



Request for Information
For

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

Release Date: JULY, 23, 2021

Responses Due By: 4:30 PM CST/SEPTEMBER, 17, 2021

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Section I. Purpose

The purpose of this RFI is to elicit responses from organizations interested in partnering with the Centers for Medicare and Medicaid Services (CMS) and Louisiana Department of Health (LDH) Office of Aging and Adult Services (OAAS) in the development of a Program for All Inclusive Care for the Elderly (PACE).

This RFI is issued as a means of technical discovery and information gathering. It is for planning purposes only, and should not be construed as a solicitation for services or a request for proposals (RFP), nor should it be construed as an obligation on the part of the state to purchase services. This RFI is not a means of pre-qualifying vendors for any subsequently issued RFP related to this RFI.

Participation in this RFI is voluntary and all costs incurred are at the expense of the submitter as LDH will not pay for any costs related to the preparation and submission of a response to the RFI. All submissions in response to this RFI will become the sole property of the State.

The provisions of the Louisiana Public Records Act (La. R.S. 44.1 et. seq.) apply to this RFI. Pursuant to this Act, all proceedings, records, contracts, and other public documents relating to this RFI shall be open to public inspection. Respondents are reminded that while trade secrets and other proprietary information submitted in conjunction with this RFI may not be subject to public disclosure, protections must be claimed by the respondent at the time of submission of its response. Respondents should refer to the Louisiana Public Records Act for further clarification.

This RFI will aid LDH in determining the location of and sponsoring organization of new PACE program(s). LDH is requesting responding organizations to identify areas in need of additional HCBS. The responding organizations must not only consider geography but assess the ability of the organization to effectively provide all services required by PACE.

Section II. Background

LDH's Office of Aging and Adult Services (OAAS) operates several Medicaid home and community-based programs to serve older adults and others who acquire a disability in adulthood.

Like other states, Louisiana has begun efforts to "rebalance" the state's long-term care systems to provide greater access to non-institutional, home and community-based alternatives with a goal of assisting people to remain a part of their communities.

LDH has prioritized PACE expansion as an initiative in the Department's 2022 business plan. Additionally, Louisiana has been selected as one of five states to participate in the National Academy of State Health Policy (NASHP) PACE State Action Network which provides technical assistance for state expansion of PACE.

OAAS administers home and community based long-term care services (HCBS) through various waiver and state plan programs for individuals who are elderly or have disabilities, assisting them to remain in their homes and in the community. The intent of these HCBS programs is to provide services and supports that are not otherwise available and that assist an individual to remain in or return to the community.

Since 2009, OAAS has actively transitioned over 3,000 individuals from nursing facilities to live and receive services in the community through the Centers for Medicaid and Medicare Services (CMS) Money Follows the Person (MFP) Demonstration Grant. LHD OAAS' re-institutionalization rate is less than 5% within the first year of transition.

In 2018, LDH entered into an agreement with the US Department of Justice (DoJ) that requires LDH to transition a potential 4,000 nursing facility residents with Serious Mental Illness (SMI) back into the community.

OAAS has an annual administrative budget of over \$44 million. It provides services to over 30,000 recipients through several large and complex Medicaid programs whose budgets total over \$1 billion; including the Nursing Facility Program, Long-Term Personal Care Services Program, and two Medicaid HCBS waiver programs. OAAS also manages one state-operated health care facility, Adult Protective Services, Program of All Inclusive Care for the Elderly (PACE) and other non-Medicaid grants and programs.

Section III. Overview of PACE

PACE is an innovative model of community-based care that enables elderly individuals who are certified as meeting nursing facility level of care to live as independently as possible. The Program of All-Inclusive Care for the Elderly (PACE) is a service delivery model that began in San Francisco, California in 1973. The model was established as a permanently recognized organization type under both the Medicare and Medicaid programs. Since 2005 Louisiana has included PACE as an optional benefit in the Medicaid program (42CFR Part 460).

National surveys show that older adults prefer to remain in their own homes and communities as they age, and PACE accomplishes this at less than 60% of the cost of out of home placement, benefiting both elders and taxpayers. Just as importantly, PACE provides and coordinates all services covered under both Medicaid and Medicare, thus reducing the fragmentation of healthcare delivery for this highly vulnerable population. PACE has flexibility to provide nontraditional healthcare services that address the social determinants of health, such as making sure participants have access to healthy foods, or that pest control services are provided if a participant needs them to be safe and healthy in their home.

Louisiana currently has three PACE programs operating out of four sites in New Orleans, (PACE GNO) Baton Rouge (Franciscan PACE Baton Rouge), and Lafayette (Franciscan PACE Lafayette).

