

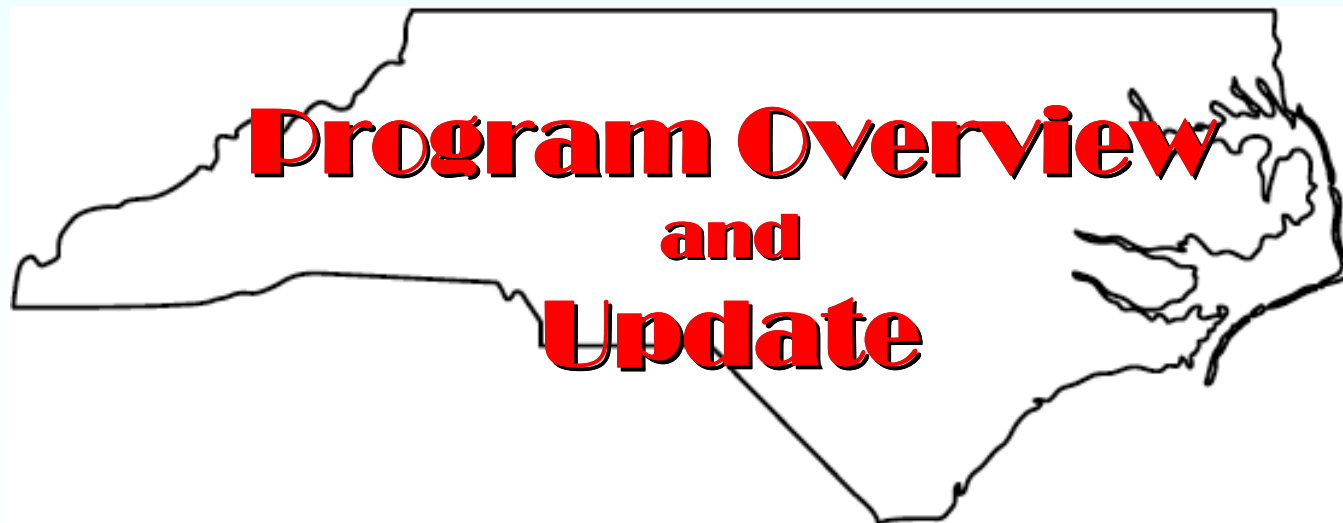


*PACE is not salsa...
although, Pace Picante
Sauce is pretty
tasty...especially with blue
corn tortilla chips*

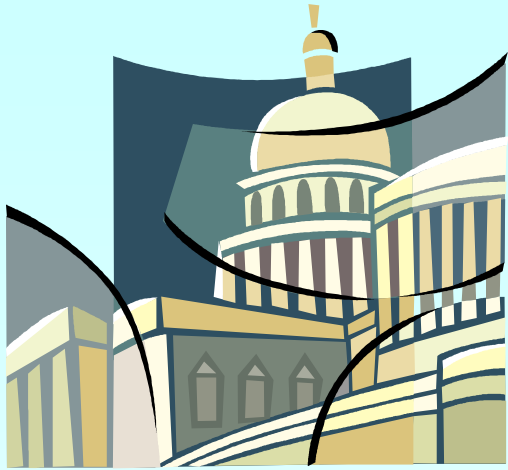


PACE

**Program of All-inclusive Care
for the Elderly**



**Program Overview
and
Update**



Legislative History

PACE was authorized under the Balanced Budget Act of 1997

- **Section 4801 authorized Medicare coverage of PACE services and**
- **Section 4802 authorized the establishment of PACE as a state option under Medicaid**

State Legislative Mandate

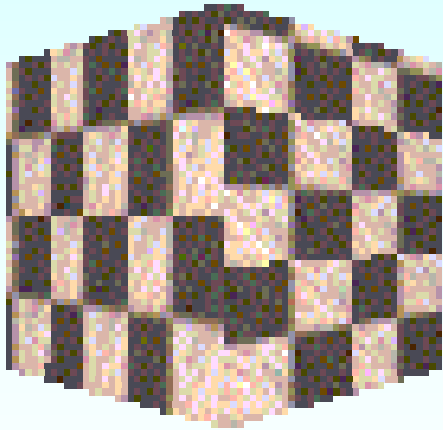
House Bill 1414

2004 Session



PACE PILOT PROGRAM FUNDS SECTION 10.12.(a) The Department of Health and Human Services, Division of Medical Assistance, shall develop a pilot program to implement the Program for All-Inclusive Care for the Elderly (PACE).

