

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



BEK LLC: A Collaboration to Serve

- 2013: Began dialogue on how to serve older adults together in the Fargo Moorhead area
- 2014: BEK Care LLC (dba Ethos Home Care) was established as a Fargo-based organization
 - Knute Nelson is management company of services
- 2017: Expanded into Hospice as a 501c3 community-based nonprofit
- 2019: Expanded to Detroit Lakes, MN
- 2021: Expanded to Grand Forks, ND
- Partnership philosophy: $1 + 1 = 3$
- Shawn Stuhau, President/CEO, Bethany Retirement Living
- Jon Riewer, President/CEO, Eventide Senior Living
- Katie Perry, Chief Strategy and Growth Officer, Knute Nelson

What is PACE?

- Community-based model that provides comprehensive medical care and long-term services and supports to adults, largely dually eligible beneficiaries, aged 55+ who meet their state's nursing home eligibility criteria.
- Dually eligible beneficiaries consume a disproportionate share of Medicare and Medicaid spending. Hospitalizations are a major driver of healthcare spending, especially for dually eligible beneficiaries.
- PACE helps mitigate the risk of hospitalizations and/or nursing home admission due to the focus on preventative, highly individualized care for the enrollee provided by an Interdisciplinary Team.
- PACE programs receive capitated funding from Medicare and Medicaid to cover all Medicare and Medicaid services and are responsible for the full spectrum of their enrollees' healthcare needs.

