disorders

Congestive heart failure | Diabetes



Meeting the COVID-19 Challenge



25.6% Test Positive for COVID-19 —

Over 73% less than nursing homes

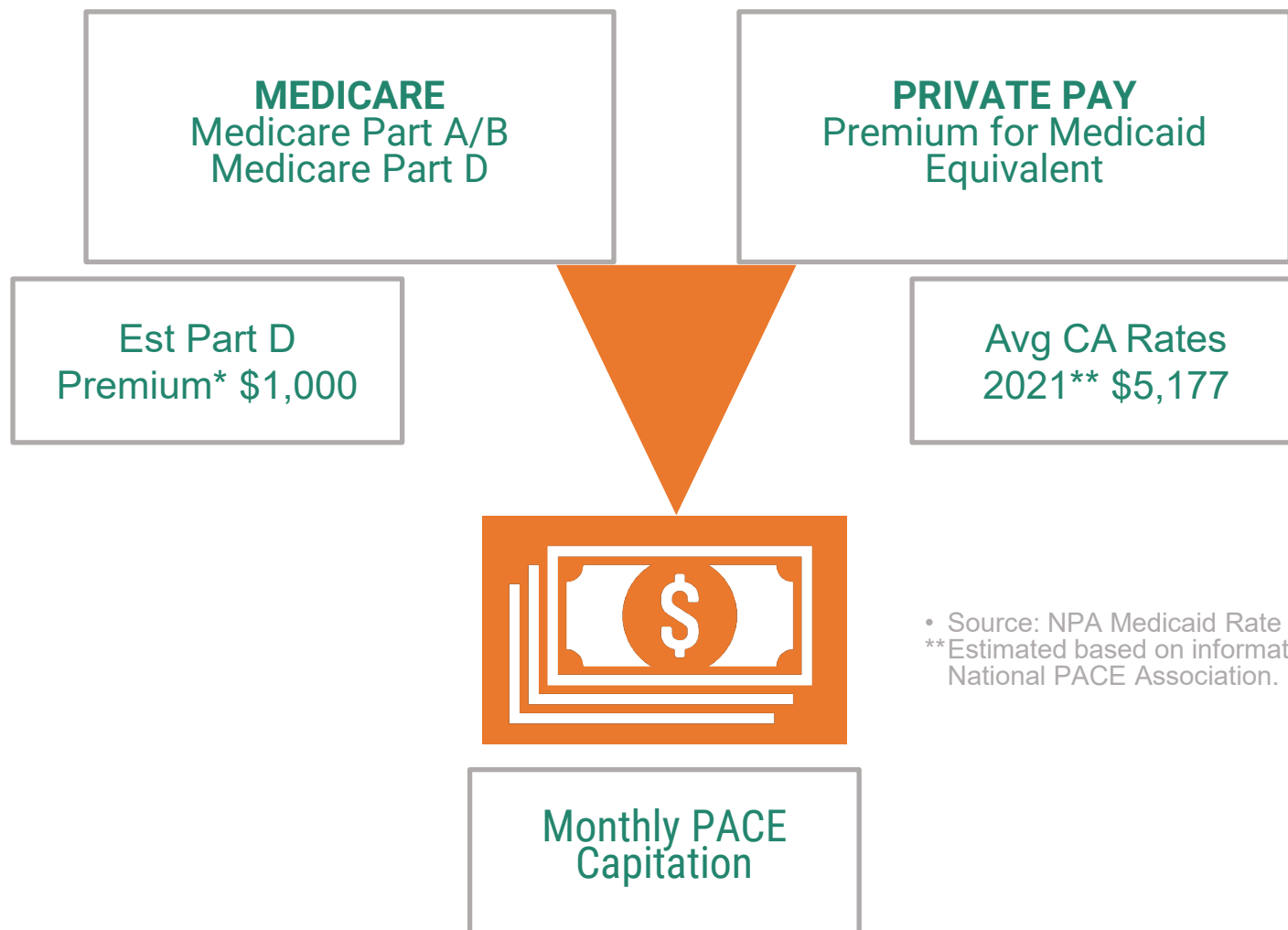
6.7% COVID-19 Hospitalizations

2.4% COVID-19 Deaths

PACE in California

- PACE Modernization Act has fueled changes in California's PACE environment since 2016
- PACE serves more than 15,000 participants in 22 California counties
- 23 PACE Organizations (POs) with 69 PACE Centers or alternative care sites.
- 10 organizations in PACE application process. Five more counties expected to have PACE access by July 2023.
- NPA estimates that 84% of the potentially eligible population has access to PACE in CA.

PACE for Medicare-Only Beneficiaries



• Source: NPA Medicaid Rate Survey
 ** Estimated based on information from
 National PACE Association.

Federal Initiatives to Expand PACE to Additional Medicare Beneficiaries

- Elizabeth Dole Home & Community Based Services for Vets & Caregivers Act (S. 3854/H.R. 6823)
- PACE Part D Choice Act (H.R. 4941)
- PACE Plus Act (S. 1162/H.R. 6770)
- PACE Expanded Act (S. 3626)

Prospects: Is the time for PACE Expansion Now?



- *Senate Aging Committee testimony: Scale, Spread and expand the Scope of PACE, Harvard University Assistant Professor of Health Policy Jose Figueroa, M.D.*
- *Bipartisan Policy Commission: time to expand access to PACE and address cost barriers faced by Medicare-only individuals*
- *Duke/Margolis recommendation: Leverage PACE to expand home-based care*
- *ASPE report: among integrated plans (D-SNPs, MMPs and PACE), PACE is a consistently high performer*

Options for PACE in Long-Term Care Insurance Program

Certified Provider Option

- PACE organizations are certified providers under Medicare and Medicaid.
- Services generally authorized by LTC insurance are part of the PACE benefit package (e.g., home care, personal care services).
- Recognizing PACE as a certified provider where available provides eligible beneficiaries the choice of an integrated care option.

Cash Benefit Option

- PACE organization receives capitated payments from Medicare to cover medical and acute care services.
- Medicare only beneficiaries use cash benefit to pay for LTC services provided by PACE.
- For persons not eligible for Medicare, cash benefit pays for part of the premium to enable enrollment in PACE. Individuals would still be responsible for a premium equivalent to Medicare portion.

QUESTIONS & DISCUSSION