PACE



- Definition
- PACE Philosophy
- Target Population
- PACE Activity
Across U.S.



What is PACE?

PACE is a community-based program that provides a unique managed care benefit for the frail elderly. The PACE program operates and is certified as an **adult day health center** and:

- Provides a **comprehensive** array of medical and social services at the center
- Arranges for all **in-home** and **referral services** that may be required by each enrollee
- Uses an **interdisciplinary team** to manage care and services for each enrollee

PACE **Philosophy**



The PACE model is centered around the belief that it is better for the well-being of seniors with chronic care needs and their families to be served in the community whenever possible.



To qualify for PACE An individual must:

- **Be age 55 or over**
- **Meet the state's nursing home level of care criteria**
- **Be able to live safely in the community at the time of enrollment and**
- **Live in a PACE Service Area**

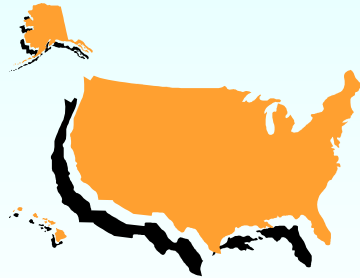
According to the National PACE Association



**There are 43
PACE Programs**



**That Operate 74
PACE Centers**



In 23 States and



**Provide Services to
Over 10,500 PACE
Enrollees**



Characteristics of PACE Participants

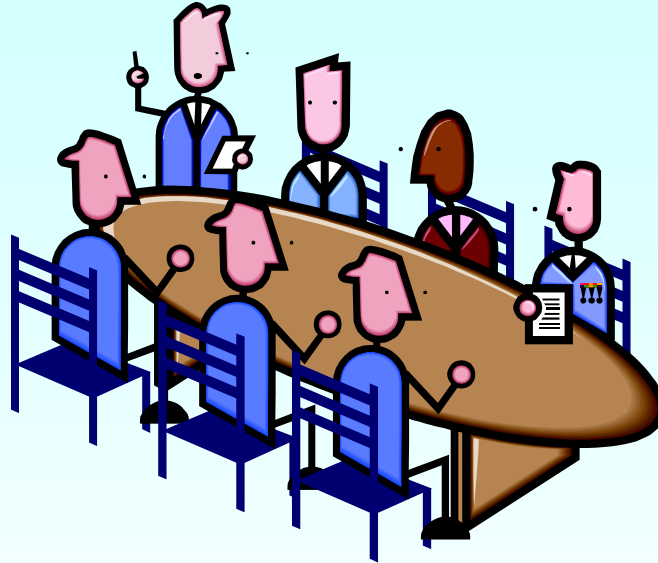
- Average age is 80
- Seventy-five percent are female
- Most are dually eligible
- Have, on average, 7.9 medical conditions, many of which are chronic conditions, such as diabetes, dementia, coronary artery disease, and cerebrovascular disease
- Live in the community (approximately 7% live in nursing homes for which the PACE program pays)

PACE



**Unique
Features**

Be a public or nonprofit organization and



**Be governed by a Board of Directors
that includes community representatives**

Be Implemented Under a Three-Way Agreement

Federal



State

www.chhs.state.nc.us/dma/

nc dma
Division of Medical Assistance

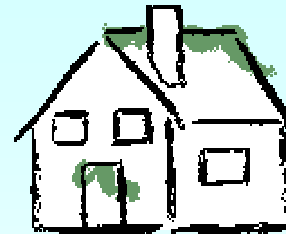


Local Provider Organization

Be community-based and have a physical site to provide Adult Day Health Services



Nine out of ten PACE participants live in the Community.



PACE programs deliver services in the participant's home...

and provide transportation to...

