2022 Forum on Aging in Rural Oregon

Presents

Programs of All-Inclusive Care for the Elderly (PACE): Challenges and Opportunities in Rural Communities

Speaker:

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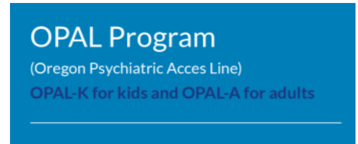

2022 Forum on Aging in Rural Oregon

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2022 Forum on Aging in Rural Oregon

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Robert Thorn, MBA, FACHE

Director, Pinnacle Healthcare Consulting

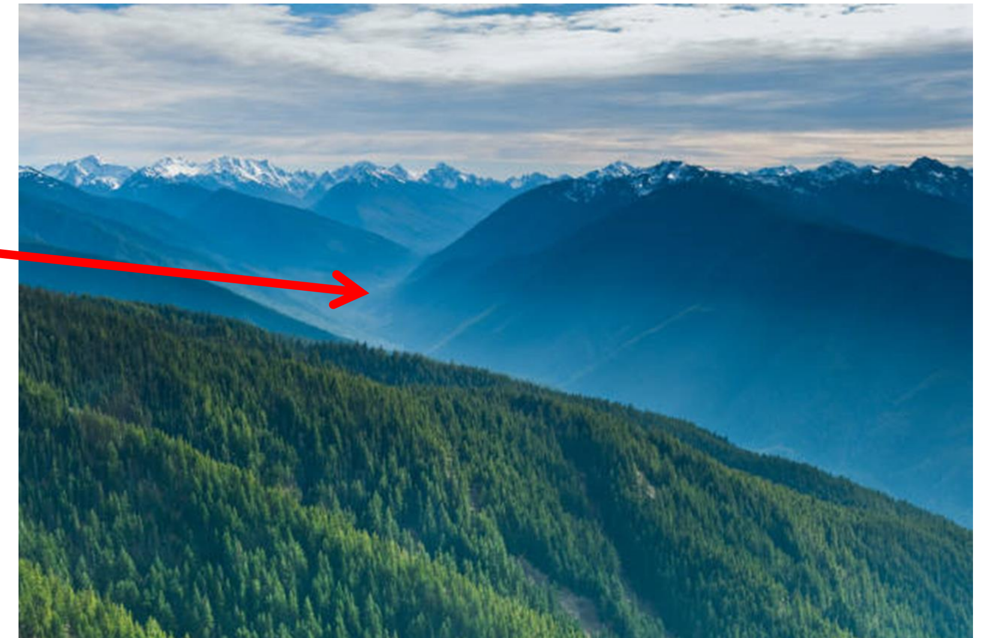
Programs of All-inclusive Care for the Elderly (PACE): Challenges and Opportunities in Rural Communities

Pinnacle Healthcare Consulting

- Background – My “Perspective”
  - Worked in C-suites of hospitals ranging in size from:
    - 25 CAHs and smaller, rural PPS facilities
    - 500+ bed Regional Tertiary Medical Centers
- Have strong affinity for rural PPS and CAHs
- Started PACE in Boulder and Weld Counties, CO
  - Mix of urban and rural

The “Calling” – Where It All Started

- As rural as rural gets…



Being the First

- Is not always as fun as it looks…

"This really is an innovative approach, but I'm afraid we can't consider it. It's never been done before."

