



Program of All-Inclusive Care for the Elderly Overview

Peerapong Tantameng
Director, PACE Program

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What is PACE?

- **Program of All-Inclusive Care for the Elderly**
 - Is a community-based program which provides all necessary medical services to frail elders to enable them to remain living at home instead of in an institution for as long as possible
 - Coordinates and provides a “one-stop shop” for all necessary medical, restorative and social services
 - Is both an insurer and provider receiving Medicare and Medi-Cal capitated payments
 - Provides acute and long-term care and social services



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CBS News Clip – 7/1/12

- http://www.cbsnews.com/8301-18563_162-57464599/new-elderly-care-program-controls-health-costs/

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Who Does PACE Serve?

- To be eligible, a person must be:
 - Age 55 or older
 - Reside in a PACE service area
 - Meet the nursing facility level of care requirements as determined by the State of California (i.e., ICF/SNF)
 - Able to live safely in community
- PACE serves the frailest seniors:
 - Average age is 80 years or older
 - Multiple chronic medical conditions
 - Need helps with multiple ADL's



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PACE – Continuum of Care



**Traditional
Provider**



**Home &
Community
Services**

PACE



**Nursing
Home**

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What does PACE provide?

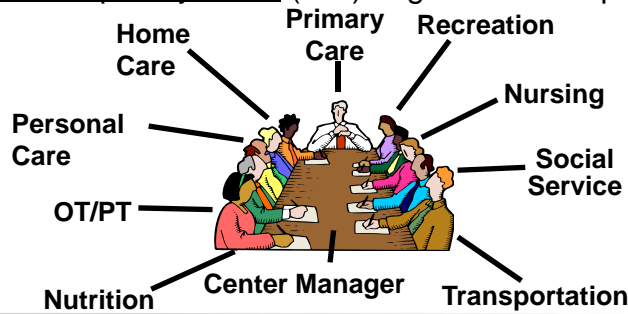
- Coordinated care centered around the participant's and family's needs
- Full-range of clinical and social services based on a tailored care plan with no co-payments for services
- A day center offering socialization and health care services
- On-site primary care medical clinic
- Home care services
- Nutritious meals served at the PACE Center or at home
- Transportation to/from appointments and the PACE center
- Hospitalization and outpatient services fully covered
- All required medical equipment and prescription drugs

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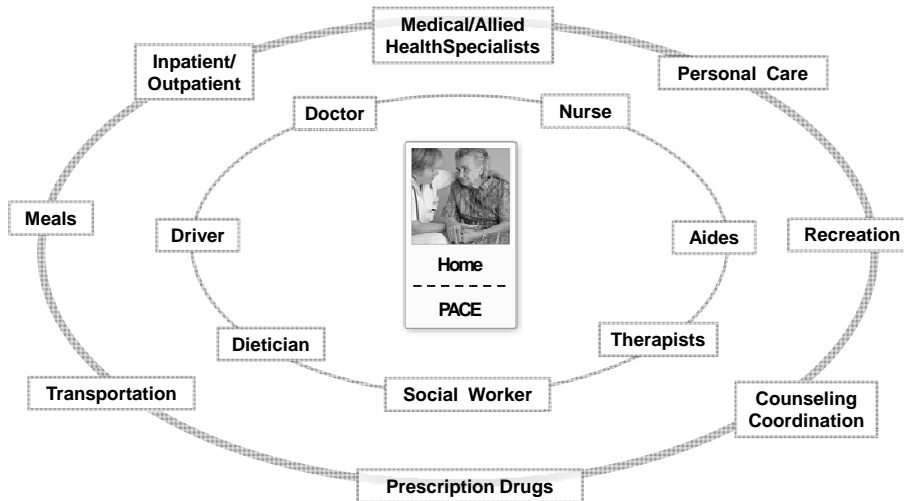
How does PACE do it?

- Services are primarily provided at a PACE center
 - A PACE center is basically an Adult Day Center + primary care clinic where participants receive medical, restorative and social services
- Participants are served and monitored by an Interdisciplinary Team (IDT) of geriatric care professionals



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PACE – Participant is at the Center



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What makes PACE work?

