FY 2020
Annual Report
Fiscal Year 7/1/2019 - 6/30/2020
What began as a typical year quickly and dramatically changed in March when the COVID-19 pandemic arrived in the United States and threatened the health and well-being of our nation. As front-line providers serving older adults particularly vulnerable to the coronavirus, PACE organizations jumped into action and undertook efforts to protect participants and staff, transforming the high-touch PACE care delivery model into a pandemic-ready model and adopting new approaches like telehealth to address the crisis. While the pandemic is far from over, PACE organizations have developed and shared strategies that are successfully protecting participants while still addressing their medical, functional, nutritional and social needs. The extraordinary response of PACE organizations and their staffs has demonstrated their commitment, creativity and resilience.

Like our PACE members, NPA also had to adapt quickly by creating new data reports, developing strategies to offer an expanded array of virtual learning opportunities, and creating new webpages and communications to keep members informed and prepared. Similar to PACE interdisciplinary teams, NPA staff were accustomed to collaborating face to face and had to introduce new technology to continue their work in support of members. In addition, NPA continued to advocate strongly for financial support for PACE at the federal and state levels and worked closely with regulators to obtain operational flexibility.

Fortunately, NPA has recruited capable and committed staff, developed a solid operational infrastructure, and built a financially strong association to serve the needs of PACE organizations during challenging times. In many ways the pandemic has served to accelerate some of the strategic priorities of NPA. While activities were underway prior to the pandemic to offer members expanded access to virtual and online learning, those plans were accelerated. NPA now will host the...
summer and annual conferences as virtual events.

I am pleased and proud to be part of a PACE community that has risen to the occasion during trying times and has come together within NPA to learn, exchange ideas, and collaborate. As you read the 2020 NPA Annual Report, I hope you share my pride in our association’s accomplishments and my appreciation that it has provided an essential vehicle to support and unite the PACE community.

Reflecting on the response of PACE organizations and NPA during the past several months, I am confident that PACE will weather the current crisis and emerge not only with an enhanced reputation but able to demonstrate even more clearly to the public, policy-makers and elected leaders that PACE is the most innovative, accessible, valuable and effective model of care for older adults with significant health care needs. I am grateful to have an association singularly committed to our mission.

Adam Burrows
Board Chair
Medical Director
Upham’s PACE

During this COVID 19 pandemic, we didn’t know how we were going to work things out with the center closing and Pop being home alone. But thanks to PACE, we didn’t have to figure things out alone. From the check-up calls from the home nurse and dropped-off meals to the social worker and doctor check-in, we have not missed a beat.

Fanta Dorley,
Daughter of PACE of the Triad Participant

Shawn Bloom
President and CEO
National PACE Association
Communications

NPA works to maximize the exchange of ideas between NPA and its members and to facilitate interactions among PACE organizations. Professionals in various disciplines have opportunities to communicate with their peers throughout the country.

Over the past year, the NPA Communications Team has done the following:

- communicated with members through the monthly Keeping the PACE and weekly Headlines e-newsletters and the NPA website;
- held monthly PACE Awareness webinars to assist marketing and intake staff;
- provided resources for the 2019 National PACE Month observance;
- hosted the Intake & Marketing Workshop at the 2019 NPA Annual Conference, with a special focus on online marketing;
- introduced two new e-Communities for PACE: Chaplains and Home Care; and
- adapted the “Before I Found PACE” testimonial videos into short, 90-second versions with English and Spanish captions.

In response to COVID-19, we implemented the following:

- added a COVID-19 section to the NPA website, with a landing page featuring 15 areas of interest to assist PACE organizations - from summaries of CMS COVID-19 communications, telehealth resources and PPE information to PACE organization responses to the coronavirus, COVID-19 webinars and reopening resources;
- launched a COVID-19 Weekly Update e-newsletter;
- designated the Emergency Preparedness and Primary Care e-Communities for PACE as places for COVID-19 issues
Robert Edmondson, PACE Board member at WelBeHealth

"NPA is so very important to PACE right now. Thanks for all that you do to help PACE organizations serve frail seniors."