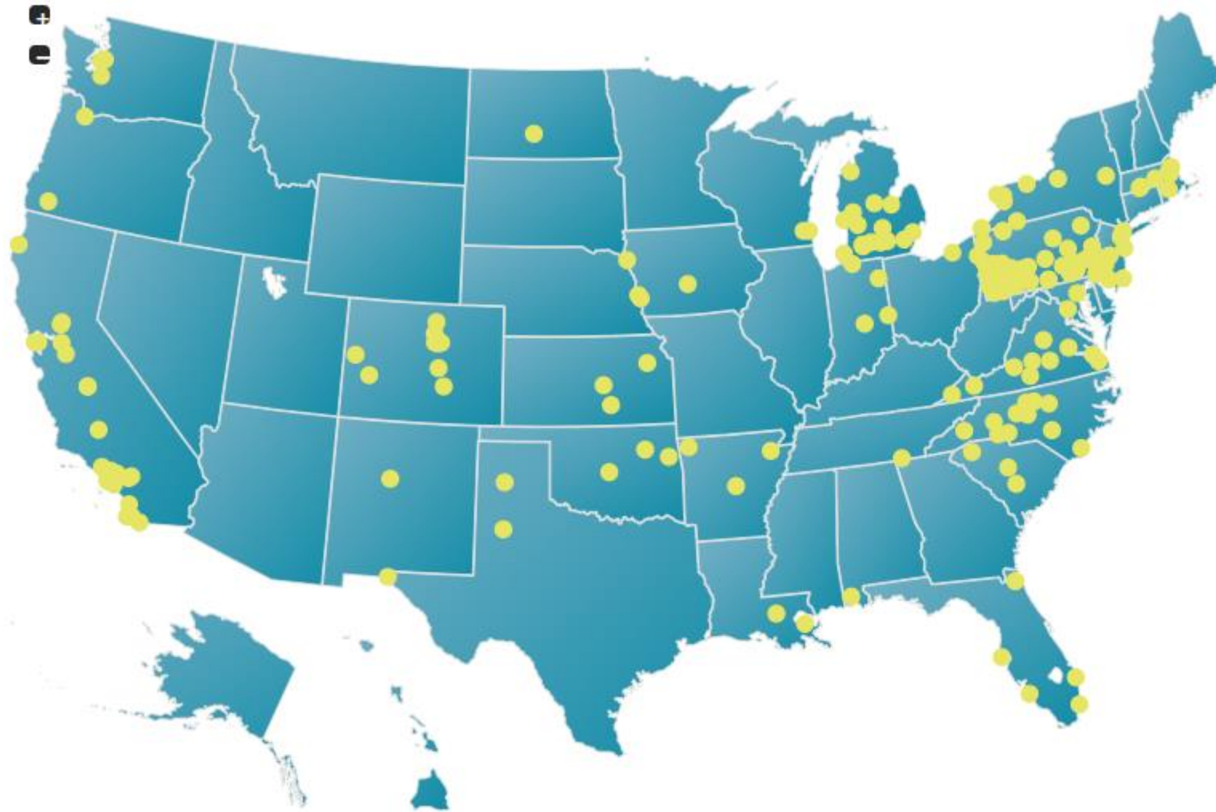
The History of PACE

- 1970s:
  - Began with On Lok in San Francisco's Chinatown Neighborhood
- 1986:
  - Replication began with 12 programs
- 1997:
  - Permanent Provider Status
- Currently:
  - 144 programs operate 272 PACE Centers in 30 sates, serving 58,240 participants*

* Source: National PACE Association, February 2022.

PACE Organizations

- Not very many rural providers



Criteria for PACE Eligibility

- 55 or older
- Live in a PACE service area
- Certified by the state to need a nursing home level care
- Must be able to live in a community setting without risk of health or safety at the time of enrollment
  - This is the only cause for denial
  - Denials can be appealed

Cost for PACE

- A PACE organization **may not** charge a premium to a participant who is:
  - Eligible for both Medicare and Medicaid
  - Only eligible for Medicaid
- A PACE organization **may** charge a premium to a participant who is:
  - Only eligible for Medicare
    - Usually required to charge Medicaid rate
- Private pay option for participants who are not eligible for either Medicare or Medicaid
  - Some LTC Plans may cover, but rare

The “Face of PACE”