- IDT monitoring and caring – Effective clinical management to provide the most appropriate level of care at the right time
- Physician and other professionals get to know participants and their families over time
- Incentives to prevent hospital admissions
- More compassionate care at the end of life
- Enhanced teamwork and communication among providers involved in participant's care plan
- Guided by mission to allow seniors to remain safely at home instead of going to an institution or nursing home



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PACE – Hypothetical Examples

- Mr. Lee, a widower and previously independent, recently suffered a stroke related to his uncontrolled blood pressure and cholesterol
- Has lost some ability in his left side and requires assistance with bathing, walking and toileting – but he refuses to leave his home
- Has children who live out of state and have tried to help coordinate father's care, but his needs span too many different areas/payers/eligibility
- Was recently discharged from an acute rehab stay (paid by Medicare) for his stroke because he has peaked, and there is no room for "improvement" to warrant a longer stay



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PACE – Hypothetical Examples

- Mrs. Smith lives at home with her daughter who works full time
- Needs help managing meds for her diabetes, cholesterol and high blood pressure
- Has been having more trouble getting out of bed on her own and using bathroom (she tripped recently walking to the bathroom at night)
- Missing medical appointments because daughter cannot get off of work
- Has uncontrolled blood sugar due to poor diet
- Daughter expresses burn-out and depression



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PACE Hypotheticals

- Mr. Lee's care plan developed and delivered by IDT:
 - Medication management by MD, RN and home care
 - Attendance almost daily to receive socialization, rehab, personal care and meals
 - Rehab plan focuses on functional maintenance
 - Social worker informs and reassures out-of-state family
 - No need for Mr. Lee or family to deal with different payers/providers
- Mrs. Smith's care plan developed and delivered by IDT:
 - Attendance 3x weekly + home care to ease caregiver's duties
 - OT provides in-home equipment (non-slip, grab bars, commode)
 - IDT trains daughter on physical assistance and medication mgt
 - Transport to outside specialists so daughter doesn't have miss work



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PACE Outcomes for Seniors

PACE enrollees have:

- Lower rates of nursing home admissions
- Shorter hospital stays
- Lower mortality rates
- Better self-reported health and quality of life than non-PACE

PACE has been successful in keeping 90% of members at home rather than in a nursing home — National PACE Association, DataPACE, 2009

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How much does PACE cost?

- For seniors who have Medicare and Medi-Cal (with no Share of Cost), **all** CalOptima PACE services are covered **at no cost**
- For seniors who Medicare and Medi-Cal (with a Share of Cost), you must pay your own Share of Cost
- For seniors who only have Medicare, you pay a monthly premium to take part in CalOptima PACE
- There is a private pay option, which is rare because it can be expensive

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California PACE Providers

- There are five PACE provider organizations in California
 - On Lok Senior Health Services (San Francisco)
 - Center for Elders' Independence (Oakland)
 - Sutter SeniorCare (Sacramento)
 - AltaMed Senior Buena Care (Los Angeles)
 - Community Eldercare of San Diego
- There are 82 PACE sites in 29 states nationwide (as of 2011)



PACE: Good for Seniors, Providers & Payers

- **PACE provides frail elders a choice to remain at home and live with dignity**
- **PACE provides a team environment in which to practice quality health care**
- **For those who pay for care, PACE provides:**
 - Cost savings and predictable expenditures
 - Comprehensive service package emphasizing preventive care that is usually less expensive and more effective than acute care
 - A model of choice for older individuals focused on keeping them at home and out of institutional settings (which are expensive)

Further Information

Peerapong Tantameng

Director, PACE Program
 ptantameng@caloptima.org
 714-246-8646

Alison Patt-Insinna

Manager, Marketing and Outreach
 apinsinna@caloptima.org
 657-235-6822

PACE – General Information

National PACE Association – www.npaonline.org



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Duals Demonstration: An Overview for Stakeholders

Snack & Learn

Debra Kegel
 Long Term Care Integration Manager, CalOptima

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Overview

- **Background**

- Medicare
- Medi-Cal
- CalOptima

- **California's Coordinated Care Initiative**

- **Duals Demonstration**

- Overview and Goals
- Population and Eligibility
- Coordinated Care
- Program Advantages
- Proposed Enrollment Process
- Timeline
- Information and Resources

