

**JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON HEALTH AND HUMAN SERVICES**



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

S.L 2014-100 section 12H.34(a)

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PACE Report Objectives



Today

- Overview of North Carolina PACE
- Updates and cost growth
- Enrollment and rate setting process

January 2015

Present recommended PACE changes and impact

Program of All-Inclusive for the Elderly (PACE)

- **Purpose.** Provides Medicaid beneficiaries, family, caregivers and professional health care providers the flexibility to meet a person's health care needs while continuing to live safely in the community
- **Funding.** PACE organizations are paid Per Member Per Month (PMPM) capitation fees from which all of the enrollee's Medicaid covered health care expenses are paid
- **Risk.** Organizations assume 100% of the financial risk

National Enrollment (as of 1/1/14)



- 105 organizations in 31 states
- Southern states enrollment

Alabama: 141

Florida: 838

Georgia: 0

Ohio: 315

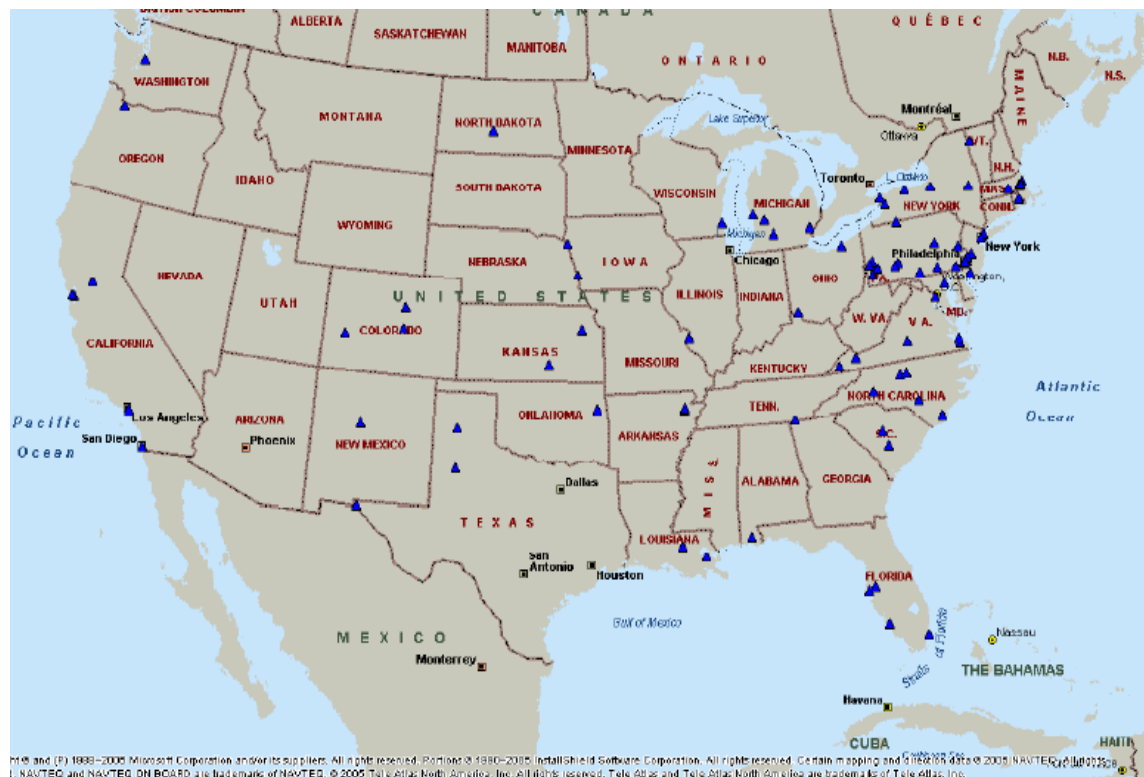
North Carolina: 1,097*

South Carolina: 426

Tennessee: 286

Texas: 1,084

Virginia: 1,111



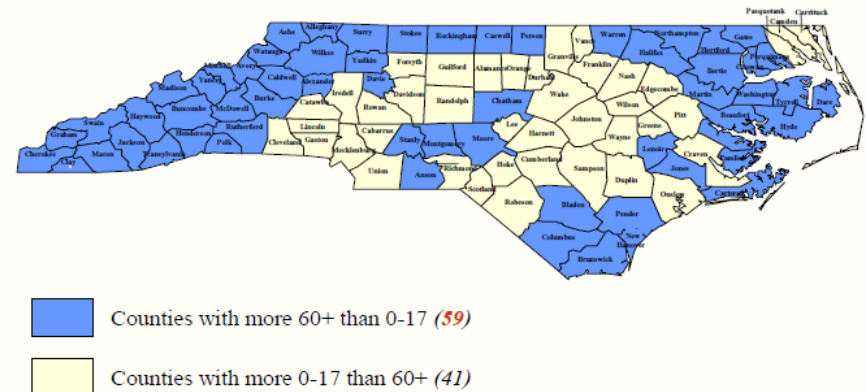
*NC Enrollment totals as of 9/10/14

Facts about Aging in North Carolina



- NC population size