Before I Found PACE

to be discussed; and
- facilitated a total of 20 e-Communities for PACE, which attracted a record number of subscribers during the pandemic.

Looking forward, we will focus on the following:
- developing the next generation of online member engagement;
- refining our messaging concerning the benefits of PACE to promote PACE awareness among the public, policymakers and elected leaders; and
- developing strategies that grow member engagement.
Data

The information and insights provided by timely, actionable data are key to making decisions that drive growth, quality improvement and innovation. Over the last year, the NPA Data Team has continued to improve our data collection and analysis capabilities and to refine the resulting benchmarking reports.

Most recently, we released the redesigned NPA Staffing Report. The new design addressed some of the limitations of previous versions by expanding the scope to a broader range of positions, addressing job title variation by focusing on job function, recognizing the impact of extender positions in supporting required positions, and providing metrics with which to estimate staffing ratios. We also are moving the Staffing Report from a biennial to an annual production schedule.

In addition, we made the following significant changes:

- All reports now include an executive summary of methodology, overall findings and limitations.
- Financial Ratios and PMPM Financial Benchmarking, traditionally sent out as one benchmarking report, are now on separate production schedules in order to provide more timely data to PACE organizations.

The data management processes for both reports have been enhanced to allow quicker analysis and turn-around, and the graphics have been updated to represent findings better. We also developed an online survey tool to standardize data collection for the PMPM Benchmarking Report, and its national and peer group data
have been combined into one report.

- We released DataPACE3 Benchmarking as an annual, rather than biannual, report for 2018. Based on favorable feedback from users, this report will continue on an annual reporting cycle.

Currently, the priority of the NPA Data Team is the collection and analysis of data to support PACE organizations as they navigate the changing care environment brought on by the COVID-19 pandemic.

In recent months, the NPA Data Team completed the following projects:

- designed a process for capturing uniform data regarding confirmed cases of COVID-19 among PACE participants and associated hospitalizations and deaths;
- developed a database for tracking and trending COVID-19 Impact data; and
- developed a dashboard for the NPA COVID-19 Weekly Update that reflects the impact of the pandemic on participants.

Looking forward, we will focus on the following:

- enhancing the capabilities of the COVID-19 dashboard on the NPA website; and
- supporting NPA advocacy efforts through the analysis of program and regional variations that correlate to national or regional hot spots and comparisons of infection and death rates by PACE organization type (e.g., rural/urban, census).
Education

NPA hosts a Spring Policy Forum, Summer Conference and Annual Conference each year and facilitates programs to help PACE organizations learn from one another and from experts in the field. We are developing the capability to produce educational and promotional multimedia content that members will be able to access via the NPA website.

We kicked off the year with a very successful annual conference in New Orleans. Attendees enjoyed the activities commemorating the 25th anniversary of NPA. The conference featured more than 70 educational sessions and focused on the interdisciplinary team (IDT) as its primary concentration.

In response to the COVID-19 pandemic, NPA decided to cancel the Spring Policy Forum, which was scheduled to take place in late March, to protect the health and safety of our members and their participants. For similar reasons, NPA will offer the Summer Conference online for the first time, beginning Aug. 3. The conference will feature a Clinical Symposium, a Quality Symposium and a Medical Director Essentials Course, with new content for IDT members. The virtual event will offer pre-recorded webinars and scheduled question-
and-answer sessions. We are hopeful that even more PACE staff will be able to participate in this virtual educational opportunity.

We were already in the process of researching the best platforms for producing educational and promotional multimedia content that members could access via the NPA website when the pandemic hit. We quickly adapted by developing a virtual online process to offer continual support to our members, many of whom had begun working remotely. The online educational series we developed is the PACE Innovation Lab. The webinar series brings emerging ideas and practices in PACE to the wider PACE community to accelerate their advancement by fostering early ideation, dialogue and information sharing and to help programs learn from one another in real time.

