STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

December 19, 2018

SENT VIA ELECTRONIC MAIL

The Honorable Nelson Dollar, Chair
Joint Legislative Oversight Committee on
Medicaid and NC Health Choice
North Carolina General Assembly
Room 307B, Legislative Office Building
Raleigh, NC 27603

The Honorable Ralph Hise, Chair
Joint Legislative Oversight Committee on
Medicaid and NC Health Choice
North Carolina General Assembly
Room 312, Legislative Office Building
Raleigh, NC 27603

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight Committee on
Medicaid and NC Health Choice
North Carolina General Assembly
Room 303, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

Session Law 2018-5, Section 11H.7 requires the Department of Health and Human Services to submit a follow-up report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice, studying the expansion of the program of all-inclusive care for the elderly (PACE). Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions regarding this report, please contact Dave Richard, Deputy Secretary for NC Medicaid, at Dave.Richard@dhhs.nc.gov or 919-855-4100.

Sincerely,

Mark T. Benton

for Mandy Cohen, MD, MPH
Secretary

cc: Dave Richard, Theresa Matula, Leah Burns, Lisa Wilks, Deborah Landry, Denise Thomas, Rod Davis, Matt Gross, Erin Matteson, Mark Collins, Marjorie Donaldson, Joyce Jones, Mark Benton, Zack Wortman, Steve Owen, Katherine Restrepo, Susan Perry-Manning, LT McCrimmon, reports@ncleg.net, Jessica Meed

Study Expansion of PACE Program

SL 2018-5, Section 11H.7

Report to

The Joint Legislative Oversight Committee on Health and Human Services

by

North Carolina Department of Health and Human Services

December 19, 2018

Reporting Requirements:

This report is in response to the Senate Bill 99, Section 11H.7 which reads:

STUDY EXPANSION OF PACE PROGRAM

SECTION 11H.7. No later than December 1, 2018, the Department of Health and Human Services shall submit to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice a follow-up report regarding Item 1 of the Next Steps: *Consider Expansion of PACE* contained in its March 14, 2018, report entitled "Study of the Program of All-Inclusive Care for the Elderly." The follow-up report studying the expansion of Program of All-Inclusive Care for the Elderly (PACE) shall include the following:

(1) No less than three options for expansion, including alternatives that involve statewide expansion and expansion by zip code specific service areas.
(2) The fiscal impact to the State of each expansion option presented.
(3) The impact to unserved and underserved counties based upon each expansion option presented.
(4) An analysis of potential options for delivery of care, including strategies to adapt the PACE model of care to serve populations that are currently ineligible, diagnostic criteria other than a need for skilled nursing level care, and options to allow individuals in assisted living to participate in the PACE program.
(5) An analysis of the cost to the State as well as any anticipated savings associated with each potential option for delivery of care.
(6) Any specific recommendations regarding options for expansion provided under subdivision (1) of this section and options for delivery of care provided under subdivision (4) of this section. Recommendations shall include any legislation required to implement the recommendations.

Background Summary:

The Program of All Inclusive Care (PACE) is a capitated managed care program for frail, elderly adults who are enrolled in Medicaid, enrolled in Medicare, dually enrolled in Medicaid or Medicare, or able to pay privately. It enables older individuals who would otherwise need nursing home care to live as independently as possible in the community. The program features a comprehensive service delivery system and integrated Medicare and Medicaid financing for beneficiaries enrolled in both programs. 42 CFR 460 outlines the regulatory framework under which PACE organizations must operate.

Under the program, services are provided by PACE organizations. Each PACE organization is required to enter into a three-way agreement with CMS and the State Administering Agency. North Carolina's State Administering Agency is the NC Department of Health and Human Services (DHHS), NC Medicaid (Division of Health Benefits). Monthly capitation fees from Medicaid and Medicare are combined by PACE organizations into a common pool from which all health care expenses are paid. There are eleven PACE organizations serving twelve sites in North Carolina.

PACE organizations assume full financial risk for the costs of all medical care for their participants, including nursing home care, long-term care services, inpatient hospital services, outpatient hospital services, physician services, laboratory and radiology services, pharmacy, transportation, durable medical equipment (DME), and hospice services. See ***Appendix A*** for a full list of PACE services. Since PACE organizations assume full risk for patient care at a fixed monthly rate, the cost to the State per beneficiary does not change during the year in response to changes in a participant's health status or service setting so long as the beneficiary remains enrolled in the program. As of October 2018, there were 2,150 individuals enrolled in PACE organizations throughout North Carolina.