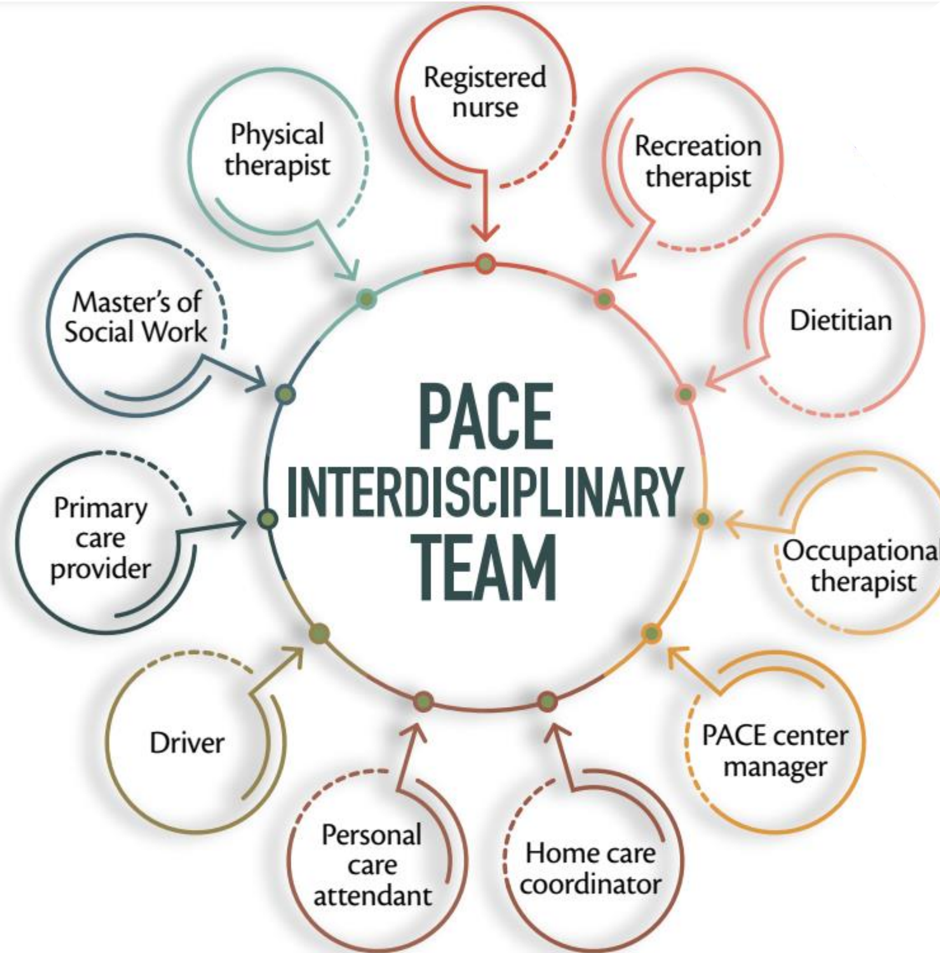
- The typical “***participant”*** (not patient!) is:
  - 80 years old
  - Female
  - 8 medical conditions
  - Limitations in 3 activities of daily living
  - Duel-eligible for Medicare and Medicaid
  - Nearly half (49 percent) of PACE participants have been diagnosed with dementia
  - Despite a high level of care needs, more than 90 percent of PACE participants are able to continue to live in their community
  - Polypharmacy

Polypharmacy

Key Features of PACE

- Interdisciplinary Care
  - The principal care management mechanism in PACE is the interdisciplinary team which directly provides and coordinates all care for the individual

Integrated, Team Managed Care



Key Features of PACE

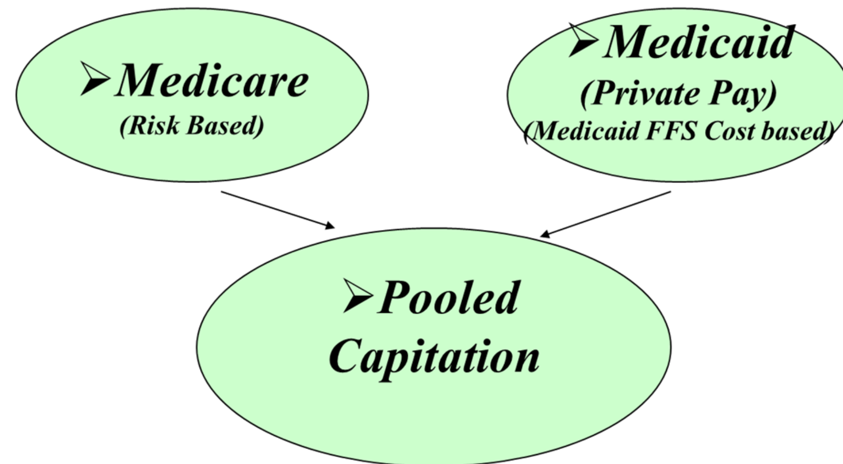
- Flexibility
  - The PACE organization has the ability to provide services to participants as they need them and not according to Fee-for-Service schedules or rules

Key Features of PACE

- All-inclusive Care
  - PACE Organizations fully integrate all Medicare and Medicaid services into one package for at-risk older adults rather than the fragmented Fee-for-Service system

Key Features of PACE

- Integrated Capitated Financing
  - The PACE Organization pools capitated or fixed payments, typically from Medicare and Medicaid, to provide all of the needed services in the PACE benefit package
    - Funds placed in a population “pool,” rather than following the participant



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PACE Outcomes

- The PACE model of care supports the Triple Aim:
  - Simultaneously:
    - Improving the health of the (elderly) population
    - Enhancing the experience and outcomes of the patient
    - Reducing per capita cost of care for the benefit of (elderly) communities

    - PACE is the Ultimate Value-Based Care Model!