To best serve the PACE community in responding to the COVID-19 pandemic, the NPA Education Team is dedicating the 2020 sessions of the PACE Innovation Lab to the creative and innovative practices that PACE programs are developing to combat the coronavirus while continuing to serve their participants and communities in the current, shifting context. The sessions will be offered to all NPA members at no cost. Topics include repurposing the adult day center, telehealth, paid caregivers, and reopening the PACE center.

Over the past year, the NPA Education Team offered the following:
- several PACE Learning Series webinars on various topics of interest;
- recorded webinars that members could view at their convenience on the NPA website; and
- brief overviews of the NPA departments through NPA Update videos so members would have a clearer understanding of how each department functions.

Looking forward, we will focus on the following:
- offering innovative educational experiences in light of COVID-19;
- developing educational offerings for under-represented disciplines; and
- exploring the expansion of continuing education credits for additional disciplines.
Policy

The impact of the COVID-19 public health emergency on PACE organizations and the participants we serve has been transformative, shifting where and how care is provided, introducing new and elevated safety concerns, and accelerating innovation. Public policies at the state and federal levels have struggled to keep up with the range and speed of change even as events have challenged our ability to assess fully the operational, financial and performance impact of COVID-19 on PACE.

The response of PACE organizations to the pandemic occurred at a time of significant regulatory oversight changes, unaddressed affordability and access challenges, and a stable but inadequate payment methodology. While the first half of the year (July 1 to Dec. 31, 2019) focused on these policy concerns, the onset of the COVID-19 public health emergency suspended these activities in early 2020 as we shifted our efforts to support our members in responding to the pandemic:

- NPA worked with the Centers for Medicare & Medicaid Services (CMS) to obtain much-needed operational flexibility for PACE organizations related to assessments, use of telehealth, PACE center services and audit relief.
- NPA worked with Congress to advocate for financial support for the payroll expenses, costs of care, and loss of revenue of PACE organizations.
- At the state level NPA worked with the State PACE Associations and their members to support increased payment rates and operational flexibilities.

Looking ahead, NPA advocacy will focus on assuring that our members emerge from the pandemic with the policy supports and financial resources needed not only to sustain their services to PACE participants but also to gain from the experiences, innovations and results achieved during this critical time. We will work with our member PACE organizations, state...
and federal policy-makers, and congressional champions to take stock of what challenges are being overcome, what innovations should be sustained, and how PACE can play an even greater role in keeping older adults safe and well in the community.

In line with these COVID-19 policy-related objectives, NPA continues to see the need to improve PACE access and affordability for Medicare-only individuals, to initiate PACE pilots for an expanded range of complex care populations, and to achieve a payment methodology that reflects the needs of the people we serve, notably the almost 50 percent of our participants with cognitive impairment.

COVID-19 has underscored the value of PACE organizations in keeping older adults with complex needs safe and well at home. We know it is and will be safer to be at home than in a nursing home or hospital. We are learning how to increase our capacity to care for older adults through the application of telehealth and an expanded range of in-home services. At the beginning of 2020, NPA received a second phase of grant funding to support the PACE 2.0 growth initiative. As we proceed with the initiative, we have the opportunity to reflect the heightened understanding of the need for PACE to grow and the new PACE care model innovations we are learning from in the midst of this public health emergency.

**COVID-19 Regulatory Flexibility**

In response to the COVID-19 public health emergency, NPA worked with CMS to obtain regulatory relief and flexibility as PACE organizations implemented new approaches to caring for their participants:

- CMS applied enforcement discretion when assessing compliance with PACE requirements, e.g., in-person assessments, provision of services in the PACE center, and processing of service delivery requests.
- CMS suspended routine PACE program and 1/3 financial audits.
- CMS delayed deadlines for the submission of PACE Quality Data and the administration of the 2020 Health Outcomes Survey-Modified (HOS-M).
- CMS recognized the greater need for telehealth and audio communications to avoid unneeded person-to-person interaction.

NPA advocated for the submittal of diagnoses made in the context of audio-only visits for risk adjustment. At the time of this report, this request is unresolved, pending a decision by CMS.