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Background

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Background: Medicare

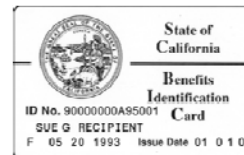
- **Federal health insurance program for adults 65 years and older and people with disabilities under age 65**
 - Administered by federal government
 - Accounts for 12% of federal budget; funding comes primarily from general revenues, payroll taxes and premiums paid by beneficiaries
- **47 million enrolled**
 - 83% are 65 years and older
 - 17% are under age 65 with disabilities
- **Delivery models**
 - **Fee-for-service**
 - Open provider network
 - No referrals necessary
 - Payment made by federal government to provider
 - **Managed care**
 - Defined provider network
 - Referrals necessary
 - Fixed payment for set of services



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Background: Medi-Cal

- **California's Medicaid program**
 - Jointly funded by the federal and state government
 - Accounts for the second largest share of the state's general fund
 - Administered by state under federal and state rules
- **7.6 million enrolled**
 - Largest Medicaid program in the nation in terms of enrollees
 - Second largest in terms of dollars spent
- **Delivery models**
 - **Fee-for-service (3.1 million beneficiaries)**
 - Open provider network
 - No referrals necessary
 - Payment made by state for each service rendered
 - **Managed care (4.5 million beneficiaries)**
 - Defined provider network
 - Referrals necessary
 - Fixed payment for set of services



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Background: CalOptima

- **CalOptima**
 - Largest County Organized Health System
 - Second largest health plan in Orange County
 - 1 in 7 residents — 1 in 5 seniors — 1 in 3 children
- **CalOptima Healthy Families Program**
 - Largest Children's Health Insurance Plan in Orange County; 40% market share
 - Community Provider Plan for 15 years
 - One of only three plans in the state honored for "Superior Performance" three years in a row, 2010–12
- **CalOptima OneCare (HMO SNP)**
 - 14,000-member Medicare Advantage Special Needs Plan
 - 4-star plan in Medicare Star Quality Rating System in 2012
- **CalOptima Medi-Cal**
 - Fifth largest Medi-Cal managed care plan in California
 - Larger than 18 state Medicaid programs
 - Ranked in the top 10 for quality among Medi-Cal plans for past five years
 - NCQA accredited with commendable status



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California's Coordinated Care Initiative





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Background: State Budget

- **State budgeted to spend \$91.3 billion through 6/30/13**

- There was a \$15.7 billion shortfall
- State came up with \$16.6 billion in solutions that includes:
 - \$8.1 billion in spending reductions
 - \$6 billion in revenues
 - \$2.5 billion in other solutions
- ❖ Part of the \$8.1 billion in spending reductions includes \$1.8 billion in spending reductions to the Medi-Cal program

- **State options for Medi-Cal savings**

1. Lower enrollment by changing eligibility criteria  Federal law prohibits states from changing Medicaid eligibility
2. Lower provider payments  High risk for litigation; already among lowest in the country
3. Eliminate optional benefits  High risk for litigation; 9 benefits previously eliminated
4. Change health care delivery system  Better coordination of services



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Coordinated Care Initiative

- **June 2012 — Passage of Coordinated Care Initiative is a step toward more coordinated and integrated delivery models**

- **Major components:**

- **Integration of Long-Term Services and Supports (LTSS)**
 - Long-Term Institutional Care
 - Multipurpose Senior Services Program (MSSP)
 - Community-Based Adult Services (CBAS)
 - In-Home Supportive Services (IHSS)
 - Timeline: March 2013
- **Duals Demonstration**
 - Integration of Medicare and Medi-Cal Services
 - Timeline: June 2013



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Duals Demonstration

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Duals Demonstration Overview