 - #10 in U.S.
 - #9 for 65 and older
- 65+ population growth in U.S. between 2000 and 2010
 - #1 Raleigh-Cary metro area
 - #10 Charlotte-Gastonia-Concord metro area
- 284,160 dual eligible Medicare / Medicaid beneficiaries in NC in 2012
 - Living at home 82.6%
 - Nursing home 10.6%
 - Assisted living 6.7%

Counties with more people 60+ than 0-17, 2012



Sources

- NC Division of Aging 2013
- US Census Bureau. 2007-2001 American Community Survey. Table B01001. Sex by Age
- Brookings Institute (2011). The Uneven Aging and “Younging” of America: State and Metropolitan Trends in the 2010 Census.

PACE Organizations and Partners in NC



PACE Organization	Start Date	Parent and/or Equity Partners			
		Hospital and/or Health System	Provider of Services for the Aging	Hospice	Other (FQHC, Family Services, Home Care Agency, etc.)
Elderhaus	2/1/2008				
Piedmont Health Senior Care - Burlington	11/1/2008				X
Piedmont Health Senior Care - Pittsboro	1/1/2014				X
St. Joseph of the Pines	4/1/2011		X		
PACE of Triad	7/01/2011	X	X	X	X
Pace @ Home	1/01/2012	X	X	X	
Carolina SeniorCare	10/1/2012		X		
PACE of the Southern Piedmont	7/01/2013	X	X	X	X
Senior CommUnity Care of NC	9/01/2013				X
Senior Total Life Care	1/01/2014	X	X		X
StayWell SeniorCare	11/1/2014	X		X	
Asheville CarePartners Health Services	1/1/2015	X			