**COVID-19 Financial Supports**

Recognizing the potential impact of the COVID-19 public health emergency on the revenues, care expenses and payroll expenses of PACE organizations, NPA sought financial supports to assure their future financial sustainability:

- NPA worked with Congress to eliminate the 2 percent cut to Medicare capitation rates imposed under sequestration.
- NPA supported the access of PACE organizations to funding under the Paycheck
Protection Program, Emergency Industry Defense Loan Program and Grants, and Main Street loan program that supported their ability to maintain their payroll.

At the time of this report, NPA continues to strongly advocate for additional financial supports for PACE organizations.

- NPA is advocating with the U.S. Department of Health and Human Services and Congress to include PACE organizations in the distribution of funds available through the Provider Relief Fund. At the time of this report, funding for PACE organizations through the Provider Relief Fund is pending administrative action or passage of an additional COVID-19 relief package by Congress.

- NPA is working with Congress to include PACE organizations in a proposed risk corridor that would limit their costs above 105 percent of their revenues by offsetting 75 percent of the excess costs through supplemental Medicare payments.

- NPA is proposing additional cost protections for COVID-19-related hospital and post-acute care. Under the proposed protection, PACE organizations would pass through the costs of this care to CMS and receive payment equal to the costs they incurred.

State Supports in Response to COVID-19

NPA is supporting its State PACE Associations and PACE organizations to provide financial relief at the state level in response to the COVID-19 challenges:

- NPA supported the 6 percent increase enacted by Congress in the federal matching rate for state Medicaid spending to increase the total funding available to states that could be applied to support PACE organizations.

- NPA supported state-led efforts to obtain Medicaid rate increases in California, Massachusetts, North Carolina and Pennsylvania.

- NPA successfully advocated with the U.S. House of Representatives to include PACE in the Home and Community-Based Grant fund proposed as part of the HEROES Act. This would provide federal grants to states that can be used to supplement payments to community-based providers, including PACE. At the time of this report, the U.S. Senate had yet to take up the HEROES Act. It is not known if it will be passed by both chambers and signed into law.

NPA also developed materials to help PACE organizations oppose policies being considered by their state administration or legislature that would limit enrollment in PACE or reduce payments to PACE.

2021 Medicare Payment

Responding to the CMS Advance Notice of Payment for CY 2021, NPA continued to support moving PACE to the Medicare Advantage 2020 CMS-HCC payment model (v24), which includes risk adjustment factors for dementia and several other chronic conditions prevalent in PACE participants. In the event that the new payment model could not be applied to PACE, NPA requested greater flexibility for PACE organizations in administering the HOS-M survey to participants with dementia.

Although the Final Notice of Payment did not incorporate our recommendations, NPA estimates that PACE Medicare
payments would increase approximately 2.9 percent in CY 2021.

To assist PACE organizations in the ongoing administrative requirements of Medicare payment and reporting, NPA continued to offer bi-weekly Health Plan Management conference calls. During these calls, CMS emails, HPMS memos, and other forms of communication are assessed for PACE applicability and reviewed for their potential impact on PACE.

**Review and Comment on the CMS Proposed PACE Rule**

On Feb. 18, 2020, CMS published a proposed rule with significant proposed changes to PACE regulatory requirements, particularly with respect to service delivery requests (SDRs). The proposed rule provided NPA an important opportunity to present CMS with an alternative regulatory framework for SDRs that recognizes PACE as both a provider and a plan.

In its comment, NPA emphasized that PACE organizations should be able to respond to participant requests and expectations as a provider first. This happens through the ongoing assessment and care planning activities of the PACE interdisciplinary team. Only when these activities do not yield a result that is acceptable to a participant or his or her designated representative should an SDR or service determination process come into play. We are awaiting a response from CMS to this recommendation. If adopted, it would ensure participants’ needs are addressed appropriately and significantly reduce the administrative burden of the current SDR process.

Our comment also emphasized the importance of the PACE organization relationship to and support of family and informal caregivers. Recognizing that PACE organizations cannot require caregiver involvement, they should not be discouraged or prevented from working with caregivers to support participants. We are awaiting the release of the final rule by CMS to reveal how the agency responded to comments made by NPA and others. When the final rule is released, NPA will communicate any new requirements to members.