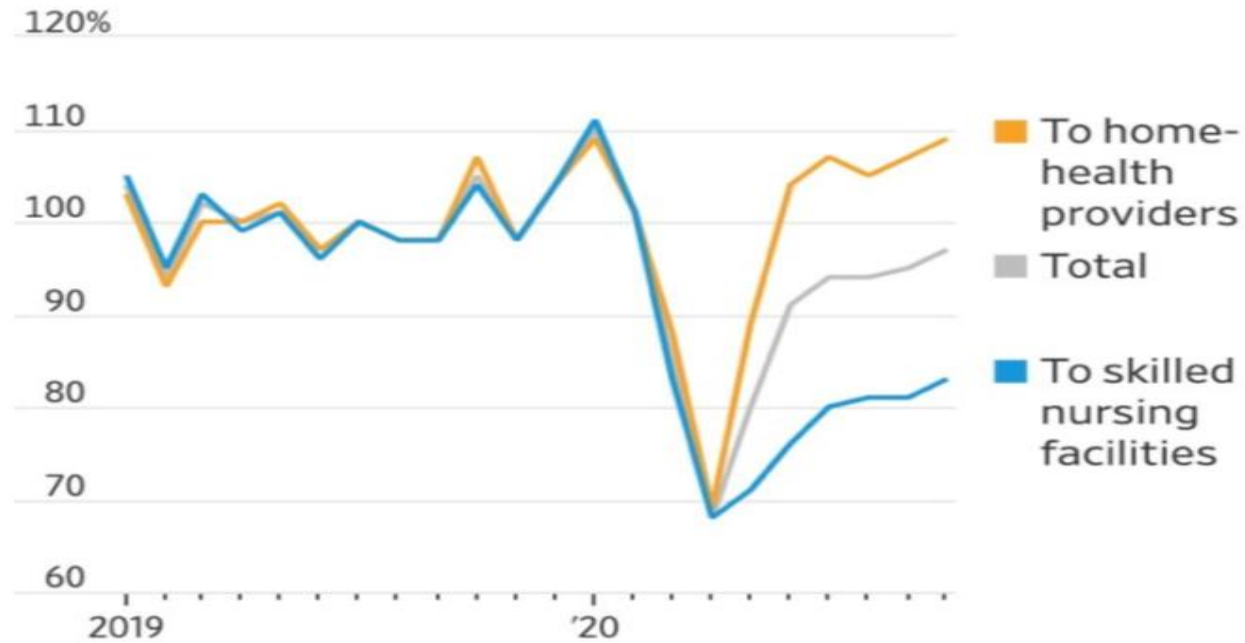
PACE Overview



- The main goal of the PACE program is to help people who qualify for nursing home level of care, to remain in their home and community and enhance their quality of life.
- PACE is a federally and state funded program that provides all health care needs to frail and elderly individuals living in the community. The State contracts with PACE providers who coordinate patient-centered health care for each PACE participant.
- Participation in the PACE program is voluntary and is not restricted to individuals who are either Medicare or Medicaid beneficiaries. PACE participants can disenroll at anytime.
- At the time of enrollment, PACE may be an alternative to assisted living or nursing home placement but once a person is enrolled in PACE, if they need hospital, nursing home, assisted living or basic care placement, they do not have to disenroll from PACE to receive those services.
- PACE is designed to be a lifelong program.

Continued Growth of Home & Community-Based Services

Volume of post-care referrals from hospitals as a percentage of 2019 baseline



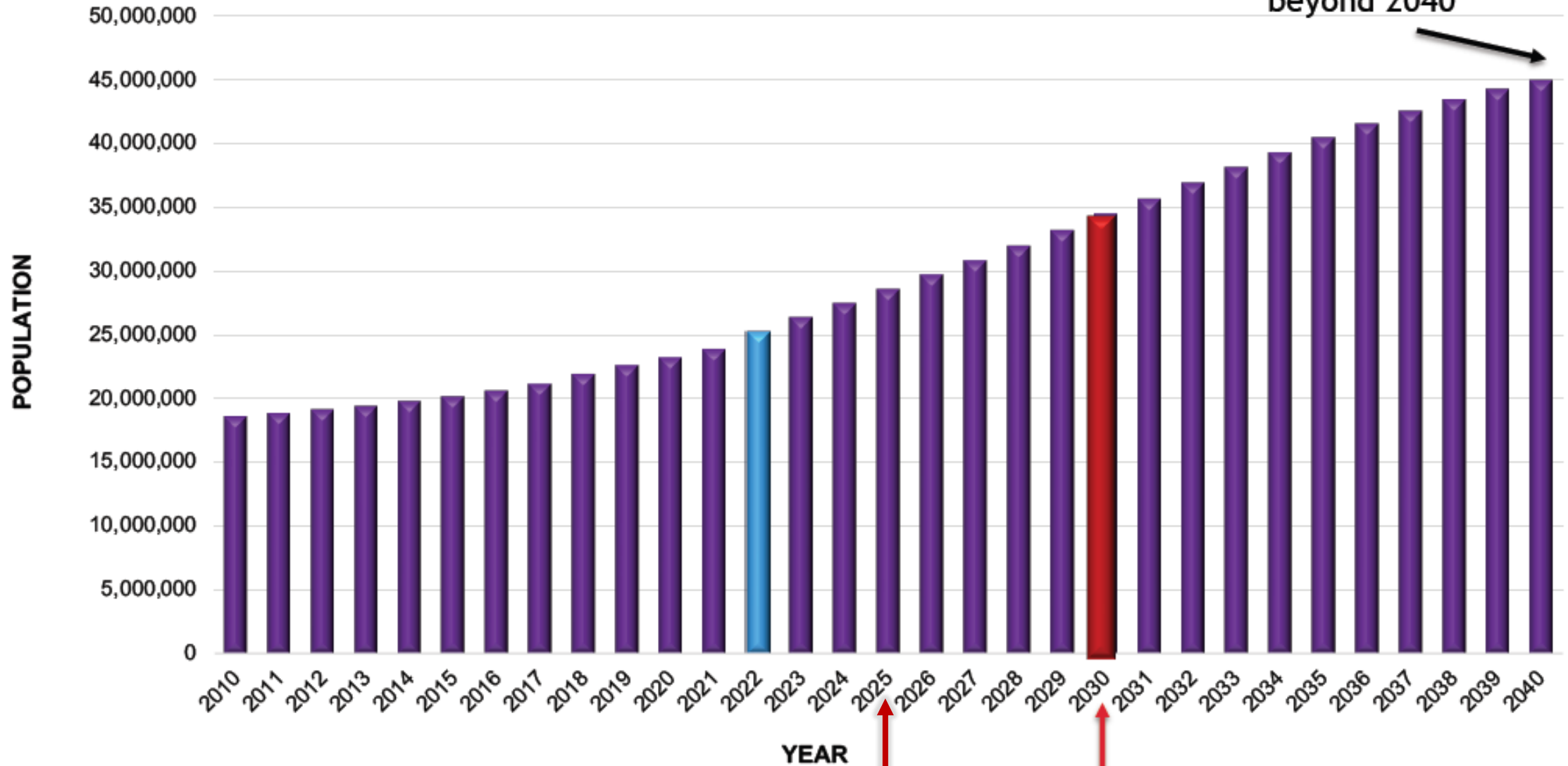
Note: Volumes dropped in the spring/early summer as hospitals paused many routine procedures to clear space and free resources for the expected wave of Covid patients, and as some people steered clear of hospitals.

