



NATIONAL  
**PACE**  
ASSOCIATION

# State Access Agenda

*Recommendations to Improve PACE Access and Affordability*



## Introduction

Programs of All-Inclusive Care for the Elderly (PACE) can play a significant role in supporting the goal of state and federal policy-makers to serve individuals who need long-term services and supports (LTSS) through integrated care and coverage models. PACE offers these individuals a provider-based alternative to larger, insurer-based managed care plans. PACE organizations have proven their ability to offer this alternative as a cost-effective option that complements other state options, including home- and community-based waiver services and Medicaid Managed LTSS.

PACE programs operate through a three-way partnership of the provider, state and federal government. While the federal government provides over-arching guidance regarding how the program should operate, states can apply state-specific agreement terms, determine service areas, and apply their discretion on how many programs will operate and how many individuals can be served. As of February 2021, 138 PACE organizations operate in 31 states and serve more than 55,000 individuals. However, many more individuals could benefit from PACE.

Ninety percent of individuals served by PACE are dually eligible for both the Medicare and Medicaid programs. An additional 9 percent are Medicaid-only. It is estimated that nationally more than 2 million low-income adults need the care that PACE organizations provide. An additional 10 million moderate- and higher-income older adults have medical care and LTSS needs that PACE could help meet. Therefore, states have a great opportunity to enact policies that expand PACE and improve access to existing PACE organizations.

## State PACE Access Agenda

This State PACE Access Agenda sets forth policy recommendations to expand the program in states that currently have PACE and those that will in the future, as well as ensure that individuals who choose PACE can obtain services promptly. These goals can be achieved by supporting access to PACE in current service areas, expanding access to PACE in new communities, and piloting PACE for populations with similar care needs.

### Support Access to PACE in Current Service Areas

When individuals and their families consider LTSS, they should be made aware of all their options and be able to enroll in PACE quickly to avoid institutional placement. States can assure timely access by taking the following steps:

- » Ensure PACE organizations have the ability to meet the needs of their communities without limits on their growth.
- » Design and implement appropriate and effective options counseling that educates people about the range of LTSS available and assist them in selecting the option that best meets their individual needs. This type of counseling would be offered to those seeking information or advice about LTSS or those who are required to enroll in an insurance plan as part of a state-managed LTSS or financial demonstration initiative.

- » Guarantee that clinical eligibility determinations are made quickly and efficiently.
- » Design a system that allows PACE organizations to provide services to individuals throughout the month, rather than only on the first of the month, and provide prorated Medicaid funding for those individuals.
- » Expedite the process to determine if an individual is financially eligible for Medicaid, given that 99 percent of individuals enrolled in PACE are low income.

## **Expand Access in New Communities**

Enrollment in a PACE organization is limited to those who reside within its defined service area, which is defined by the PACE organization and approved by the state. States should consider how to expand access to PACE services through expanding the service areas of existing PACE organizations or adding new programs. This will allow more older adults in the state to access PACE and meet their LTSS needs. States can achieve this in the following ways:

- » Assess the projected growth for the population of adults age 55 and over that meets a nursing home level of care.
- » Explore areas that are unserved or underserved by PACE to assess older adults' need for PACE services and the sustainability of a PACE organization serving these areas.
- » Provide sufficient funding to support PACE operations and growth in response to provider and consumer interest and need.

## **Pilot PACE for Populations with Similar Care Needs**

While the Centers for Medicare & Medicaid Services (CMS) has the authority to test the PACE model with new populations, the agency has not pursued this opportunity. New populations include younger people with disabilities, individuals at risk for needing nursing home care, and others. States should encourage CMS to move forward in providing services to new populations by taking the following steps:

- » Identify certain at-risk groups in their states that could benefit from PACE.
- » Express a commitment to work with CMS to adapt the PACE model to meet the needs of the identified new population(s).
- » Request a PACE pilot to meet the needs of the identified new population(s) using the adaptations to the PACE model identified.