- **National pilot program:**
 - For people who have Medicare and Medi-Cal (“Medi-Medi” or “dual”)
 - Focuses on making it easier to get available services by combining Medicare and Medi-Cal into a single health plan and creating one accountable entity to coordinate care
- **Jointly run by CMS and the states:**
 - California applied and was one of 15 states chosen
 - Coordinated Care Initiative gives California authority to participate in pilot
- **California selected demonstration sites based on:**
 - Experience in providing services to dual eligibles
 - Well-established partnerships among county agencies, providers and health plan
 - Demonstrated ability to create an integrated and coordinated system of care



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Duals Demonstration Overview

- **Orange County selected as a demonstration site:**

- CalOptima Board of Directors gave authority to proceed with application process
- Board asked staff to collaborate with Provider Advisory Committee and Member Advisory Committee to seek input and recommendations from stakeholders
 - Provider Stakeholder Workgroup: Open to any provider stakeholder
 - Member Stakeholder Workgroup: Open to any member stakeholder
 - Behavioral Health Workgroup: Orange County Health Care Agency and CalOptima
 - IHSS Workgroup: Social Services Agency, Public Authority and CalOptima
- Board will make final decision to participate in Duals Demonstration when final program details are released

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Duals Demonstration Goals



Coordinate Medicare and Medi-Cal benefits



Ensure access to care across all settings, including home care and long-term care as appropriate



Maximize the ability of duals to remain in their homes and community



Increase availability, access and coordination of home- and community-based alternatives



Preserve and enhance the ability for members to self-direct their care in a compassionate environment

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Dual Eligible Population

- **About 1.1 million duals live in California**
 - 66% are 65 and older
 - 50% live on <\$10,000/year
 - 74,000 live in Orange County; 6.7% of total

- **Many duals have complex needs**
 - Have multiple health conditions, see several providers and take a lot of medication
 - Average member has 8 conditions, sees up to 15 providers and takes 10 medications

 - May be culturally isolated or have language barriers
 - In Orange County, 25% speak Vietnamese, 15% speak Spanish and 10% speak other languages

 - Struggle to access health care because of challenging financial and social issues

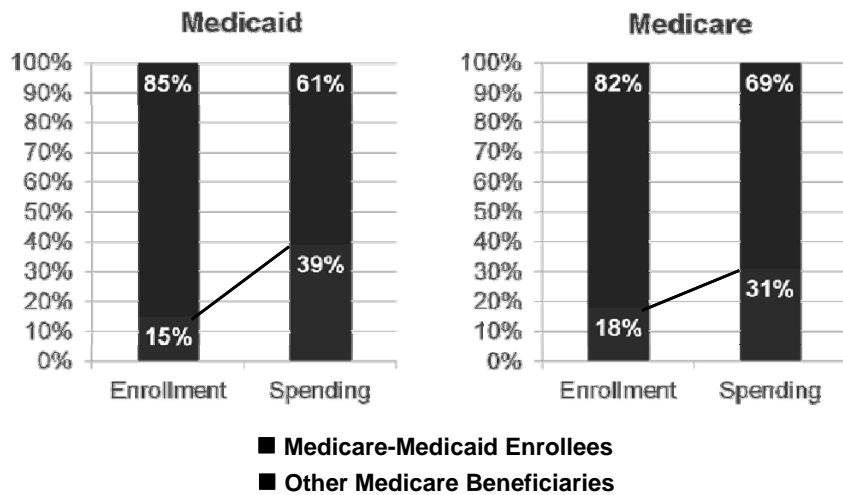
 - Have difficulty navigating through a complex system of disconnected programs

- **Duals account for disproportionate share of health care spending**



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Duals Enrollment vs. Spending



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Duals Case Studies



Earsy, 77, is a dual eligible because she is elderly and has a low income.

She has high blood pressure and diabetes, which led to a stroke 12 years ago that left her paralyzed on her right side.

She uses a wheelchair and relies on caregivers through the state's IHSS program to assist with activities of daily living, such as getting in and out of bed, bathing, dressing, and meal preparation.

Source: CalDuals.org



Diane, 59, is a dual eligible because of a disabling mental health condition.

For years, she has struggled with her disability and accessing medical care. She has had long stretches with no access to a psychiatrist. She went four years without going to the dentist or visiting an optometrist.