<https://ldh.la.gov/index.cfm/page/357>

PACE programs offer pre-paid, capitated, coordinated, comprehensive health care services in a specific geographic area designed to meet the following objectives:

- To enhance the quality of life and autonomy for frail, older adults;
- To maximize the dignity and respect for older adults;
- To enable frail, older adults to live in the community as long as medically and socially feasible; and
- To preserve and support the older adult's family unit.

The PACE organization's interdisciplinary team, consisting of professional and paraprofessional staff, assesses beneficiary needs, develops a plan of care, and monitors delivery of all services (including acute care services as well as nursing facility services, when necessary) within an integrated system for a seamless provision of total care. Typically, PACE organizations provide social and medical services in an adult day health center supplemented by clinical, in-home and other services as needed. Participants in PACE show improved health status and quality of life, lower mortality rates, increased choice in how time is spent, and greater confidence in dealing with life's problems.

The financing model combines payments from Medicare and Medicaid, allowing PACE organizations to provide all needed services rather than be limited to those reimbursable under the Medicare and Medicaid fee-for-service systems. PACE organizations assume full financial risk for beneficiary care without limits on amount, duration or scope of services.

PACE SERVICES

The PACE organization is able to coordinate an array of services, including comprehensive medical, health, and social services to integrate acute and long-term care to older adults with chronic care needs while allowing elders to maintain independence in the community for as long as possible. The PACE service package must include all Medicare and Medicaid covered services, in addition to other services determined necessary by the provider's interdisciplinary team to improve and maintain the participant's overall health status. Typical services include, but are not limited to:

- Adult day health care that offers nursing; physical, occupational and recreational therapies; meals; nutritional counseling; social work and personal care, (PACE organizations must be licensed as adult day health care organizations);

- Primary medical care provided by either a PACE physician, a community-based physician, a physician assistant or a nurse practitioner familiar with the history, needs and preferences of each beneficiary, all specialty medical care, and all mental health care;
- Interdisciplinary assessment and treatment planning;
- Home health care, personal care, homemaker and chore services;
- Restorative therapies, including physical therapy and occupational therapy
- Diagnostic services, including laboratory, x-rays, and other necessary tests and procedures;
- Transportation for medical needs;
- All necessary prescription drugs and any authorized over-the-counter medications included in the plan of care;
- Social services;
- All ancillary health services, such as audiology, dentistry, optometry, podiatry, speech therapy, prosthetics, durable medical equipment, and medical supplies;
- Respite care; and
- Emergency room services, acute inpatient hospital and nursing facility care when necessary.

The PACE organization becomes the sole source of services for Medicare and Medicaid beneficiaries who choose to enroll in a PACE organization. However, individuals who do not qualify for Medicaid can also participate in PACE. Those not qualifying for Medicaid (private pay or those covered under long-term care insurance) would pay an amount equivalent to the Medicaid capitated payment.

Eligibility

The Federal PACE regulation establishes basic PACE eligibility requirements. Individuals must meet the following criteria:

- Be at least 55 years old;
- Reside in the service area of the PACE organization;
- Meet the state criteria for nursing facility level of care; and
- Be able to live safely in the community.

Participation is voluntary and enrollees may disenroll at any time.

Particular Characteristics of PACE

PACE has distinct characteristics that distinguish it from other programs. Listed below is a summary of those characteristics (specific to Louisiana):

- From the point of inception until the first participant is served, the development process can (and usually does) take between 18 months and 2

years prior to serving participants and receiving capitated payments for enrolled participants;

- Potential PACE organizations must have adequate financial capacity to fund program development and start-up costs, including identification of patient capacity and break-even considerations;
- PACE organizations do not file claims; they receive a capitated payment at the beginning of each month from Medicare and/or Medicaid or private pay funds, based on the participant's eligibility;
- PACE organization must participate in both Medicaid and Medicare;
- PACE organizations must develop a provider network in order to provide/contract for all required covered services and other services necessary to meet participant needs;
- PACE organizations must develop the extensive interdisciplinary team required by the Federal regulation (42CFR Part 460);
- Organization must have the ability to manage the comprehensive care (including acute and long term) of a complex nursing facility eligible population 365 days a year, 24 hours per day, 7 days per week regardless of setting and is at full financial risk for enrolled participants;
- Program must have adequate reserves or reinsurance to cover potential catastrophic health events;
- PACE organizations must have the ability and willingness to accept and serve Nursing Facility transitions;
- Must be licensed or must become licensed as an Adult Day Health Care Center by the time the PACE program opens; and
- Each site is geographically specific and is capped at the number of participants that can be enrolled for that program (200 maximum);

Section IV. Invitation to Respond

OAAS is inviting interested organizations to provide the following operational information:

- Organization's mission and history of serving the frail elderly;
- Organization's history of serving individuals that are seriously mentally ill;
- Underserved Area Selected;
- Demographic analysis indicating need for services;
- Targeted geographical service area;
- Description of intended provider network
- Financial package including: financial statements for the previous 3 years and financial projections for the next 5 years, and
- Additional information as outlined in Part V, Application Considerations.