On March 14, 2018, the North Carolina Department of Human Services submitted a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice entitled, Study of the Program of All-

Inclusive Care for the Elderly. The report included a recommendation to consider the expansion of the PACE program.
Senate Bill 99, Section 11H.7 requires the North Carolina Department of Human Services to submit a follow-up report to study the expansion of the PACE program**.** This report studies options for PACE expansion and the fiscal impact of expansion to the State.

Three Expansion Options (Appendix B):

1. Expansion Option #1: Forsyth, Stokes and Yadkin Counties.
2. Expansion Option #2: All counties not served by PACE.
3. Expansion Options #3: Counties identified by the North Carolina PACE Association document presented to the North Carolina Division of Medical Assistance on December 17, 2015.

The approach to develop estimates for the expansion options are based on the analysis of member months for the CAP/DA program and member months in PACE. The data source for CAP/DA and PACE member months was the Truven eligibility file for the period between January 1, 2017 and June 30, 2018. Cost was derived by using the calendar year (CY) 2018 PACE capitation rates for dual eligible and Medicaid only members.

To approximate the number of PACE enrollees in unserved or underserved areas, Mercer analyzed the number of CAP/DA and PACE enrollee member months by their dual status for five age bands (55-64, 65-74, 75-84, 85-94 and 95+ years old) for every county in North Carolina.

Using this information, the overall proportion of CAP/DA and PACE enrollee member months for CY2017, illustrated in Table 1, for each age band was calculated for counties with PACE membership.

Table 1 – CY2017 Proportion of CAP/DA Member Months Enrolled in PACE

DUAL STATUS	55-64	65-74	75-84	85-94	95+	TOTAL
Dual Eligible	24.6%	35.0%	37.2%	31.9%	24.6%	32.7%
Medicaid Only	18.0%	24.3%	0.0%	51.5%	0.0%	18.1%

These proportions, by age band, were applied to the CAP/DA member months for the counties identified in each expansion option to estimate the number of enrollees likely to enroll in PACE. The projected member months were then multiplied by the average PACE rate for dual eligible and Medicaid only members, illustrated in Table 2, to derive the total cost estimated for each option.

Table 2 – Average Statewide PACE Capitation Payment

DUAL STATUS	2018 PACE RATE
Dual Eligible	$3,310.00
Medicaid Only	$3,562.00

The annual projections provided in each expansion option represent an estimate of total member months enrolled and the cost of a fully operationalized PACE program for each county. Newly implemented PACE programs experience gradual enrollment over a period of a year or more to reach full enrollment. For example, a NC PACE organization began operations in March 2015. In July 2015, the PACE organization's enrollee census was 27. The organization's

enrollment increased to 80 in July 2016 and to 122 in July 2017. As of September 2018, the PACE organization's enrollee census is 165.

Fiscal Impact of PACE Expansion Including Savings Considerations:

The expansion options presented in ***Appendix B*** are cost projections of operating PACE for the counties identified in each option based on the average CY2018 PACE payment amount and the estimated enrollment from CAP/DA into PACE for unserved counties.

A comprehensive analysis of savings to the state is not included due to the lack of access to historical Medicare FFS data for the analysis. Therefore, a financial savings analysis that compared PACE program costs (Medicare and Medicaid) to FFS costs for an actuarially equivalent unenrolled population could not be completed.

A comprehensive cost-effectiveness evaluation for a PACE program needs to incorporate both the Medicare and Medicaid components of the program. In lieu of a comprehensive savings analysis, the following considerations for the cost of PACE and potential savings impacts are discussed in the following paragraphs.

As previously discussed, PACE is financed through capitated payments from Medicare and Medicaid. The capitated arrangement allows the PACE provider to deliver services differently than under FFS, which could be more cost-effective than traditional FFS. This service delivery flexibility is not available under the FFS program since it crosses the Medicare and Medicaid programs. For example, a PACE provider may choose to spend a higher percentage of its funding on home care services compared to FFS, which can result in a reduction of high cost inpatient hospital and emergency room costs. The additional spending on home care services would traditionally be a Medicaid expense, while the savings in inpatient hospital and emergency room care would accrue to the Medicare program.