PACE Outcomes

- Improving the health of the (elderly) population
  - Evidence-Based Research shows:
    - PACE participants have lower mortality rates compared to similar groups (Weiland, et al.)
      - PACE participants' mortality rates were **19%** during course of study
      - Non-enrolled PACE-eligible patients' mortality rates were **25%** in the same time period

PACE Outcomes

- Enhancing the experience and outcomes of the patient
  - Evidence-Based Research shows:
    - PACE participants had shown fewer emergency room visits, preventable and other hospital admissions and days spent in the hospital (Kane, et al.)
      - PACE participants have shown a **30%** lower likelihood of hospitalization than non-enrolled PACE-eligible patients (Beauchamp, et al.)
      - PACE participants' hospital stays have averaged **4.1** days compared to **6.48** days for non-enrolled PACE-eligible patients (Mitchell, Il, Polivka, and Wang)

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PACE Outcomes

- Enhancing the experience and outcomes of the patient
  - Evidence-Based Research shows:
    - PACE participants have a greater life expectancy after enrollment compared to other, lower-risk groups (Weiland, et al.)
      - PACE participants' survival, on average, is **4.2** years
      - Home and Community-Based Services (HCBS) patients, **3.5** years
      - Nursing Home residents, **2.3** years

PACE Outcomes

- Enhancing the experience and outcomes of the patient
  - Evidence-Based Research shows:
    - PACE improves Quality of Life for the elderly (U.S. Department of Health and Human Services, 2009 Report to Congress)
      - PACE participants reported:
        - better self-rated health status/management of care
        - better preventive care
        - fewer unmet needs
        - less pain
        - **less likelihood of depression**

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PACE Outcomes

- Enhancing the experience and outcomes of the patient
  - Evidence-Based Research shows:
    - PACE improves Quality of Life for the elderly (U.S. Department of Health and Human Services, 2009 Report to Congress)
      - PACE participants also reported:
        - high satisfaction with their quality of life and the quality of care they received
        - PACE participants utilize, on average, fewer than three days of hospital care annually

PACE Outcomes

- Reducing per capita cost of care for the benefit of (elderly) communities
  - Evidence-Based Research shows:
    - Historically, the frailest 10% of the population account for more than 70% of healthcare costs
    - PACE lowers costs
      - Per capita PACE costs have been shown to be **28%** lower than comparable fee-for-service costs (Weiland, et al.)

PACE Required Services

- Primary Care
- Anesthesiology
- Audiology
- Cardiology
- Dentistry
- Dermatology
- Gastroenterology
- Gynecology
- Internal Medicine
- Nephrology
- Neurosurgery
- Oncology
- Ophthalmology
- Oral Surgery
- Orthopedic Surgery
- Otorhinolaryngology
- Plastic Surgery
- Pharmacy consulting services
- Podiatry
- Psychiatry
- Pulmonary Disease
- Radiology
- Rheumatology
- Thoracic and vascular surgery
- Urology
- X-rays and other diagnostic procedures
- Prosthetics and durable medical equipment,
- Corrective devices such as eyeglasses and lenses, hearing aids, dentures, and repairs and maintenance for these items

PACE Required Services

- Acute inpatient care, including, but not limited to: Ambulance, Emergency room care and treatment room services
- Semi-private room and board
- General medical and nursing services
- Medical surgical/intensive care/ coronary care unit, as necessary
- Laboratory tests
- Drugs and biologicals
- Blood and blood derivatives
- Surgical care, including the use of anesthesia
- Use of oxygen
- Physical, speech, occupational, and respiratory therapies
- Social services
- Nursing facility care, including, but not limited to: Semi-private room and board
- Dialysis
- Physician and skilled nursing services
- Custodial care
- Personal care and assistance
- Physical, speech, occupational and recreational therapies, if necessary
- Social services
- Medical supplies and appliances

- Anything the IDT feels would benefit the participant, keeping in mind money spent on one comes from the pool for all

Rural PACE Applications, and How They Differ From Urban Areas

- Challenges
  - Geography
    - Transportation
    - Distance
    - Weather
  - Volume
    - Breakeven 80 - 100
  - Providers
    - PCPs
    - Specialists
    - Hospitals
    - ALFs and NHs

- Benefits
  - Transportation
  - Coordination of Care
    - Triple Aim
    - Scheduling
  - Socialization
  - Prescription Management
  - Financial
  - Quality of life for participants and caregivers
    - **And providers**

Rural PACE Options

- Community-based Primary Care Physician (CBPCP) Waiver
  - Allows participants to choose among PCPs in the community
    - May cost PACE Organization more, but allows for staffing options
    - Often the best solution for rural communities due to staffing limitations