Source: CarePort Health

- Home Care
- Home Health
- Hospice
- PACE**
- Continuing Care at Home
- Concierge

75+ U.S. Population (2010-2040)

75+ Numbers plateau beyond 2040



1st Boomer Turns 80
All Boomers are 65+

Eligibility



PACE serves individuals who are:

- At least 55 years old
- Qualify for nursing home level of care
- Live within a PACE service area (zip code, drive time)
- Able to live safely in the community with PACE support at time of enrollment
- Income eligible
- Funded by Medicaid, Medicare, Private Pay

Services

Services are provided by the PACE Interdisciplinary Team (IDT). This team is made up of professionals from 11 different required health care areas. IDT members assess each person's needs, and together they develop a care plan, and deliver all health care services, including short-term care and long-term care services, as needed.

Every 6 months the participant is reassessed, and a care conference is held to review progress and determine if changes are needed in the plan of care.

Services that must be provided by PACE include:

- primary care services,
- social services,
- restorative therapies, including physical and occupational therapies,
- personal care and supportive services,
- nutritional counseling,
- recreational therapy and meals.



Services

- Day center is a required component for each PACE site.
- Regular attendance at the PACE day center is not required, but offers many advantages. Participants can visit with a nurse, physician or mid-level provider about their healthcare routinely at the clinic, which is in the day center. Physical, occupational and speech therapy are also provided at the day center.
- Lunch is served daily Monday through Friday.
- Stimulating programs and activities are provided for socialization, enjoyment and relaxation.



Provider and Payment

- A PACE provider receives one capitated monthly payment for each Medicaid eligible participant. This is the only Medicaid payment made for the PACE participant during the month. The average monthly Medicaid payment for a PACE participant is right around \$5,000.
- PACE providers assume full financial risk for the participants' health care without limits on amount, duration or scope of services needed.
- PACE differs from other community-based services by providing coordination of all medical related services.



- The PACE model is centered on the belief that it is better for the well-being of seniors with chronic care needs to be served in their own homes whenever possible.*
- Therefore, it is a ND Medicaid goal to grow PACE access, so that PACE services are an option for more members and become available in more service areas across our state.*
- PACE is a REAL community-based solution to providing care and services throughout a rural environment.
 - Socially engaged rather than socially isolated; mental health needs better met
- PACE supports new regulation around nursing home screening tools.

*Source: North Dakota Department of Human Services

Workforce Appeal

- PACE Day Center operates Mondays – Fridays with scheduled hours
- On-call staff for emergencies
- Allows multiple disciplines required for IDT to deliver enhanced levels of quality care
- Encourages advanced planning with enrollee and family/support network with living wills
 - Mitigates decision-making in times of crisis, which is all-too common
 - Mitigates family/support network dynamics, conflicts
- Decreases hospitalizations and re-hospitalizations = increased workload
 - 10 cent solution vs. \$8,000+ problem

Independent Analysis

- In 2020, Health Dimensions Group (HDG) conducted a study, in partnership with the National PACE Association (NPA), to calculate the national penetration rate of PACE programs. Although data was available for 134 programs, only programs that had been open for a minimum of three years were included in the analysis.
- The following should be noted:
 - 10.1 percent national average penetration rate; median of 10.7 percent.
 - 5 programs achieved a penetration rate of more than 60 percent;
 - 2 programs 50-59 percent;
 - 1 program 40-49 percent; and
 - 6 programs 30-39 percent.