Another consideration for analysis of cost and savings is whether counties that are not currently served by PACE and are being considered for expansion may have unmet need due to limitations in the number of providers available to provide long-term care (LTC) services under FFS. Instances where the PACE expansion occurs that have a limited number of LTC providers, may result in a cost increase through increased utilization of services made available by the expansion of PACE. In these circumstances a comparison of cost between PACE and FFS may demonstrate that PACE is more expensive than FFS due to the expense associated with an increase in the utilization of LTC services. Evaluated in the short-term PACE may look more expensive, but over the long-term PACE may result in cost savings by further delaying the time an individual continues to reside in a community setting versus moving into a nursing facility.

. In 2017, there were 124 active PACE organizations serving 31 states up from 39 PACE organizations serving 20 states in 2007. Nationally, the average size of PACE organizations expanded from approximately 347 participants per organization in 2016 to 381 participants per organization in 2017 (an increase of 34 participants per organization, 9.8%).[1] [1]An analysis of the average number of individuals served by a PACE program in North Carolina for the twelve-months of CY2017 and six-months of CY2018 found that the largest PACE program operating in North Carolina serves approximately 265 individuals across five counties (Cumberland, Harnett, Robeson, Moore and Hoke). The smallest serves approximately 110 members across three counties (Randolph, Montgomery and Moore).

An analysis that only compares the Medicare or Medicaid services of a PACE provider to the applicable FFS expenditures may lead to inappropriate conclusions since PACE plans may spend more on Medicaid services as compared to the FFS delivery model. It would be expected that the savings accruing on the Medicare program would

[1] Available at https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/Downloads/2017PACEAnnualReport.pdf

exceed the additional dollars spent on the Medicaid services and therefore produce overall PACE program cost savings.

In addition, the challenge of identifying an appropriate comparison population given the unique set of health care services provided under PACE and the impact PACE may have on an individual's movement into nursing facility makes a comprehensive evaluation difficult.

Lastly, the costs to the state to expand and operate PACE may also increase from current levels. As PACE expands so does program oversight. This increased obligation may result in allocating or hiring staff to perform oversight including implementation of financial reporting and annual rate change negotiations for PACE providers.

Analysis of Potential Options for the Delivery of Care:

The PACE Innovations Act of 2015 provides authority to waive certain provisions of Section 1934 of the Social Security Act to test application of PACE-like models for additional populations, including populations under the age of 55 and those who do not qualify for a nursing home level of care under Section 1115A of the Social Security Act.

Currently North Carolina is transitioning its Medicaid and NC Health Choice programs' care delivery system for most beneficiaries and services from a predominately Medicaid Fee-for-Service model to a Medicaid Managed Care Model. North Carolina has submitted an 1115 demonstration waiver application to implement Medicaid Managed Care which has been approved by CMS. DHHS is targeting 2019 as the start date for Medicaid Managed Care.

Since North Carolina has an approved 1115 Waiver, it is not practicable to pursue another 1115 Waiver to implement PACE Innovations at this time. NC Medicaid will collaborate with the Division of Health Services Regulation (DHSR) to investigate whether there are available options to allow individuals in assisted living to participate in the PACE program.

Recommendations:

DHHS released a Request for Applications (RFA) for the expansion of the PACE program. The RFA solicits applications from existing qualified PACE providers, seeking to expand its existing service area. DHHS will notify selected applicants on December 10, 2018.

As DHHS evaluates expanding PACE it will need to consider the effects of operating PACE side-by-side with a Medicaid Managed Long-Term Care (MMLTC) program. The implementation of statewide MMLTC is anticipated to begin in July 1, 2023. However, it's design is unknown at the time of this analysis. Because of the limited knowledge about the future MMLTC program, the following presents a general discussion about PACE and MMLTC.