LDH reserves the right to terminate any agreements, contracts or relationship with the organization chosen, if during the process. LDH determines that the organization is

unable or unwilling to progress in a timely manner towards the implementation of a PACE program.

Section V. Application Considerations

Service Area

Organizations are being invited to assess areas underserved by HCBS as well as unserved by PACE. Applications requesting to provide PACE services in areas currently served by a PACE program will not be reviewed.

Organizations may submit one application for a specific geographical area. An organization may submit an application(s) for more than one geographical area.

The potential PACE provider must clearly and concisely describe why they are submitting an application to develop a PACE program for the geographic area chosen.

Special Focus

Since 2009, OAAS has actively transitioned over 3,000 individuals from nursing facilities to live and receive services in the community through the Centers for Medicaid and Medicare Services (CMS) Money Follows the Person (MFP) Demonstration Grant.

In 2018, LDH entered into an agreement with the US Department of Justice (DoJ) that requires LDH to transition a potential 4,000 nursing facility residents with Serious Mental Illness (SMI) back into the community.

In Louisiana, PACE providers must have the capacity to enroll and effectively serve individuals who are transitioning from nursing facilities back to life in the community, including individuals with SMI who meet all PACE eligibility requirements. LDH OAAS believes the PACE model of care aligns with this population because of the active care coordination and case management. Responding organizations must describe how the organization will integrate community mental health services with care plans. OAAS transitions as many as 300-400 individuals each year and PACE organizations must have resources and systems to properly serve this often challenging population.

Note: OAAS transition coordination staff will create and work the transition plan as well as locate housing. They will assist the individual in determining necessary services, selecting a program and arrange for the move from the nursing facility. As always, PACE organizations will have the right to determine whether they can meet the person's needs. However, OAAS fully expects PACE organizations to have the resources to effectively serve this population.

Description of Potential PACE Provider

This section must include information on:

- the purpose and goals of the potential PACE provider;
- the number and type of potential enrollees expected to be enrolled (up to the 200 cap);
- the geographic area served;
- organizational structure, including number and type of staff;
- all-inclusive services;
- adult day health center experience/accomplishments (if applicable); and
- effective use of existing community resources.

Proposal Requirements

The potential PACE provider will explain the need for the service in unserved area of their choice. Information such as statistics, characteristics of the community, lack of similar resources, participant needs, and the expected impact of the proposed service should be included. The request should state what attempts have been made to secure funding sources.

The following information shall be included in the proposal submitted:

- The estimated number of individuals to be served and cost per participant. The application should indicate an estimate of the number and type of participants to be served and how the participants will be assessed and selected;
- A description of the service area target population. Define the service areas, including zip codes to be served;
 - detail how transportation will be designed to maintain less than one hour transport time for participants from home to and from center.
 - Include a map of proposed geographic/service area;
- A listing of the major socioeconomic, health, and cultural characteristics of the target population(s);
- Describe how the PACE program will fill an unmet need for community based long-term care;
- Describe the PACE center location in terms of it being located in an identified area of the community familiar to those who will be served. The center location should be based on the analysis of the intended service area, the number of individuals eligible for PACE, and where these individuals reside. The PACE program must consider the size and diversity of the service areas; if the PACE center encompasses many neighborhoods, the PACE organization will need to integrate various populations within the service area;
 - Describe whether the center will be leased or purchased;
 - Discuss community involvement and provide background on which community partners have been involved in the development of the proposed PACE program;
 - Identify and confirm agencies in which it will be critical for the PACE provider to have a partnership;
 - Explain how the PACE provider will establish contracts for services. An example for this: The PACE provider’s “parent” company is a