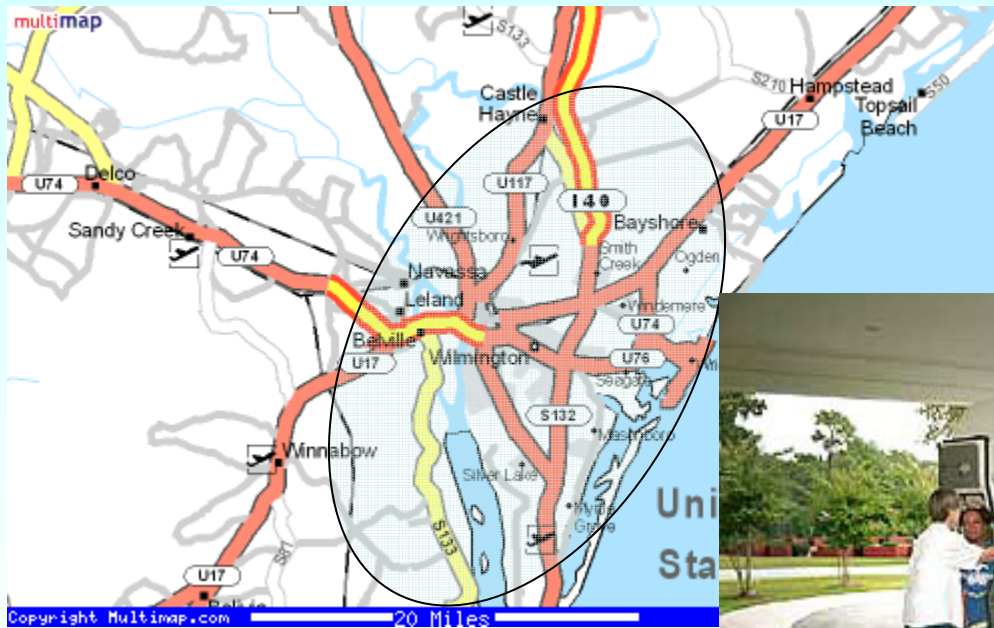


The PACE Center located in the community,



and other needed services and activities

Have a defined service area approved by CMS and NC DMA



Provide a specified array of services at the PACE Center to include (BNLT):

Transportation

Meals

Nutrition
Counseling

Interdisciplinary Team
Case Management

Personal Care
Services

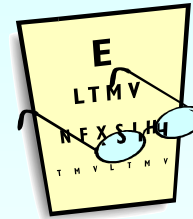
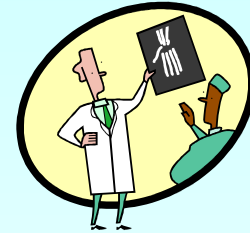
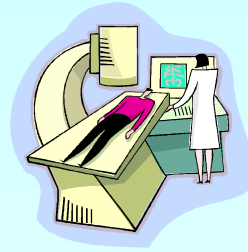