**Compliance Audits**

In early 2020 CMS released the final PACE 2020 Audit Protocol updating the protocol first implemented in 2017 that initiated a substantial change in how PACE organizations are audited by CMS. NPA commented extensively on the proposed 2020 audit protocol in May and December 2019. Many of our recommendations were incorporated in the final version. When the protocol was finalized in February 2020, NPA provided members with a comprehensive summary intended to facilitate their understanding of CMS expectations, as well as changes in the protocol between 2017 and 2020. NPA also surveyed the audit experiences of PACE organizations in 2018 and 2019. The survey results and bi-monthly calls among PACE compliance staff facilitate their understanding of the focus of CMS and areas in which PACE organizations are experiencing compliance issues.

**Quality**

PACE policy development and advocacy reflect the earned reputation of PACE for providing the highest quality of care to one of the most challenging populations: older
adults with complex care and long-term service and support needs. NPA is active in supporting our members’ ability to sustain this high standard. Over the past year, NPA did the following:

* offered the sixth round of the Quality Leader Mentorship Program. Begun in early 2019, this mentorship program provides an opportunity for NPA members to participate in a learning collaborative focused on process improvement methodologies and tools;
* disseminated a manual for PACE Quality Directors developed by the NPA Quality Committee;
* coordinated two quality symposiums, focused on engaging the PACE team in quality improvement and creating a culture of safety in PACE;
* initiated a palliative care learning community, a collaboration among the NPA Palliative and End-of-Life Care Workgroup, the Center to Advance Palliative Care, and West Health focused on improving the care of PACE participants living with serious illness;
* supported the activities of the Clinical and Operational Data Analysis Committee in undertaking data analyses to support the quality improvement of PACE organizations, including analyses of disenrollment in PACE, utilization of subacute care post hospitalization, and utilization of high-risk medications such as benzodiazepines (pending); and
* established the Medication Management Workgroup - comprised of primary care physicians, nurse practitioners, pharmacists and compliance officers - to create and offer to PACE organizations a variety of tools, informational and educational resources that support clinical decision-making and improve the management of pharmaceuticals for PACE participants and developed two best practice documents to assist with prescription adherence and prescribing methods.

Looking forward, NPA quality initiatives will focus on the following:

* updating the Quality Director’s Handbook and developing supplemental materials and templates;
* establishing the PACE Quality Toolkit and Resources Database;
* continuing to develop PACE performance measures;
* developing resources to support PACE audit activities; and
* developing a toolkit on reducing hospitalizations.

**Expanding Access to PACE**

Expanding access to PACE remains a high priority for NPA, and we are addressing barriers to PACE serving a broader range of people who need our model of care:

* Following the determination by CMS that Part D plan choice for PACE participants requires a change in the PACE statute, NPA worked with members of Congress to draft legislation that would provide Medicare-only participants with a choice of Part D plan coverage. We will continue our efforts to pass this legislation in the coming year.
* NPA worked with PACE organizations to
assess the suitability of the Direct Contracting Global Population-Based Payment Option Pilots for PACE and to support members interested in applying for the pilots.

- NPA worked with members of Congress and the Veteran’s Administration (VA) to address payment disruptions for veterans enrolled in PACE and to increase referrals to PACE by the VA.
- Recognizing the significant role of state policies in supporting access to PACE, NPA published its second State Scorecard. The scorecard uses process and outcome measures to assess state policies for fostering PACE. The measures evaluate areas of PACE growth, PACE sustainability, access to PACE, and PACE oversight. The scorecard is intended to be a tool for PACE organizations to use with their states to examine areas that have been positive for PACE and to identify areas that could benefit from policies to better promote PACE in the state.