For Diane, psychiatric services are crucial. She's been looking for a therapist and a doctor to monitor her medications.

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Eligibility

- **Eligibility is determined by federal and state regulators**
- **Most duals age 21+ with full Medicare and Medi-Cal benefits will be eligible**
- **There are some exceptions:**
 - Duals with developmental disabilities already receiving services from a regional or state development center or residing in an intermediate care facility
 - Duals with end-stage renal disease at enrollment
 - Participants in certain waiver programs, for example, HIV/AIDS

♦ Reference: CalOptima's "Duals Eligibility and Enrollment Summary," October 1, 2012

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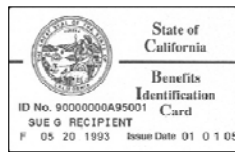
Medicare Benefits and Services



- Medicare is the primary payer
- Orange County's 74,000 duals receive Medicare in different ways:
 - 19% are in OneCare (HMO SNP)
 - 13% are in other managed care plans
 - 68% are in fee-for-service Medicare



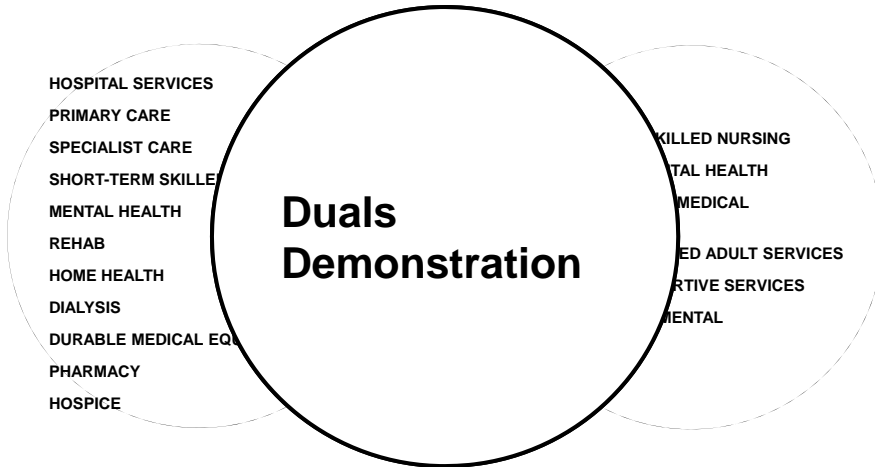
Medi-Cal Benefits and Services



- Medi-Cal services “wrap around” Medicare services
- Orange County's 74,000 duals receive Medi-Cal from CalOptima

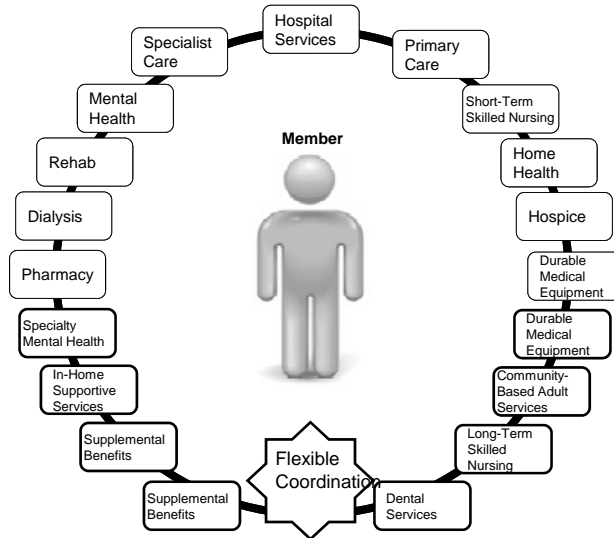


Combining Separate Systems



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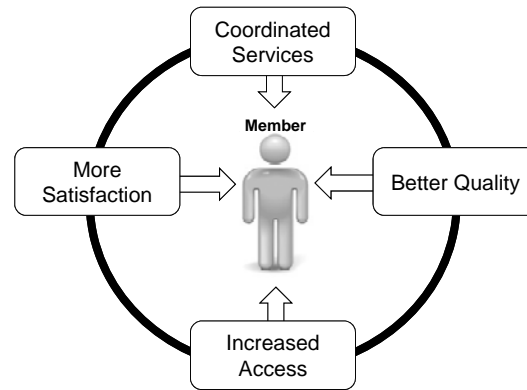
Coordinated Care