Nursing
Care

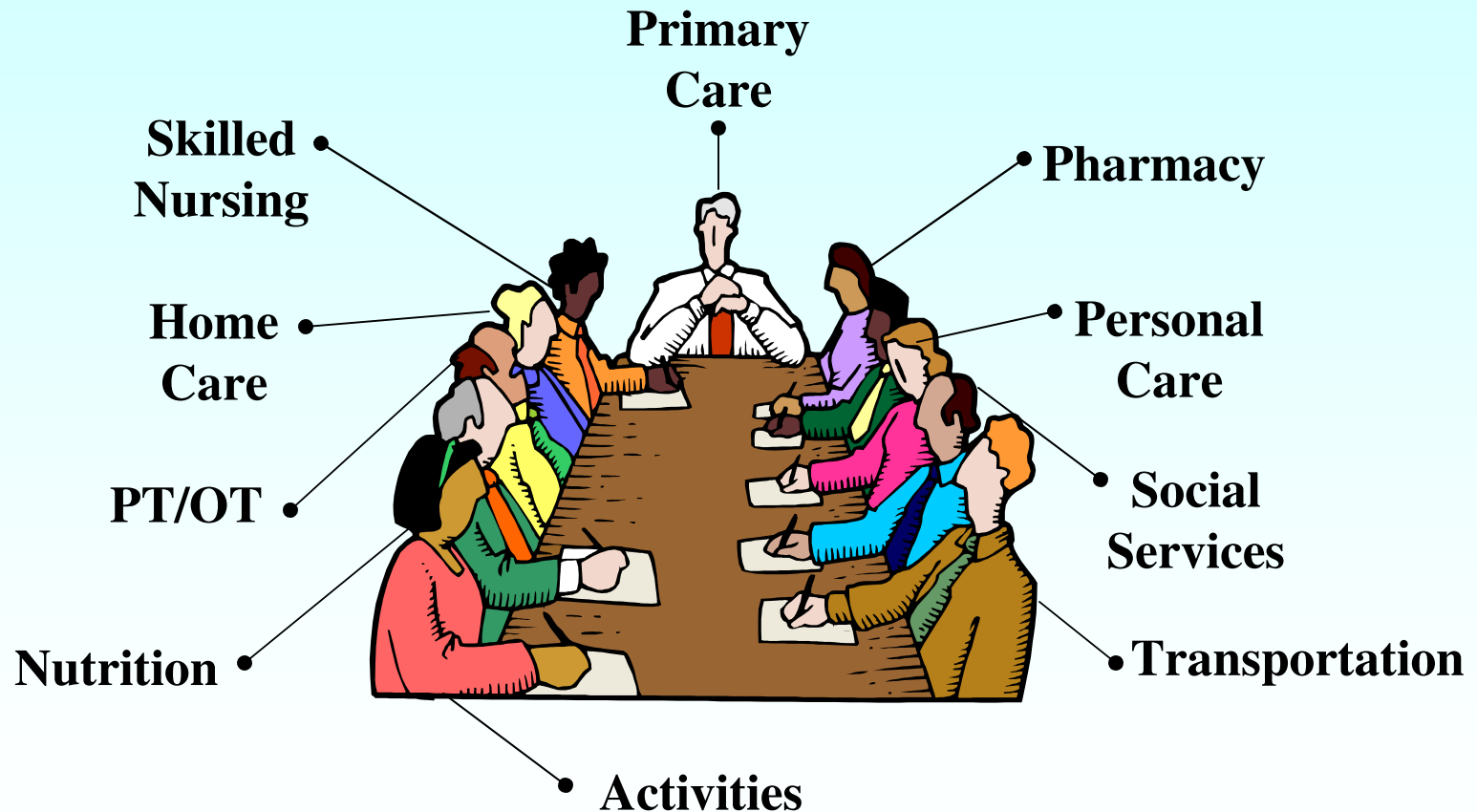
Specialized
Therapies

Primary Care
Physician

Develop a Network of Community Providers

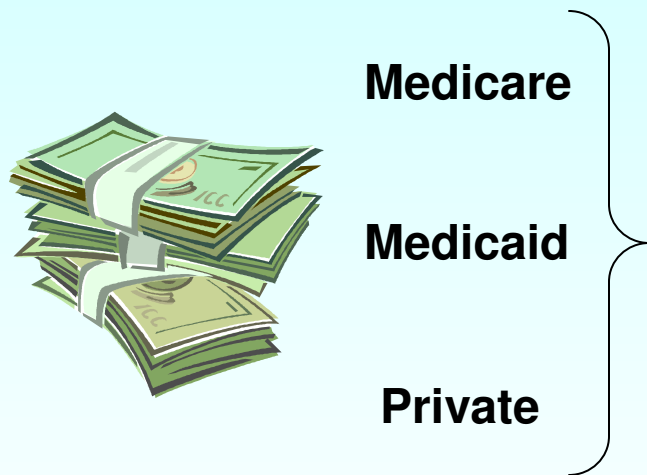


Provide an Interdisciplinary Team to manage the care and services provided to each PACE Participant



Accept payment under a full-risk capitated agreement and

Provide a comprehensive service package



Integrated Financing

- Preventive care**
- Home care**
- Personal care**
- Adult day health care**
- Skilled nursing care**
- Restorative care**
- Primary care**
- Specialty care**
- Hospital care**
- Nursing facility care**
- Hospice**

Federal Cost Neutrality Requirement

- **The PACE recipient would otherwise be institutionalized**
- **The average per capita costs for PACE will not exceed 100 percent of the average per capita costs if the recipient was in a nursing home**
- **The total Medicaid expenses for PACE in any given year will not exceed the total amount that would have been paid if all PACE participants were in a nursing home**