Growth

The ability of PACE to grow is linked to the advocacy effectiveness of NPA and the PACE community and our ability to expand access to PACE to greater numbers of eligible individuals. Therefore, NPA took the following actions to accelerate growth through the PACE 2.0 initiative, with funding support from The John A. Hartford Foundation and the West Health Institute:

- With additional support from the Gordon and Betty Moore Foundation, 10 PACE organizations from California, Oregon and Washington formed the PACE 2.0 West Coast Learning Collaborative. Using the strategies and tactics defined in the PACE 2.0 Growth Model, collaborative members were able to more than double their monthly net enrollment after 12 months, demonstrating the effectiveness of the model.
- In partnership with the Commonwealth Fund and RTI, NPA completed claims data-based analysis of the potentially PACE-eligible population and other populations with complex care needs that PACE may explore serving. Both the census and claims data-based estimates have been mapped. High-level data are available on the NPA website.
- NPA developed a National Growth Plan, which identifies targeted areas for growth based on potentially PACE-eligible population estimates, anticipated state receptivity to PACE and key activities that include engagement with states, outreach to potential PACE partners and sponsors in unserved areas, establishment of a second collaborative, and additional education to support adoption of the PACE 2.0 Growth Model.

In March NPA was awarded additional grant funding for a two-year PACE 2.0 Implementation project from The John A. Hartford Foundation, the West Health Institute, and The Harry and Jeanette Weinberg Foundation. The PACE 2.0 Implementation project will apply the strategies and tools developed during the first phase of the effort to create catalysts for growth. NPA initiated planning and outreach activities for this next phase of the project, which will include a national learning collaborative, technical assistance for state agencies, outreach to prospective new PACE organization sponsors, and the development of expanded coverage and contracting options.
The Value of Membership

NPA is the only national organization that represents the PACE model of care. We are committed to providing our members with programs and services that support them, their participants and PACE. During the COVID-19 pandemic, NPA has advocated with elected leaders and policy-makers about the specific challenges PACE organizations have faced. NPA has provided an invaluable platform for PACE organizations to identify challenges and work together to develop solutions. Throughout the year and during the pandemic, NPA has demonstrated its value through unparalleled support in the core service areas of communications, data, education and policy.

Revenue and Expenditures

The primary sources of NPA revenue are member dues, educational programs and member services. According to our most recent audited financial statements (FY 2019), 94 percent of NPA revenue is dedicated to policy, education and member services, including data and communication. NPA revenue supports the NPA staff, whose time is devoted to providing programs and services to members.

Our primary expenditures are in the areas of membership services, public policy, education, PACE 2.0 and administration.

NPA revenue supports the NPA staff, whose time is devoted to providing programs and services to members. NPA staff time is allocated as indicated in the chart on the right.
Unique Services

NPA provides services, available only to its members, that are tailored to meet the unique needs of PACE organizations. Over the past year, we have continued to provide the following:

- contracted with seven vendors through the Shared Services program in the areas of claims processing, group purchasing, home technology solutions, insurance products, pharmacy benefits management and participant satisfaction surveys¹;
- facilitated a partnership with Milliman to provide Part D rate development services to members; and
- contracted with the PACE Data Analysis Center (PDAC) at the University of Rochester to provide data analysis services, including risk adjustment modeling, risk scoring, payment predictions, and predictive analytics and benchmarking (e.g., patient diagnosis and prescription drug utilization).

Looking forward, NPA will focus on the following:

- identifying new vendors for the Shared Services program, particularly in response to COVID-19;
- ensuring adequate oversight of program vendors; and
- analyzing data for quality and performance improvement purposes.

¹ NPA developed the Shared Services program to address the needs of its members for products and services that meet the unique requirements and operations of PACE programs. NPA receives a modest fee from participating vendors to manage the Shared Services program, which improves the quality, efficiency, financial performance and operations of its members.
The National PACE Association (NPA) is the only national association devoted to the Program of All-Inclusive Care for the Elderly (PACE®) and its comprehensive approach to care. Member dues are used to advance our strategic goals of championing the value of PACE and supporting growth, advocating for effective regulatory and payment policies, supporting PACE operational quality through education and data, and distinguishing and promoting the PACE brand. To achieve these goals, NPA is proud to provide our members with unparalleled support in the primary areas of policy, communication, education and data, along with other support services unique to NPA members.