
# Coordinating care for dual-eligible beneficiaries through the PACE program

Christine Aguiar

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MEDPAC

# Overview of today's presentation

- Follow-up on Commissioner questions from September meeting
- Review key findings
- Discuss draft recommendations

# Questions from September meeting

- Literature on PACE
- PACE demographics and disenrollment rates, 2009*
  - Majority were 75 or older (65.8%) and female (72.3%)
  - 56.9% white, 24.8% African-American, 7.9% Hispanic
  - 5% disenrollment
- Two purposes of this analysis
  - Identify ways to improve PACE and encourage enrollment
  - Identify characteristics of PACE that could be adaptable to other integrated care programs

*Source: MedPAC analysis of 2009 data from the MBD/CMS Medicare Entitlement file, 2009 Medicare Denominator File.

# PACE does fully integrate care; however the program can be improved

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| Positive characteristics of PACE | • Multiple evaluations show reductions in hospitalizations, mortality, and nursing home utilization<br>• Fully integrates all Medicare and Medicaid benefits and PACE providers assume full-risk<br>• Flexibility to blend Medicare and Medicaid funds and pay for clinical and non-clinical services |
| Areas for improvement | • Medicare payment methodology<br>• Enrollment processes<br>• Quality data |

# Medicare payment system for PACE

- Based on MA payment system with major exceptions
  - PACE paid on pre-PPACA benchmarks: payments are higher when beneficiaries enroll in PACE than if they remained in FFS
  - PACE providers do not participate in the quality bonus program
  - Because of exceptions, PACE is paid differently than integrated care programs through SNPs
- MA risk-adjustment system needs improvement
  - Under-predicts costs for complex patients
  - PACE frailty adjuster helps make up for the under-prediction
- Lack of outlier protection
  - Only available to rural PACE sites during grant program
  - New PACE sites do not have access to an outlier protection

# Enrollment in PACE is generally slow

- Reaching enrollment targets helps sites break-even
- Lack of pro-rated payments for partial-month enrollees is an enrollment barrier
- Enrolling nursing home-certifiable beneficiaries younger than age 55:
- Help PACE sites increase enrollment to break-even faster
- Give access to beneficiaries that are not eligible
- Most PACE staff generally supportive; but may need to make changes to their program to serve these beneficiaries

# CMS monitors the quality of care in PACE sites but does not publish the data

Data elements for monitoring that are regularly reported to CMS:

- Readmissions
- Emergency care
- Routine immunizations
- Deaths
- Grievances and appeals
- Enrollments and disenrollments
- Prospective enrollees
- Unusual incidents

# Commissioner discussion

- Additional questions
- Changes to the chapter
- Discussion of the draft recommendations