Developing a PACE



Program



Federal Responsibilities for PACE

- **Establishing program regulations and operational requirements, including required services**
- **Evaluating and approving the PACE service area definition**
- **Evaluating and approving the state's payment methodology and capitation rates**
- **Evaluating and approving the PACE Application**
- **Approving and signing the three-way PACE Agreement**

State Responsibilities for PACE

- **Developing and implementing state policy**
- **Identifying statutory and regulatory requirements**
- **Developing a State Plan Amendment and submitting it to CMS for approval**
- **Setting Medicaid UPL and capitation payment rate**
- **Setting administrative procedures and eligibility requirements**
- **Reviewing and approving the PACE application**
- **Approving and signing the three-way PACE Agreement**
- **Monitoring program operations for quality and compliance including ADHC certification**

Shared Responsibility for Compliance and Quality of PACE

- Our sister agency, the Division of Aging and Adult Services, has the responsibility of Certification of Adult Day Health Care Programs which is required in the PACE approval.
- The lead staff for certification is
- Glenda Artis, MSW
Adult Day Care Consultant
NC Dept of Health & Human Services
Division of Aging and Adult Services.

Types of Adult Day Care

- Adult Day Care Center or Home
- Adult Day Health Center or Home
- Adult Day Care and Adult Day Health Combination Center
- Special Care Programs (Alzheimer's, Developmental Disabilities, HIV or other special conditions)

What is Adult Day Care?

- North Carolina General Statute 131D-6(b)
 - ❖ Gives authority to the Department of Health and Human Services, Div. of Aging and Adult Services to inspect and certify all adult day care programs under rules adopted by the Social Services Commission.
 - ❖ Defines adult day care program as “the provision of group care and supervision in a place of abode on a less than 24-hour basis to adults who may be physically or mentally disabled.”

Adult Day Health Programs and Services

What Are They?

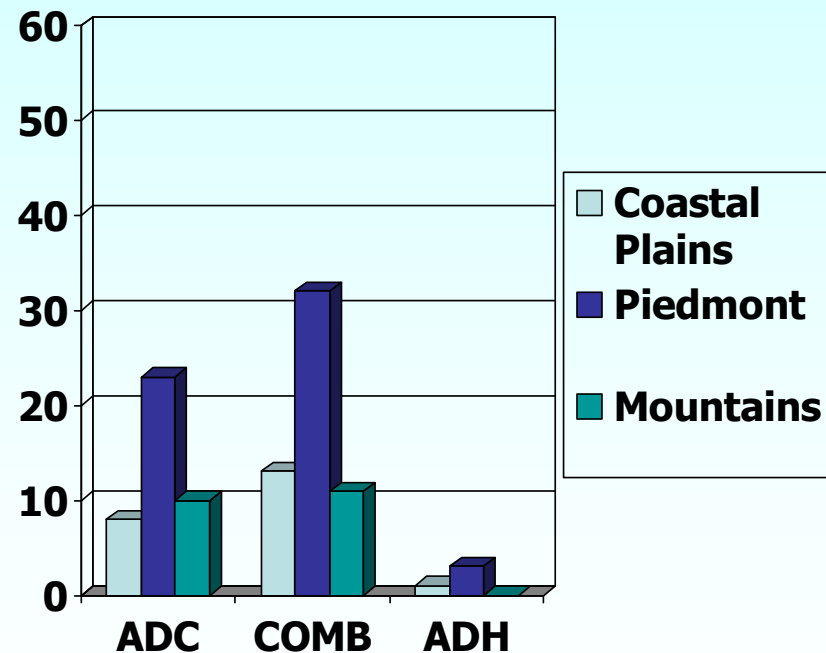
- North Carolina Administrative Code 10A NCAC 6S .0102
 - ❖ Defines Adult Day Health Care as the provision of an organized program of services during the day in a community group setting for the purpose of supporting adult's personal independence and promoting his social , physical and emotional well-being. Services must include health services directed by a nurse

What are Special Care Programs?

- General Statute 131D-6 (b1)
 - ❖ Defines Adult Day Care Programs that advertises, markets, or otherwise promotes itself as providing special care service for person Alzheimer's disease or other dementias, mental health disability other special needs disease or condition will be subject to additional rules.