Generally, MMLTC programs serve greater numbers of members compared to PACE and therefore MMLTC plans often experience greater economies of scale compared to PACE. These economies of scale typically result in lower costs on a PMPM basis compared to PACE for members served when compared equally. In many cases, states that operate PACE and MMLTC programs have large differentials in the payment for similar populations. In these cases, some states have gradually decreased reimbursement or left reimbursement unchanged for PACE providers to more closely align payment with MMLTC. This is a circumstance that is difficult for PACE providers because of their operating costs providing services to aging members and the small number of enrollees they are able to spread their fixed cost across.

Policy makers should also consider the number of members that could enroll in PACE or MMLTC. PACE providers seek to increase their enrollment overtime as a way to maintain their financial viability. However, MMLTC and

PACE operating side-by-side may limit the new members that could enroll in either program and could impact future cost growth in either or both programs.

Finally, as noted in the saving sections, cost to the state for operating and performing oversight of PACE and MMLTC two programs should also be considered.

Appendix A: PACE Service Package

PACE Center

PACE provides a local center which houses a primary care clinic, an adult day health program, areas for therapeutic recreation, restorative therapies, socialization, personal care, and dining that serve as the focal point for coordination and provision of most PACE services.

In-Home Care

PACE includes coverage for additional services to the individual in the home, such as In-Home Personal Care Services and home health care.

Acute, Emergency Care and Long-Term Care Services

The PACE organization arranges, manages, and pays for all care referred to community providers, including hospital services, nursing facility care, emergency room services, physician visits and ancillary services.

Federal regulations require all PACE organizations to provide a comprehensive array of services that include the following:

- All Medicaid-covered services, as specified in the Medicaid State Plan;
- Multidisciplinary assessment and treatment planning;
- Primary care, including physician and nursing services;
- Social work services'
- Restorative therapies, including physical therapy, occupational therapy and speech-language pathology services;
- Personal care and supportive services;
- Nutrition counseling;
- Recreational therapy;
- Transportation;
- Meals;
- Laboratory tests, x-rays, and other diagnostic procedures;
- Drugs and biologicals;
- Prosthetics, orthotics, durable medical equipment, corrective vision devices such as eyeglasses and lenses, hearing aids, dentures, and repair and maintenance of these items;
- Acute inpatient care to include:
    - Ambulance;
    - Emergency room care and treatment room services;
    - Semi-private room and board;
    - General medical and nursing services;
    - Medical surgical, intensive care, and coronary care unit;
    - Laboratory tests, x-rays and other diagnostic procedures;
    - Drugs and biologicals;
    - Blood and blood derivatives;

- Surgical care and anesthesia;
- Oxygen;
- Physical, occupational, respiratory therapies, and speech language pathology services and;
- Social services

- Nursing facility care to include:
  - Semi-private room and board;
  - Physician and skilled nursing services;
  - Custodial care;
  - Personal care and assistance;
  - Drugs and biologicals;
  - Physical, occupational, recreational therapies, and speech language pathology, if necessary;
  - Social services; and
  - Medical supplies and appliances

Other services determined necessary by the PACE organization Interdisciplinary Team to improve and maintain the participant's overall health status may also be provided

Appendix B: Expansion Options

Expansion Option #1: Expand in Forsyth, Stokes, and Yadkin Counties

Statewide Proportion of PACE and CAP / DA Member Months [1]

Dual Status	55-64	65-74	75-84	85-94	95+
Dual Eligible	24.6%	35.0%	37.2%	31.9%	24.6%
Medicaid Only	18.0%	24.3%	0.0%	51.5%	0.0%

CY2018 PACE Payment Amount

Dual Status	PMPM [2]
Dual	$ 3,310.00
Medicaid Only	$ 3,562.00
Average for Selected Counties	$ 3,322.72

	Dual Eligible Population				Medicaid Only Population				Total (Dual Eligible and Medicaid Only)			
County Name	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]
Forsyth	1,575	504	32.0%	$ 1,668,240	154	28	18.2%	$ 99,736	1,729	532	30.8%	$ 1,767,976
Stokes	640	201	31.4%	$ 665,310	68	13	19.1%	$ 46,306	708	214	30.2%	$ 711,616
Yadkin	544	179	32.9%	$ 592,490	31	6	19.4%	$ 21,372	575	185	32.2%	$ 613,862
Total	2,759	884	32.0%	$ 2,926,040	253	47	18.6%	$ 167,414	3,012	931	30.9%	$ 3,093,454

Notes:

1. The percentages illustrated in this table represent the proportion of PACE member months compared to CAP / DA and PACE member months by age band for current counties where PACE operates. These percentages are applied by age band to the CAP / DA member months to estimate the PACE member months for the counties illustrated in the table above.
2. PACE PMPM represents the rounded CY18 PACE payment rate.
3. Source of CAP / DA member months is the Truven Eligibility File for CY2017.
4. Estimated PACE member months are calculated using the CAP / DA member months multiplied by the proportion of PACE and CAP / DA membership in counties where PACE operates.
5. PACE Cost is based on the estimated PACE member months multiplied by the PACE PMPM. The PACE PMPM is different for dual vs Medicaid only members.

Expansion Option #2: Expand to Counties Not Currently Served by PACE

Statewide Proportion of PACE and CAP / DA Member Months [1]

Dual Status	55-64	65-74	75-84	85-94	95+
Dual Eligible	24.6%	35.0%	37.2%	31.9%	24.6%
Medicaid Only	18.0%	24.3%	0.0%	51.5%	0.0%

CY2018 PACE Payment Amount

Dual Status	PMPM [2]
Dual	$ 3,310.00
Medicaid Only	$ 3,562.00
Average for Selected Counties	$ 3,322.53

	Dual Eligible				Medicaid Only				Total (Dual Eligible and Medicaid Only)			
County Name	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]
Alleghany	533	172	32.3%	$ 569,320	36	6	16.7%	$ 21,372	569	178	31.3%	$ 590,692
Anson	601	202	33.6%	$ 668,620	53	10	18.9%	$ 35,620	654	212	32.4%	$ 704,240
Ashe	1,320	433	32.8%	$ 1,433,230	117	21	17.9%	$ 74,802	1,437	454	31.6%	$ 1,508,032
Avery	997	333	33.4%	$ 1,102,230	61	11	18.0%	$ 39,182	1,058	344	32.5%	$ 1,141,412
Beaufort	963	318	33.0%	$ 1,052,580	60	11	18.3%	$ 39,182	1,023	329	32.2%	$ 1,091,762
Bertie	1,440	481	33.4%	$ 1,592,110	121	22	18.2%	$ 78,364	1,561	503	32.2%	$ 1,670,474
Camden	66	23	34.8%	$ 76,130	-	-	0.0%	$ -	66	23	34.8%	$ 76,130
Carteret	926	301	32.5%	$ 996,310	123	26	21.1%	$ 92,612	1,049	327	31.2%	$ 1,088,922
Cherokee	1,331	433	32.5%	$ 1,433,230	110	20	18.2%	$ 71,240	1,441	453	31.4%	$ 1,504,470
Chowan	389	129	33.2%	$ 426,990	8	1	12.5%	$ 3,562	397	130	32.7%	$ 430,552
Clay	379	127	33.5%	$ 420,370	84	15	17.9%	$ 53,430	463	142	30.7%	$ 473,800
Columbus	1,101	375	34.1%	$ 1,241,250	52	9	17.3%	$ 32,058	1,153	384	33.3%	$ 1,273,308
Craven	1,094	351	32.1%	$ 1,161,810	202	36	17.8%	$ 128,232	1,296	387	29.9%	$ 1,290,042
Currituck	76	26	34.2%	$ 86,060	29	5	17.2%	$ 17,810	105	31	29.5%	$ 103,870
Dare	90	27	30.0%	$ 89,370	-	-	0.0%	$ -	90	27	30.0%	$ 89,370
Edgecombe	1,007	328	32.6%	$ 1,085,680	73	13	17.8%	$ 46,306	1,080	341	31.6%	$ 1,131,986
Forsyth	1,575	504	32.0%	$ 1,668,240	154	28	18.2%	$ 99,736	1,729	532	30.8%	$ 1,767,976
Franklin	922	291	31.6%	$ 963,210	97	17	17.5%	$ 60,554	1,019	308	30.2%	$ 1,023,764
Gates	208	70	33.7%	$ 231,700	2	-	0.0%	$ -	210	70	33.3%	$ 231,700
Graham	718	234	32.6%	$ 774,540	41	7	17.1%	$ 24,934	759	241	31.8%	$ 799,474
Greene	326	104	31.9%	$ 344,240	44	8	18.2%	$ 28,496	370	112	30.3%	$ 372,736
Halifax	878	293	33.4%	$ 969,830	36	6	16.7%	$ 21,372	914	299	32.7%	$ 991,202
Haywood	1,168	383	32.8%	$ 1,267,730	108	19	17.6%	$ 67,678	1,276	402	31.5%	$ 1,335,408
Hertford	996	324	32.5%	$ 1,072,440	91	16	17.6%	$ 56,992	1,087	340	31.3%	$ 1,129,432
Hyde	145	46	31.7%	$ 152,260	9	2	22.2%	$ 7,124	154	48	31.2%	$ 159,384
Jackson	365	122	33.4%	$ 403,820	62	11	17.7%	$ 39,182	427	133	31.1%	$ 443,002
Johnston	486	156	32.1%	$ 516,360	48	9	18.8%	$ 32,058	534	165	30.9%	$ 548,418
Jones	199	60	30.2%	$ 198,600	9	2	22.2%	$ 7,124	208	62	29.8%	$ 205,724
Lenoir	978	313	32.0%	$ 1,036,030	36	6	16.7%	$ 21,372	1,014	319	31.5%	$ 1,057,402
Macon	532	174	32.7%	$ 575,940	23	4	17.4%	$ 14,248	555	178	32.1%	$ 590,188
Martin	301	99	32.9%	$ 327,690	80	14	17.5%	$ 49,868	381	113	29.7%	$ 377,558
McDowell	551	185	33.6%	$ 612,350	12	2	16.7%	$ 7,124	563	187	33.2%	$ 619,474