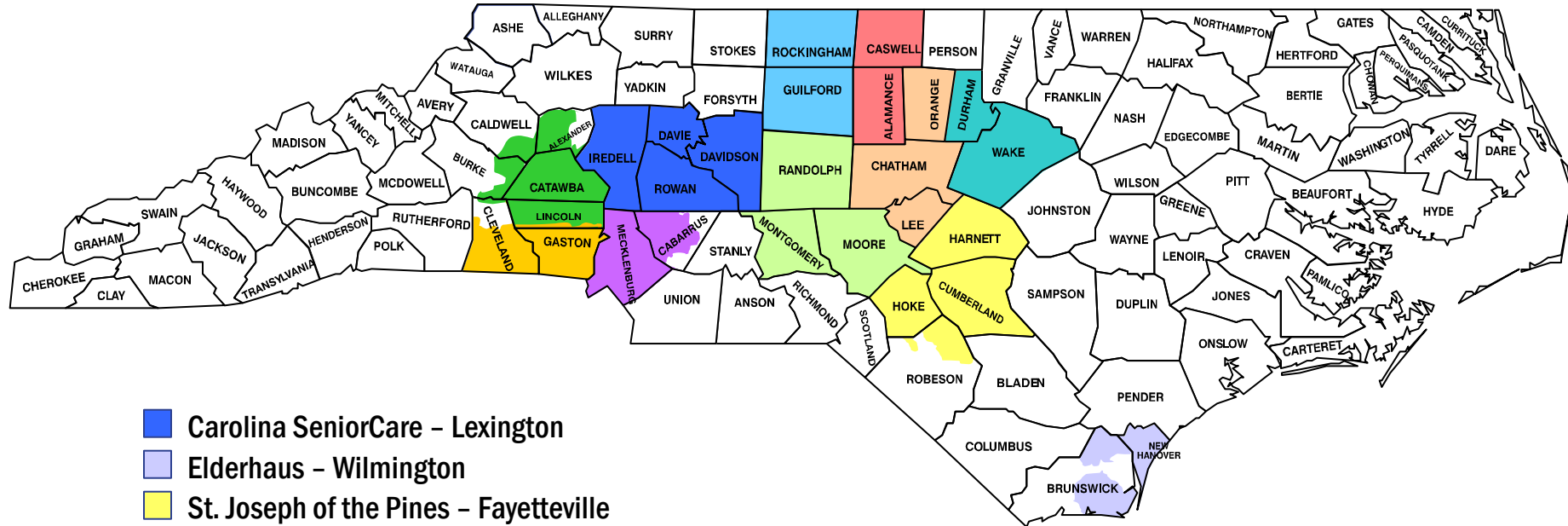
NC PACE Enrollment (as of 9/10/14)



Organization Name	Service Area	Census (as of 9/10/14)
Elderhaus	New Hanover and a portion of Brunswick County	130
Piedmont Health SeniorCare – Burlington & Pittsboro	Alamance, Caswell Orange, Chatham and a portion of Lee	167
St. Joseph of the Pines	Cumberland, portions of Harnett and Hoke	216
PACE of the Triad	Guilford and Rockingham	149
PACE@Home	Catawba and portions of Lincoln, Caldwell and Alexander	95
Carolina SeniorCare	Rowan, Davidson, Davie, and Iredell	126
PACE of the Southern Piedmont	Mecklenburg and portion of Cabarrus	78
Senior CommUnity Care of North Carolina	Wake and Durham	80
Senior Total Life Care	Gaston, portions of Cleveland and Lincoln	56
TOTAL	9 organizations (10 sites)	1,097

