Demand for PACE Programs on the Rise

By Annemarie Franczyk

March 28, 2014 – Eighty-six-year-old Fred Thompson, of Cheektowaga, had a spiked fever and was hallucinating, a combination that scared his caretaker daughter. Glorie Moyer put out a call, and a doctor arrived a little later, regardless of the fact that it was New Year’s Eve. “The actual doctor came to the house,” Moyer said, still impressed weeks later. “That doesn’t happen every day.”

The house call is to be expected in a Program of All-Inclusive Care for the Elderly (PACE®), a growing model of long-term managed care that coordinates health services for the elderly while allowing them to remain in their homes. The concept is supported by health care experts who argue that the traditional nursing home model is outmoded and many of the frail elderly can get better health outcomes less expensively using a mix of services in their own communities and homes.

Since the first program in California in 1973, 100 have opened across the country. Four were expected to open this month, and 15 more are in the pipeline. PACE programs serve over 32,000 people, according to the National PACE Association. Western New York has three PACE programs, with about 400 enrollees and active plans to expand their reach.

The growth in programs is being fueled by federal and state governments, which are seeking to control Medicare and Medicaid spending by cutting payments in the billions of dollars, in part to nursing homes and other long-term care providers. To be eligible for PACE, individuals must be 55 or older, unable to perform two or more daily living activities such as bathing and dressing, able to live in their homes, quality for both government programs, and agree to have their care addressed by the PACE site’s team of providers.

Thompson is one of 170 participants in LIFE (Living Independently for Elders), the PACE program established by Catholic Health in 2009. It operates out of the Our Lady of Victory (OLV) Senior Neighborhood in Lackawanna. Thompson attends the adult day care program at OLV, where he gets services a nursing home might offer, including medical care, lab testing, therapies, meals and social activities. A home care aide also visits a couple days a week.

There are no co-payments or other financial obligations for participants. The programs receive fixed monthly fees from Medicaid and Medicare and accept 100 percent of the risk of managing the complete care for each of their participants, even covering the costs of major surgery or nursing home placement if indicated.

PACE programs are required to take all who qualify; cherry-picking participants is illegal. “Folks who are lower acuity need to balance out folks who are transitioning to nursing care,” said Virginia McAuliffe, director of enrollment for Complete Senior Care, Niagara County’s three-year-old PACE program, which serves 109.

The fixed fees and unpredictable patient mix motivate the programs to control costs through preventive care and other measures – not all of them medical treatment – that keep participants out of the hospital and nursing home.
“So much health spending occurs because there is no coordinated care, and it’s being repeated over and over again,” said Karen Shalke, LIFE community liaison. “Here, we look at everything. How does it all work together? It’s not just treating the body part.”

In one example, a LIFE participant with COPD was given an air conditioner that prevented what had become multiple hospitalizations during hot and muggy summer months. In another, a couple is getting marriage counseling for stresses brought on by his multiple debilitating diagnoses, her job loss, and a death in the family.

A fourth long-term managed care program, Total Aging in Place, offered at the Weinberg Campus in Amherst, is similar. However, it is funded only by Medicaid.

Each of the three local full PACE programs has room for 30 to 100 additional participants.

Though PACE is attractive to many, McAuliffe said there are obstacles to enrollment for those who are unable to meet the Medicaid financial obligations or unwilling to give up their current insurance or doctor.

Still, the programs are pursuing expansion, believing that there are more seniors in their coverage areas who could quality. LIFE is extending its geographic reach further into Erie County through a recent partnership with Catholic Charities and searching for similar arrangements with other adult day care. Also, this summer, the new LIFE at Home program is expected to reach out to home-bound elderly who are unable to attend day care, Shalke said.

Complete Senior Care, established in 2011 in Niagara Falls, is intent on duplicating services in Lockport. “It’s just a matter of reaching consensus – building a network and brick-and-mortar,” McAuliffe said.

Total Senior Care, based in Olean and serving Cattaraugus County since 2009, added 10 towns in Allegany County the following year and is actively working with partners at alternative care delivery sites in more remote parts of its service area, said Ann Feightner, program officer.

Federal and state governments also are discussing lowering the age threshold for such programs and introducing an alternative known as Fully Integrated Duals Advantage Plans, which are a variation of PACE that, in part, offer a choice of providers.

Risk management and care coordination aside, participants seem to appreciate that PACE gives them a change of scenery for a few hours a day.

Douglas Meyers, 71, who is battling a form of MS and other ailments, participates in an exercise session at LIFE, raising and lowering his arms along with an instructor. “It gets you out of the house and with other people, so you don’t think you’re the only one who’s sick,” the South Buffalo resident said.

Nearby, Thompson is relaxing in a living room area, catching a show on TV toward the end of his day at OLV. The doctor who made the house call on New Year’s Eve determined he had an infection and sent him to the hospital for what turned out to be a five-day stay. A little more than a month later, he was feeling better and happy to return to his routine. “This gives my daughter a break and lets her get her errands done,” Thompson said. “And it gets me out of the house. Otherwise, I’d be at home seven days a week.”