Expansion Option #3: PACE Sites and Counties Outlined in PACE Association Proposal
RCCHC/Sentara and CarePartners were excluded because no counties were listed.

Statewide Proportion of PACE and CAP / DA Member Months [1]

Dual Status	55-64	65-74	75-84	85-94	95+
Dual Eligible	24.6%	35.0%	37.2%	31.9%	24.6%
Medicaid Only	18.0%	24.3%	0.0%	51.5%	0.0%

CY2018 PACE Payment Amount

Dual Status	PMPM [2]
Dual	$ 3,310.00
Medicaid Only	$ 3,562.00
Average for Selected Counties	see county

	Dual Eligible				Medicaid Only				Total (Dual Eligible and Medicaid Only)			
County Name	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]
PACE Site: Community Senior Care												
Forsyth	1,575	504	32.0%	$ 1,668,240	154	28	18.2%	$ 99,736	1,729	532	30.8%	$ 1,767,976
Stokes	640	201	31.4%	$ 665,310	68	13	19.1%	$ 46,306	708	214	30.2%	$ 711,616
Yadkin	544	179	32.9%	$ 592,490	31	6	19.4%	$ 21,372	575	185	32.2%	$ 613,862
Total	**2,759**	**884**	**32.0%**	**$ 2,926,040**	**253**	**47**	**18.6%**	**$ 167,414**	**3,012**	**931**	**30.9%**	**$ 3,093,454**
PACE Site: LIFE St. Joseph of the Pines												
Johnston	486	156	32.1%	$ 516,360	48	9	18.8%	$ 32,058	534	165	30.9%	$ 548,418
Wayne	162	49	30.2%	$ 162,190	7	1	14.3%	$ 3,562	169	50	29.6%	$ 165,752
Total	**648**	**205**	**31.6%**	**$ 678,550**	**55**	**10**	**18.2%**	**$ 35,620**	**703**	**215**	**30.6%**	**$ 714,170**
PACE Site: Carolina Senior Care												
Beaufort	963	318	33.0%	$ 1,052,580	60	11	18.3%	$ 39,182	1,023	329	32.2%	$ 1,091,762
Carteret	926	301	32.5%	$ 996,310	123	26	21.1%	$ 92,612	1,049	327	31.2%	$ 1,088,922
Craven	1,094	351	32.1%	$ 1,161,810	202	36	17.8%	$ 128,232	1,296	387	29.9%	$ 1,290,042
Pamlico	262	87	33.2%	$ 287,970	18	3	16.7%	$ 10,686	280	90	32.1%	$ 298,656
Total	**3,245**	**1,057**	**32.6%**	**$ 3,498,670**	**403**	**76**	**18.9%**	**$ 270,712**	**3,648**	**1,133**	**31.1%**	**$ 3,769,382**
PACE Site: Piedmont Health SeniorCare												
Person	400	132	33.0%	$ 436,920	19	3	15.8%	$ 10,686	419	135	32.2%	$ 447,606
PACE Site: Senior TLC												
Rutherford	799	254	31.8%	$ 840,740	35	6	17.1%	$ 21,372	834	260	31.2%	$ 862,112
Cleveland	1,224	398	32.5%	$ 1,317,380	154	28	18.2%	$ 99,736	1,378	426	30.9%	$ 1,417,116
Total	**2,023**	**652**	**32.2%**	**$ 2,158,120**	**189**	**34**	**18.0%**	**$ 121,108**	**2,212**	**686**	**31.0%**	**$ 2,279,228**
PACE Site: Staywell Senior Care												
Richmond	712	233	32.7%	$ 771,230	54	10	18.5%	$ 35,620	766	243	31.7%	$ 806,850
PACE Site: Elderhaus												
Bladen	943	313	33.2%	$ 1,036,030	112	20	17.9%	$ 71,240	1,055	333	31.6%	$ 1,107,270
Columbus	1,101	375	34.1%	$ 1,241,250	52	9	17.3%	$ 32,058	1,153	384	33.3%	$ 1,273,308
Pender	1,121	365	32.6%	$ 1,208,150	22	4	18.2%	$ 14,248	1,143	369	32.3%	$ 1,222,398
Total	**3,165**	**1,053**	**33.3%**	**$ 3,485,430**	**186**	**33**	**17.7%**	**$ 117,546**	**3,351**	**1,086**	**32.4%**	**$ 3,602,976**