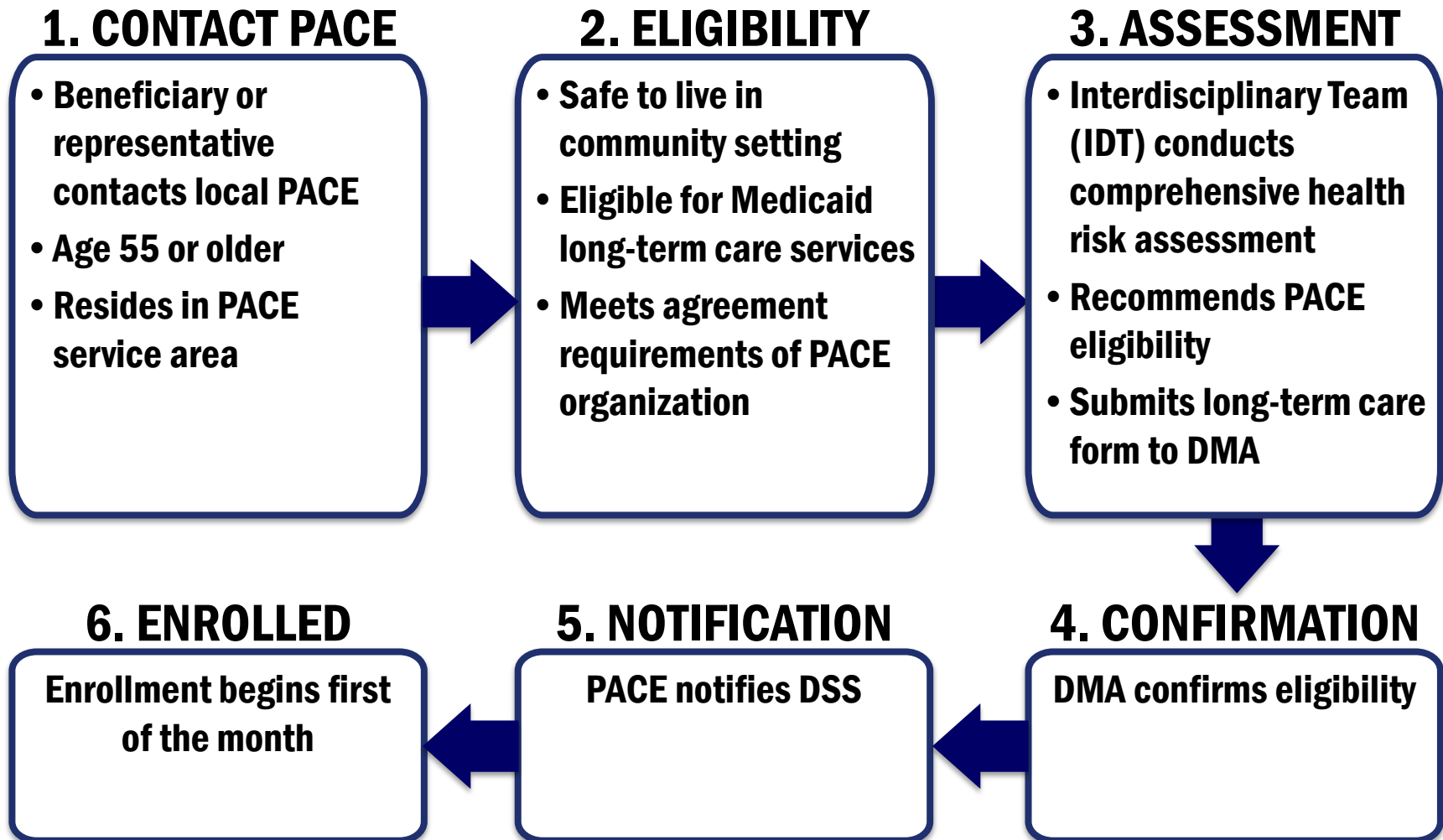
Source: as Reported by NC PACE Organization
9/10/14, DMA 100-13

NC PACE Organizations



- Carolina SeniorCare – Lexington
- Elderhaus – Wilmington
- St. Joseph of the Pines – Fayetteville
- PACE of the Southern Piedmont – Charlotte
- PACE of the Triad – Greensboro
- PACE@Home – Newton
- Piedmont Health SeniorCare – Burlington
- Piedmont Health SeniorCare - Pittsboro
- Senior Community Care of North Carolina – Durham
- Senior Total Life Care – Gastonia

Enrollment Process



Length of Enrollment



- Enrollment is voluntary
- Enrollment continues until the earlier of
 - Participant's death
 - Participant voluntary disenrolls
 - Without cause, at any time
 - PACE organization involuntarily disenrolls participant
 - Limited set of reasons
 - DMA reviews all disenrollments and determines if PACE organization's documentation and reasoning are sufficient