- health system with which the PACE provider can contract for acute care services;
- Describe how the PACE provider will determine which services will be provided by contract employees;
 - Describe how the PACE provider will establish contracts for all necessary services. Explain the process for which the PACE provider will provide the delivery of services and manage the financial risk;
 - Describe how the PACE provider will address critical factors for assessing risk sharing; specifically, existing partnerships, staffing, informal care giving, technology, and access to long-term services and supports;
 - Provide the numbers, positions, position descriptions, and qualifications of personnel that will be involved in the development and implementation of the PACE program;
 - Explain the potential PACE provider's experience serving the dually eligible (Medicare and Medicaid) population; and
 - Explain how the PACE provider will address participants' needs in all care settings, 24-hours a day, 365 days a year. Explain how participants will receive services at the PACE center, at home, and at inpatient facilities.
 - Explain how community mental health care services will be provided to individuals with SMI.
- Explain how the PACE program will provide a good fit with the sponsoring/partnering organization's current mission, direction, and services.
 - Demonstration of partnerships with acute care hospitals, nursing facilities, and other potential partners;
 - Identify locations of hospitals, nursing facilities, and other potential partners to ensure all required covered services are provided;
 - Identify any potential contracted medical services;
 - Submit job descriptions for medical and program directors;
 - Discuss risk management and mitigation strategies, as well as the potential PACE provider's experience with bearing financial risk; and
 - Explain who will sustain the development of the program. Discuss the timeframes expected to implement and develop a PACE program.
 - Include a business plan that describes the following:
 - Explain how the PACE organization is financially viable and offers a return on community investment;
 - Provide a financial viability plan for the next 5 years (including budgets with projected start-up and annual operational costs. Budget projections must include startup phase and at least 3 years of operation.); and

- Include a complete business plan (to include a marketing plan, implementation plan, staffing plan, operational plan, and exit strategy); These projections should relate directly to the proposed budget that is submitted to include projected start-up and annual operational costs.
- Include an assessment of your organization to determine if demographics and organizational resources and services will support development of a PACE program: The narrative will include the following information:
 - activities and steps needed to achieve a PACE program outlining start-up and development, with a timeline (start-up, development, and opening of the PACE program); and
 - The business plan should address start-up capital, source of those funds, and working capital. If external financing is needed, the business plan should address this issue. The budget should define the total expenditures, show the source of funding for those expenditures, and provide statements of assurances for the availability of funding to complete the development and implementation of the PACE program.
- Discuss how the PACE program will operate a PACE center with space for: a primary care clinic, interdisciplinary team meetings, treatments, activities, therapies, socialization, personal care, and dining.

Section VI. Resources Available to Responding Organizations/LDH Contact Personnel

- CMS website at <http://www.cms.hhs.gov/pace/>
- National PACE Association at <http://www.npaonline.org>
- Code of Federal Regulations at [42CFR Part 460](http://www.ecfr.gov/cgi-bin/section-consult?_ty=section&_id=42CFR460).

Any entity seeking to become a Louisiana PACE organization may contact LDH with questions at:

Allison Vuljoin
 Director, Division of Research and Quality
 Office of Aging and Adult Services
 Louisiana Department of Health
 Bienville Building
 628 North 4th Street, 2nd Floor
 PO Box 2031
 Baton Rouge, LA 70802
 Telephone: 225.432.9073.
 Email Address: Allison.Vuljoin@la.gov

Section VII. Submission of Information

If you are interested in providing information in response to this RFI, responses must be received by September 17, 2021 by 4:30 pm CST. Respondents should submit one

(1) original and three (3) copies of informational packets along with an electronic copy to:

Dr. Fernando Lopez-Evangelio
Louisiana Department of Health
Office of Aging and Adult Services
Bienville Building
628 North 4th Street, 2nd Floor
PO Box 2031
Baton Rouge, LA 70802
Fernando.Lopez@la.gov
cc to Allison Vuljoin
Allison.Vuljoin@la.gov

Section VII. Schedule of Events

LDH reserves the right to deviate from this Schedule of Events. In the event it becomes necessary to revise the RFI for any reason, the Department shall provide addenda and/or supplements to potential respondents on its website:

<https://ldh.la.gov/index.cfm/subhome/12/n/7>

Schedule of Events	Tentative Schedule
Public Notice of RFI	July 23, 2021
Deadline to submit questions	August 4, 2021
Response to questions posted on website	August 18, 2021
Deadline to Submit Information	September 17, 2021
RFI Review by LDH	September 24, 2021
Request for additional information from applicant(s)	September 29, 2021
Organization Selected/Unsuccessful respondents notified by mail	October 15, 2021

Section IX. Selection Notices

Each respondent will receive written notification whether the respondent was selected to proceed with the PACE development process. Notices will be mailed by October 15, 2021. LDH reserves the right to reject all responses.