- 24 of 32 states had income eligibility of 300 percent of SSI (\$30,276 in 2022); only one state had a lower income eligibility than North Dakota, but that state has more generous clinical criteria.
- Since the analysis, Kansas had increased their income eligibility to 300 percent of SSI.
- If North Dakota increased their income eligibility to 300 percent of SSI, the number of PACE eligibles increases dramatically.
 - Fargo increases from 143 eligibles in 2027 to 383 PACE eligibles.
 - Grand Forks increases from 118 eligibles in 2027 to 276 PACE eligibles.
- Financial feasibility study indicated an increased number of eligible enrollees is needed to make PACE Center financially sustainable.

Projected SSI Budget Impact

County	Current Funding		Current Capitation Rates		Projected Penetration Rate (Fully Implemented)				Projected Funding (Fully Implemented)			
	Northland Enrollment	Northland Funding	Dual	Non-Dual	111.8% SSI (Current)	150% SSI	200% SSI	300% SSI	111.8% SSI (Current)	150% SSI	200% SSI	300% SSI
Burleigh	83	\$3,015,299	\$ 5,003.26	\$ 5,457.51	60%	60%	50%	40%	\$ 3,912,724	\$ 5,180,737	\$ 6,340,062	\$ 7,970,364
Cass	14	\$ 502,550	\$ 5,003.26	\$ 5,457.51	60%	60%	50%	40%	\$ 3,296,832	\$ 4,456,158	\$ 5,766,438	\$ 7,463,159
Dunn	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 72,458	\$ 108,687	\$ 119,555	\$ 144,916
Emmons	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 60,382	\$ 84,534	\$ 108,687	\$ 135,858
Grand Forks	-	\$ -	\$ 5,003.26	\$ 5,457.51	60%	60%	50%	40%	\$ 2,898,314	\$ 3,912,724	\$ 4,619,188	\$ 5,917,392
Morton	20	\$ 979,328	\$ 5,003.26	\$ 5,457.51	80%	80%	65%	50%	\$ 579,663	\$ 821,189	\$ 941,952	\$ 1,177,440
Oliver	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 36,229	\$ 48,305	\$ 65,212	\$ 90,572
Richland	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 253,602	\$ 326,060	\$ 467,353	\$ 670,235
Stark	37	\$1,353,019	\$ 4,746.60	\$ 5,458.00	60%	60%	50%	40%	\$ 1,847,675	\$ 2,463,567	\$ 2,626,597	\$ 2,994,925
Traill	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 48,305	\$ 60,382	\$ 97,818	\$ 126,801
Walsh	-	\$ -	\$ 4,746.60	\$ 5,458.00	20%	20%	18%	15%	\$ 217,374	\$ 313,984	\$ 423,878	\$ 570,606
Ward	36	\$1,095,301	\$ 4,746.60	\$ 5,458.00	50%	50%	40%	30%	\$ 2,294,499	\$ 3,079,459	\$ 3,936,877	\$ 4,601,074
Total	191	\$ 6,945,497							\$ 15,518,057	\$ 20,855,786	\$ 25,513,619	\$ 31,863,342

Demonstrated Success

- We believe there is an opportunity based on what Kansas and Virginia activities have found:
 - States can restrict SSI for PACE only
 - Kansas: Introduced a phased approach to getting to 300% SSI (2020). The first year, they asked for 150% and in year 2 made it to the 300% SSI to off-set the appropriation step up. In Kansas, they began with PACE only; however, the Governor vetoed it and made it eligible for all HCBS waivers, which was then made into legislation.
 - Virginia: Prior to 2010, the waiver limit was 160% SSI but that changed to 300% around 2010.
 - States can limit the number of PACE enrollees – allowing a better forecast on the budget impact.
- BEK LLC has an appetite for growing home-and community-based services and presenting creative solutions to assisted living and/or skilled nursing facility placement.

Questions and Discussion

Thank you!