How PACE Works



PROFILE

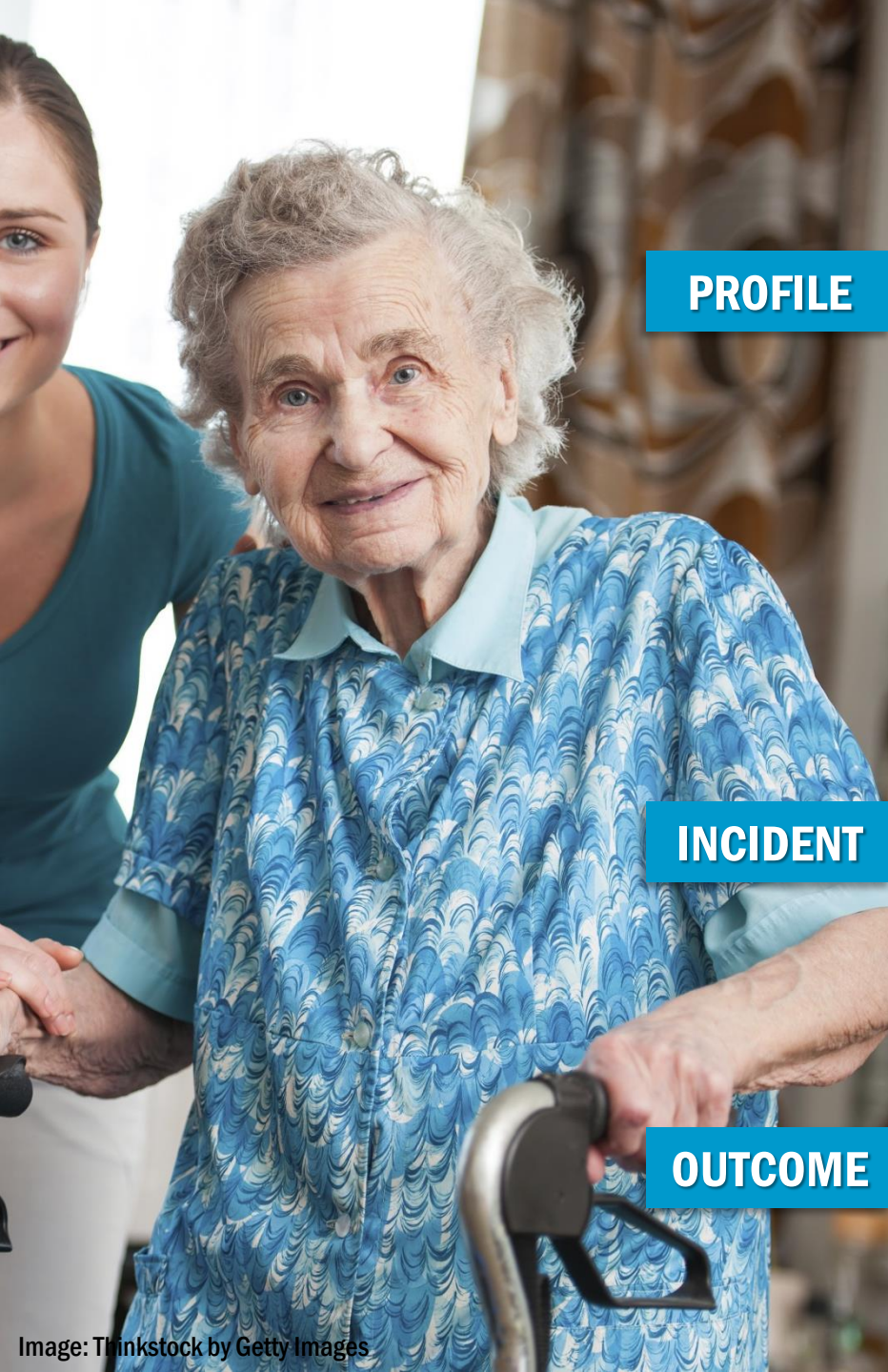
- Age: 80
- Primary caregiver: 60-year old daughter
- Advanced dementia; Alzheimer's disease
- Other age-related disabilities
- Unable to care for self
- Requires 24-hour support
- Family wants care in a community setting
- Currently enrolled in PACE

INCIDENT

- Fall resulted in hip fracture
- Admitted to hospital for hip surgery
- Sent to skilled nursing facility for rehab
- No longer able to walk independently