Expansion Option #3: PACE Sites and Counties Outlined in PACE Association Proposal
RCCHC/Sentara and CarePartners were excluded because no counties were listed.

Statewide Proportion of PACE and CAP / DA Member Months [1]

Dual Status	55-64	65-74	75-84	85-94	95+
Dual Eligible	24.6%	35.0%	37.2%	31.9%	24.6%
Medicaid Only	18.0%	24.3%	0.0%	51.5%	0.0%

CY2018 PACE Payment Amount

Dual Status	PMPM [2]
Dual	$ 3,310.00
Medicaid Only	$ 3,562.00
Average for Selected Counties	see county

	Dual Eligible				Medicaid Only				Total (Dual Eligible and Medicaid Only)			
County Name	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]	CAP/DA [3] MMs	Estimated PACE [4] MMs	Proportion of CAP/DA enrolled in PACE	Estimated Annual PACE Cost [5]
PACE Site: LIFE St. Joseph												
Robeson	3,789	1,236	32.6%	$ 4,091,160	426	77	18.1%	$ 274,274	4,215	1,313	31.2%	$ 4,365,434
PACE Site: PACE of the Triad												
Surry	1,238	408	33.0%	$ 1,350,480	131	24	18.3%	$ 85,488	1,369	432	31.6%	$ 1,435,968
Wilkes	1,440	465	32.3%	$ 1,539,150	146	27	18.5%	$ 96,174	1,586	492	31.0%	$ 1,635,324
Yadkin	544	179	32.9%	$ 592,490	31	6	19.4%	$ 21,372	575	185	32.2%	$ 613,862
Total	**3,222**	**1,052**	**32.7%**	**$ 3,482,120**	**308**	**57**	**18.5%**	**$ 203,034**	**3,530**	**1,109**	**31.4%**	**$ 3,685,154**

Notes:

1. The percentages illustrated in this table represent the proportion of PACE member months compared to CAP / DA and PACE member months by age band for current counties where PACE operates. These percentages are applied by age band to the CAP / DA member months to estimate the PACE member months for the counties illustrated in the table above.

2. PACE PMPM represents the rounded CY18 PACE payment rate.

3. Source of CAP / DA member months is the Truven Eligibility File for CY2017.

4. Estimated PACE member months are calculated using the CAP / DA member months multiplied by the proportion of PACE and CAP / DA membership in counties where PACE operates.

5. PACE Cost is based on the estimated PACE member months multiplied by the PACE PMPM. The PACE PMPM is different for dual vs Medicaid only members.