Rural PACE Outcomes

- Limited Studies
  - Sebelius Report to Congress – 2011
    - Based on Rural PACE Provider Grant Program
      - 15 rural programs seed money
      - 4 have since closed (27%)
  - Time for more research!
- Do your own research
  - Site visits to other rural PACE Organizations

Examples of Successful Rural PACE Programs

- LIFE Geisinger
  - Columbia, Juniata, Lackawanna, Luzerne, Mifflin, Montour, Northumberland, Schuylkill or Snyder Counties, Pennsylvania
    - Started January 2006
- Mountain Empire PACE
  - Lee, Scott and Wise Counties, Virginia
    - Started April 2008
- Senior CommUnity Care
  - Montrose and Delta Counties, Colorado
    - Started August 2008

LIFE Geisinger

- Part of the original Rural Grant Program
- Success Factors:
  - Strategic Continuum of Care
    - Part of large health system
    - Second fastest growth rate in Rural Grant Program
    - Contributed to local economy through new-hires
- Now has five centers, expanded to urban areas
- Currently serves 350 participants

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Mountain Empire PACE

- Part of the original Rural Grant Program
- Success Factors:
  - Sponsorship
    - Part of AAA and had programs that fed into PACE
      - Mountain Empire Older Citizens, Inc. (MEOC)
      - Highly respected and long history in Community (34 years)
    - Acceptance by local physicians
      - Medical Director Outreach to Specialists
- Currently serves 100 participants

Senior CommUnity Care

- Fastest growth rate of Rural Grant Participants
- Success Factors:
  - Referral Relationships
    - Pre-existing reputation of PACE in other parts of the state
  - VOA sponsorship as a long-standing community provider
  - Operates Two Centers
    - Able to minimize spending on mass media and other direct marketing efforts
- Currently serves 300 participants

Success Factors for Rural PACE

- Strategic vision of parent organization
  - PACE fits in their model of care/care continuum
    - Health systems
    - AAA
    - HCBS Agencies
    - Hospice/Home Health Agencies
    - Faith-Based Organizations

Where to Start?

- Technical Assistance Centers
  - Address a number of key questions during the assessment process:
    - Are there sufficient numbers of dual-eligible elderly in the area who meet the eligibility criteria of the organization and are likely to enroll in PACE?
    - What specific external and internal competitive factors need to be considered?
    - What service components must be developed and/or adapted, and what are their capital requirements?

Where to Start?

- Technical Assistance Centers
  - Address a number of key questions during the assessment process:
    - What are the key initial staff positions, and what are the processes and criteria used to fill them?
    - What are the initial start-up costs?
    - At what point is financial break-even anticipated?
    - What financial rate of return can be anticipated when the program is fully operational?

What Lies Ahead?

- PACE Plus Act – Introduced April 2021; second reading 2/10/22
  - Senator Robert P. Casey Jr. (D-PA), Sponsor
    - Senator Tim Scott (R-SC), Co-sponsor
  - “Funds made available under a grant awarded under subparagraph (A) may be used for the following expenses only to the extent such expenses are incurred in relation to establishing or delivering PACE program services in a ***rural*** area or underserved urban area:

    (i) Feasibility analysis and planning.
    (ii) Interdisciplinary team development.
    (iii) Development of a provider network, including contract development.
    (iv) Development or adaptation of claims processing systems.
    (v) Preparation of special education and outreach efforts required for the PACE program.
    (vi) Development of any special quality of care or patient satisfaction data collection efforts.
    (vii) Purchase or lease of a building; or modification of an existing building.
    More…

Resources

- National PACE Association (NPA)
  - https://www.npaonline.org/
- Centers for Medicare and Medicaid Services
  - https://www.cms.gov/Medicare-Medicaid-Coordination/Medicare-and-Medicaid-Coordination/Medicare-Medicaid-Coordination-Office/PACE/PACE
- Oregon Department of Human Services, Seniors and People with Disabilities
  - https://www.oregon.gov/dhs/SENIORS-DISABILITIES/SPPD/Documents/PACE-Fact-Sheet.pdf

Resources

- PACE Expanded Act (aka “PACE Plus ACT”)
  - https://www.nextavenue.org/better-home-care-pace/
  - https://www.casey.senate.gov/
- PACE Technical Assistance Centers
  - https://www.npaonline.org/start-pace-program/pace-technical-assistance-centers-tacs

Q & A

Contact Information

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Thank You, Partners!