OUTCOME

- Returned to daughter's care
- Continued recovery at PACE Center



Costs and Funding



- **Cost to state per beneficiary does not change unless there is a rate change enacted by DMA**
- **Enrollees defer their Medicare Part A, B and D benefits**
- **DMA pays PACE organizations an all-inclusive (capitated) PMPM rate for two distinct groups**
 - **Medicaid Only: \$3,562/month**
 - **Dual Eligible: \$3,310/month**
- **DMA contracts with Mercer Government Services to develop capitated payment rates for both group**

Costs and Funding



	SFY 2012	SFY 2013	SFY2 014
State dollars (millions)	\$3.61	\$5.95	\$11.49
Federal dollars (millions)	\$6.74	\$11.28	\$22.02
FMAP rate	65.14%	65.45%	65.71%
TOTAL EXPENDITURES	\$10.35	\$17.23	\$33.50

- DMA does not track individual PACE organization expenditures
- Growth of PACE expenditures is tied to:
 1. Geographic and enrollment expansion in new locations
 2. Increasing enrollment in existing organizations

None of the organizations have reached capacity

Risk for Institutionalization



- Very few PACE organization enrollees transition from an institution to a community setting at enrollment
- Estimating exact number of PACE participants that would have been admitted to a nursing home is difficult to quantify. Factors include:
 - **Socio-Demographic:** Age, race, living situation and gender
 - **Functional:** Ability to perform activities of daily living (ADLs), cognitive impairment and hospitalizations
 - **Other:** Availability of skilled nursing facility beds, access to adequate community based services and availability of family caregivers

Services Comparison



SERVICES PROVIDED:	PCS¹	CAP/DA²	PACE³	NH⁴
Hands-on Assistance with ADLs (minimum unmet need 3 ADLs)	◆	◆	◆	◆
Person-centered Plan of Care	◆	◆	◆	◆
Multi-disciplinary Assessment		◆	◆	◆
Primary Physician Care			◆	◇
Social Work Services/Case Management		◆	◆	◆
Physical, Occupational, Respiratory Therapies, Speech/Language Pathology			◆	◇
Adult day health		◆	◆	n/a
Home accessibility and adaptation		◆	◆	n/a
Meal preparation and delivery		◆	◆	◆
Institutional respite services		◆	◆	◆
Non-institutional respite services		◆	◆	n/a
Personal Emergency Response Services/ Call Bell		◆	◆	◆
Specialized medical equipment and supplies		◆	◆	◇
Participant goods and services		◆	◆	◆
Community transition services		◆	◆	◆
Training, education and consultative services		◆	◆	◆
Assistive technology		◆	◆	◇
Care advisor ⁵		◆	◆	◆
Personal assistant ⁵		◆	◆	◆
Financial management services ⁵		◆	◆	n/a
Nutrition Counseling			◆	◆
Recreational Therapy			◆	◆
Transportation			◆	◆
Diagnostic Procedures, Laboratory Test x-rays			◆	◇
Medications			◆	◇
Medicaid Covered Prosthetics, orthotics, Durable Medical Equipment, corrective Vision devices, glasses, hearing aids repair and maintenance of items			◆	◇
Medical Specialty Services/Surgery: Ophthalmology, Podiatry, Gynecology, Cardiology, Psychiatry, Oncology			◆	◇
Pharmacy Consultation			◆	
Hospitalization			◆	◇

¹ Personal Care Services

² Community Alternate Program for Disabled Adults

³ Program of All-inclusive Care for the Elderly

⁴ Nursing Home

⁵ CAP/Choice Only

n/a - Service not available

◆ - Service available

◇ - Service available, but not inclusive of rate

- **DMA is currently reviewing PACE organizations**
 - Options for improving reporting and tracking through implementation of a dashboard reporting monthly module
 - Augment FL-2 to improve the current eligibility determination process
 - Finalize a strategic plan for PACE growth and sustainability in partnership with PACE organizations, the NC PACE Association, and the Division of Aging and Adult Services
 - Expand current training and communication processes to engage all clinical disciplines within the PACE organizations