Total Number of Programs Located in North Carolina

- Adult Day Programs (41)
- Combination Adult Day Care and Adult Day Health Care Programs(56)
- Adult Day Health Programs (4)



- While the CMS approval process has initially begun, the process for certification must also begin. This begins with consultations with the potential PACE provider, the local department of social services, the local health department, Area Agency on Aging, and others within the local community.

- The local department of social services and the local department will make the recommendation of certification at the local level to DAAS
- Before this recommendation is done, the following items will be submitted to the department of social services:

Initial Certification Requirements

- Program Policies
- Organization Diagram
- Job Descriptions
- Form ADS Daily Rate Sheet: showing the planned expenditures and resources available to carry out the program of service for a 12 month period

Initial Certification Requirements

- Floor Plan
- Fire Inspection Report
- Sanitation Report
- Completed Building Inspection Reports (Form 1499, 1499a) or equivalent
- Written notice and the effective date for a variance of local zoning
- A copy of the articles of incorporation

Initial Certification Requirements

- The name and mailing address of the owner
- Bylaws, names and addresses of board members for a non profit organization
- Medical statement for each proposed staff member
- Personnel Policies
- CPR and First Aid Documentation

Initial Certification Requirements

- Evidence of Statewide Criminal Background Checks on owner and all proposed staff members
- Contracts or agreements regarding staffing, food and nutrition services, transportation, insurance, use of space etc.

Initial Certification Requirements

- A recommendation will be made by the local department of social services and or local health department depending on whether the agency is seeking adult day care or adult day health certification. Once materials are submitted and approved and site visit is completed, a certificate is issued

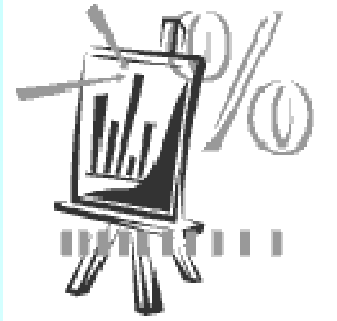
Adult Day Care and Adult Day Health Programs - PACE Program

- A program who seeks to be approved as a PACE Program can not be approved until the program is certified as a adult day health or adult day care and adult day health combination program
- A program can not receive Medicaid under the CAP/DA program unless the program is certified as an adult day health program



Local PACE Provider Organization

- **Researching and understanding the PACE model**
- **Determining the feasibility of PACE for the selected service area**
- **Developing a PACE business plan**
- **Preparing and submitting a PACE application to CMS and DMA**
- **Establishing a provider network for referral services**
- **Successfully completing the application process, including the CMS site visit**



The typical PACE Program will:

- **Enroll 25 to 50 individuals per year for the first five years**
- **Spend \$1 to \$3 million on start-up and operational costs before reaching breakeven**
- **Reach breakeven somewhere between 70 and 100 enrollees**
- **Earn a profit of between 4 and 10 percent after breakeven**



Issues Affecting PACE Development

Administrative requirements

Demographics

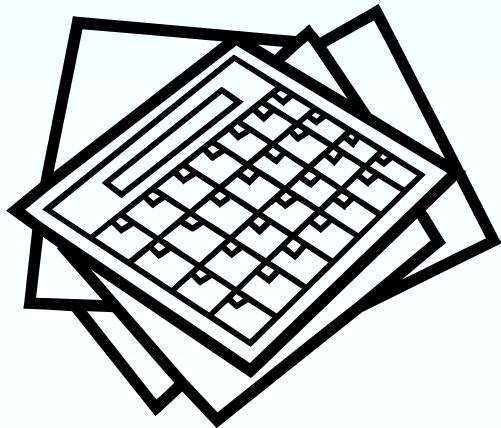
- **Limited service area**
- **Urban versus rural**