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Coordinated Care

- Combined system = coordinated care

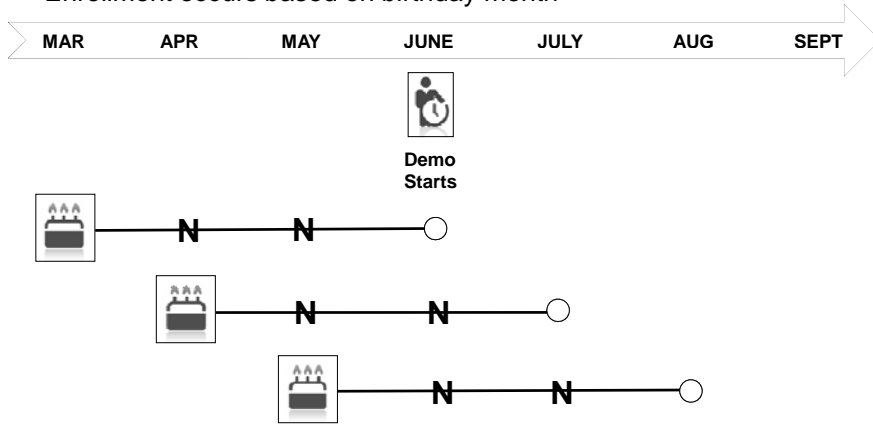


Program Advantages

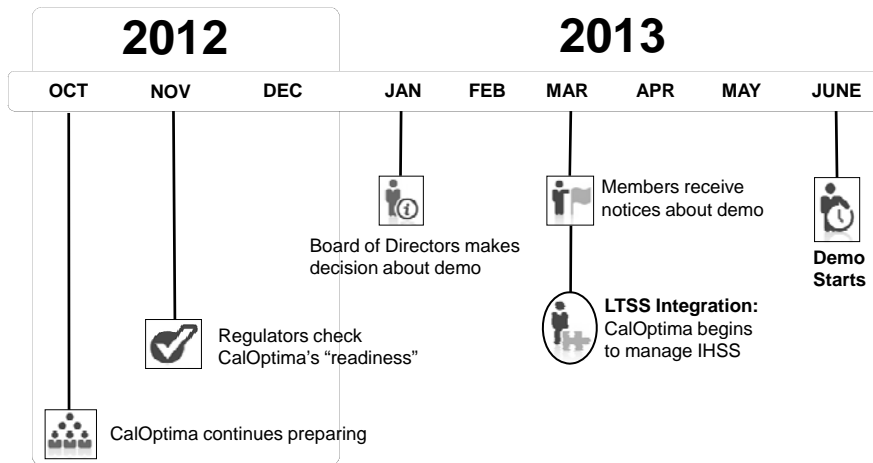
- The right service 
- At the right time 
- In the right place 
- Members will get access to quality health care in a compassionate manner

Proposed Enrollment Process

- Demo begins in June; requires 90-day notice before enrollment
- Enrollment occurs based on birthday month



Tentative Timeline



Information and Resources



Call

- Members: 714-246-8500 or 1-888-587-8088
- Member/Community Stakeholders: 714-246-8470
- Provider Stakeholders: 714-246-8600



Read

- Online resources at www.caloptima.org
- General information at www.calduals.org



Meet

- Attend member stakeholder meetings
- Fill out a Speakers Bureau Request Form to request a presentation for your group



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Duals Demonstration Goal



**Provide members
the right service
at the right time
in the right place.**

**It's all about
access to services
and choice!**



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2013 Snack & Learn Calendar (tentative)

- January 29 - Gizmos and Gadgets
- April 30 - Community-Based Adult Services (CBAS)
- July 30 – Program Eligibility for Non-Citizens, including lawful and undocumented residents
- October 29 – Behavioral Health and Substance Use

Remember to complete your purple evaluation form

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Questions



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