



June 2, 2020

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
S-230, The Capitol  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader  
U.S. Senate  
S-521, The Capitol  
Washington, D.C. 20510

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
H-222, The Capitol  
Washington, D.C. 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
H-204, The Capitol  
Washington, D.C. 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi and Minority Leader McCarthy,

On behalf of our membership including 114 PACE organizations in 28 states, and numerous other entities pursuing PACE development and supportive of PACE, the National PACE Association (NPA) is writing to thank you for your continued strong leadership on COVID-19 pandemic relief.

For nearly 54,000 nursing home level of care older adults, Programs of All-Inclusive Care for the Elderly (PACE) are the lifelines that enable them to live at home instead of in a nursing facility. PACE organizations provide these older adults with the medical, social and supportive services they need to maintain their wellbeing while living at home. The current COVID-19 public health emergency has underscored the need for PACE services and PACE organizations have been quick to adapt as they continue to provide services and keep their participants safe in the community.

As direct care providers, PACE organizations have substantially and swiftly transformed their operations, moving the provision of the majority of their center-based services into participants' homes to minimize the risk of infection and protect their extremely vulnerable participants from COVID-19 complications. These in-home services include primary care, nursing, therapy services, behavioral health services, personal care, meals and much more. In addition, fully risk-bearing PACE organizations are responsible for the coordination of care provided by their networks of contracted providers, including hospitals and nursing homes. NPA is extremely proud of PACE organizations' response to the pandemic, continuing to provide all necessary care and services 24/7 to their participants bravely and innovatively.

As you consider additional COVID-19 relief legislation, NPA wants to make you aware of our priorities and respectfully request that they be included in the next enacted package.

**1. Establishing a PACE Risk Corridor**

Establishing a PACE risk corridor will protect PACE organizations from costs exceeding their total Medicare capitation payments by more than 5 percent due to COVID-19. As provider led health plans, PACE organizations may experience unexpected increases in the costs of acute and post-

acute episodes of care as well as other Medicare-covered services over an extended period of time across the population of highly medically complex elders and those living with disabilities they serve.

**2. Strengthening the Provision of Home and Community Based Services by States**

To enable States to strengthen their home- and community-based services (HCBS), NPA supports an increase in the Federal Medical Assistance Percentage for the costs associated with these services by an additional 10 percentage points from July 1, 2020 through June 30, 2021.

**3. Providing PACE organizations with Increased Workforce Supports for Essential Workers**

PACE organizations are direct care providers and depend heavily on essential health care workers to deliver critical care and services to program participants daily. Increased access to additional funds are important for PACE organizations so that they can support higher workforce costs related to the hazards faced by direct care staff in the performing their jobs in participants' homes and PACE centers. These higher costs include procurement of additional protective personal equipment and higher pay rates, in addition to the increased costs of contracted staff needed to provide increased levels of home care to PACE's high-risk population.

**4. Allowing Audio-Only Telehealth Diagnoses to be Accepted by CMS for Risk Adjustment Purposes**

At present, the Centers for Medicare and Medicaid Services (CMS) only permit diagnoses resulting from either in person or telehealth encounters using both audio and video to be submitted to their Risk Adjustment Processing System (RAPS). It is important for the accuracy of Medicare's PACE payment risk adjustment that all diagnoses received by PACE participants be submitted including those resulting from audio-only telehealth encounters. Since the onset of the pandemic, the ability of PACE organizations to diagnose participants in person has been greatly curtailed. Many PACE participants lack access to devices that support video telehealth visits due to low income. Further, many participants lack the physical or cognitive ability to use those devices. Almost half of PACE participants live with dementia almost all have a functional limitation that impedes their ability to use video technology. In many instances, participants and their families either do not have access at all to Wi-Fi or cellular service or have poor access. While CMS has recognized these barriers in fee-for-service by waiving the video requirement for certain telephone evaluation and management services, the agency has not acknowledged that the same barriers exist in the PACE model of care. Given that RAPS data is used by CMS to set PACE capitation payments for future years, a dataset lacking the many audio-only diagnoses arising from the pandemic will result in inaccurate rates. PACE organizations should not be penalized by CMS through imprecisely calculated Medicare payments in 2021 because of audio-only telehealth practices necessary to minimize participant and staff exposure to COVID-19.

**5. Enabling PACE Organizations to be Eligible Recipients of Federal Telehealth Funding Through Federal Communications Commission and the Health Resources and Services Administration Programs**

Currently, PACE organizations are not defined as entities eligible to receive federal telehealth funding provided through the Federal Communications Commission. The ability to receive Health Resources and Services Administration funding is limited as PACE is not often included as an eligible entity in the programmatic requests for applications. PACE organizations have relied on a high touch care model that now is being replaced with increased use of telehealth and telemedicine in order to maintain the safety of PACE participants and staff. PACE organizations

must increase their investments in technology and training to enable the application of telehealth and telemedicine services to the care of PACE participants. The ability to make these major financial investments is not well supported through PACE's capitated per participant, per month payment methodology. Thus, augmented access to federal telehealth funding would facilitate PACE organizations' investment in and application of technologies facilitating essential in-home assessments, services and supports.

NPA looks forward to continuing to work with you on policy issues impacting PACE participants and their families as well as our workforce and their families. Should you require further information, contact Francesca Fierro O'Reilly, Vice President, Advocacy, at either 202-409-6571 or [FrancescaO@npaonline.org](mailto:FrancescaO@npaonline.org). Thank you in advance for your sincere consideration of our requests.

Sincerely,



Shawn M. Bloom  
President and CEO