Cost

- **Start-up costs**
- **Full-risk capitation**



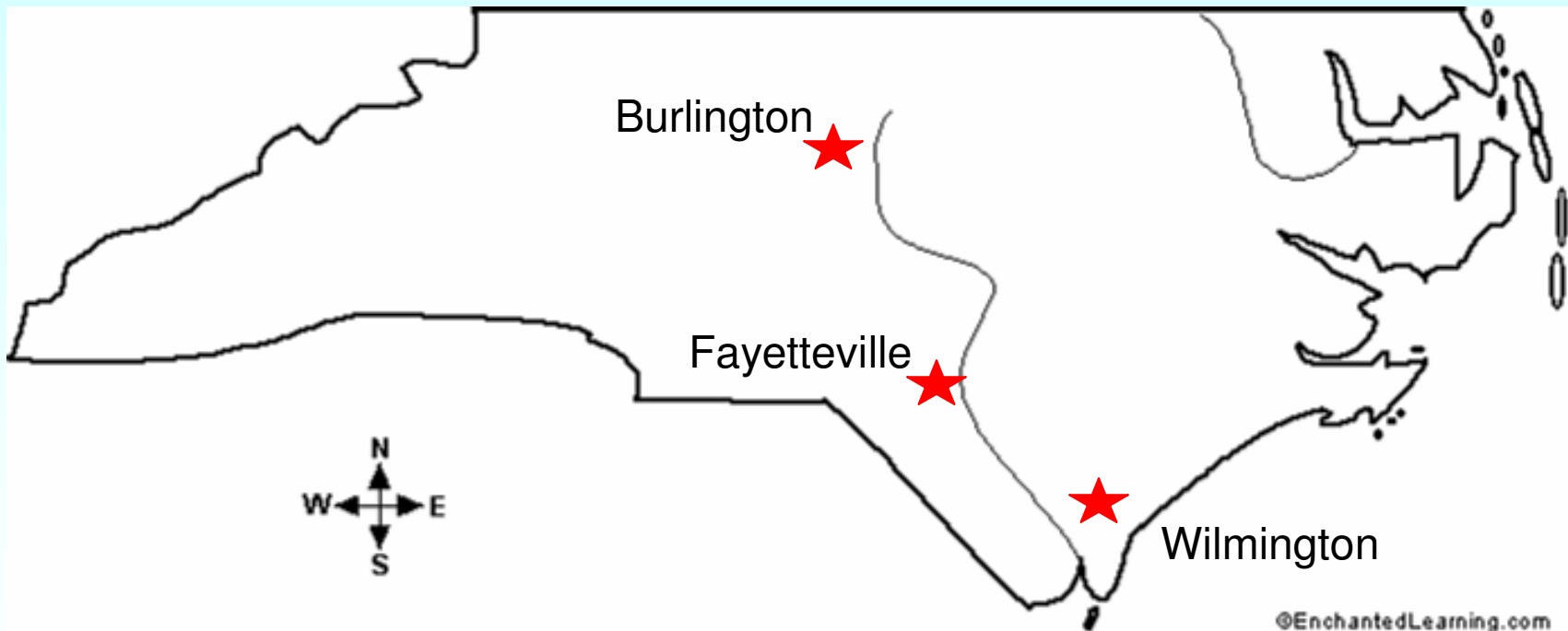
PACE in North Carolina



**Update
October 2008**



NORTH CAROLINA PACE ACTIVITY



PACE STATUS

Organization	Location	Counties Served	PACE Status
<p>Elderhaus, Inc.</p> <p>Non-profit adult day health center</p>	<p>Wilmington, NC</p>	<p>New Hanover and part of Brunswick County</p>	<p>Is North Carolina's first active PACE program</p> <p>Has enrolled 26 participants since February 2008 – expected enrollment at 2-4 per month</p>
<p>Piedmont Health Services, Inc.</p> <p>Federally qualified community health center</p>	<p>Burlington, NC</p>	<p>Alamance and Caswell Counties</p>	<p>Is North Carolina's second active PACE program. Has enrolled 24 PACE participants since October 1, 2008.</p> <p>Expected enrollment at 2-4 per month.</p> <p>Received CORE Site Development Grant for Rural PACE development.</p>

PACE STATUS (continued)

Organization	Location	Counties Served	PACE Status
St, Joseph of the Pines Senior living and health care services	Fayetteville, NC	Cumberland County and surrounding - TBD	Received approval from their board of directors to pursue developing a PACE program Developing PACE Application for submission to CMS
Moses Cone Health Systems and Partners	Greensboro and Charlotte NC	Guilford and Rockingham Mecklenburg and surrounding TBD	Has submitted letters of intent to NC DMA to pursue two new programs and is conducting feasibility studies
Volunteers of America	TBD	TBD	Conducting marketing studies to determine service area



**Questions about
PACE?**

Thank you and . . .



Have a Nice Day!!!