

2009 SENATE HUMAN SERVICES

SB 2318

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. SB 2318

Senate Human Services Committee

Check here for Conference Committee

Hearing Date: 02/09/2009

Recorder Job Number: 8992

Committee Clerk Signature

Mary K. Mowson

Minutes:

Senator Lee Opened the hearing on SB 2318.

Senator Dever District #32. Introduced SB 2318. PACE is a program providing all inclusive care for the elderly. There are several gentlemen that can speak to that program more specifically. It provides care for people who are nursing home eligible but allows them to stay in their homes. A problem arose when the insurance commissioner took a look at this because this is a type of managed care; it was considered to be an HMO. The requirements in the century code are that an HMO has minimum equity. Equity is assets minus liability which is cash in hand. All of the patients in this program are covered under Medicaid or Medicare so there is no concern about that, but the concern would be if they ever took on a private paying patient, which is highly unlikely. What this bill does is it provides for an exemption for two years and then they must provide bond. The amendments to the bill might deal with the amount of the bond.

Tim Cox President of Northland Healthcare Alliance. Spoke in support of 2318. See attachment #1.

Senator Lee Would a private pay person have to dis-enroll?

Cox No, they would not have to, it is up to them.

Senator Pomeroy What is the cost as compared to a nursing home?

Cox I think it is around 231 dollars per day which is more than 7500 dollars a month. The PACE program would be significantly less, around 6000 dollars a month with a better quality of life because they are home.

Senator Lee Is this a flat plan, is this an American plan or a European plan?

Cox We are responsible for all of their health care which is a flat fee. We do not take care of their homes, but we cover all health care costs.

Senator Dever The purpose of the waiver from CMS is to allow you to not offer your services to private payers which takes care of the insurance commissioner's concerns.

Cox That is correct.

Senator Lee Does long term care insurance cover some of this if it were a private payer?

Cox Yes, they are moving towards that. There is indication that nationally some long term care facilities are doing that.

Roger Wetzel Executive Director of Northland PACE. I think the bill is rather straight forward. I want to go in record in support of this bill. This bill addresses concerns that I have had for 40 years in elder care. In answer to one of the questions dealing with cost, if you go into a nursing home in Fargo it can be 4-10,000 dollars a month. If that person uses their long term care insurance it can be 4-10,000. The PACE program would be about half the cost for Medicaid on average. We will be speaking with long term care insurers next week to discuss the PACE program.

Senator Lee LTC could be used as a marketing tool because no one looks forward to being in a long term care facility.

Wetzel Exactly, when I spoke with a group last week not a single one was looking forward to being in a facility.

Senator Lee Just to clarify, people could use other care programs in conjunction with PACE for things like housekeeping?

Cox We have a team of professionals that work with the individuals to come up with personal care plans to take care of their individual needs. We try and take care of every aspect of care.

Melissa Hauer General Counsel, ND Insurance Department. Provided information about an amendment to 2318. See attachments #2 and #3.

Senator Lee Have you had any discussion with the proponents of the bill about the amendments?

Hauer Yes we did and they do approve of the amendments.

Senator Lee What would it cost for this bond?

Tim Cox Our research has shown that it would be around 5-6,000 annually for the 250 one.

The 500 one would be bit more.

Senator Lee Closed the hearing on SB 2318.

Senator Dever I move to amend 2318

Senator Erbele Second

The Clerk called the role on the motion to move the amendment. **Yes: 5, No: 0, Absent: 1.**

(Senator Marcellais)

Senator Dever I move **Do Pass as Amended**

Senator Erbele Second

The Clerk called the role on the motion to **Do Pass as Amended. Yes: 5, No: 0, Absent: 1.**

Senator Dever will carry the bill.

[Handwritten signature]
2-9-9

PROPOSED AMENDMENTS TO SENATE BILL NO. 2318

Page 4, line 11, replace "not to exceed five" with "in the amount of two"

Page 4, line 12, after "hundred" insert "fifty" and replace ", or proof of insurance satisfactory to the commissioner for the use" with ". Any surety bond issued under this section must authorize recovery by the commissioner on behalf of any person in this state that sustained damages as the result of unfair practices, conviction of fraud, or failure by a qualified program of all-inclusive care for the elderly to perform a contractual obligation owed to the person."

Page 4, remove lines 13 and 14

Renumber accordingly

Date: 2-9-09

Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2318

Senate Human Services Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended Rerefer to Appropriations
 Adopt Amendment Reconsider

Motion Made By Sen. Dever Seconded By Sen. Erbele

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais		
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 5 No 0

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-9-09

Roll Call Vote #: 2

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. SB 2318

Senate Human Services Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended Rerefer to Appropriations
 Adopt Amendment Reconsider

Motion Made By Sen. Dever Seconded By Sen. Erbele

Senators	Yes	No	Senators	Yes	No
Senator Judy Lee, Chairman	✓		Senator Joan Heckaman	✓	
Senator Robert Erbele, V.Chair	✓		Senator Richard Marcellais		
Senator Dick Dever	✓		Senator Jim Pomeroy	✓	

Total (Yes) 5 No 0

Absent 1

Floor Assignment Senator Dever

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2318: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2318 was placed on the Sixth order on the calendar.

Page 4, line 11, replace "not to exceed five" with "in the amount of two"

Page 4, line 12, after "hundred" insert "fifty" and replace ". or proof of insurance satisfactory to the commissioner for the use" with ". Any surety bond issued under this section must authorize recovery by the commissioner on behalf of any person in this state that sustained damages as the result of unfair practices, conviction of fraud, or failure by a qualified program of all-inclusive care for the elderly to perform a contractual obligation owed to the person."

Page 4, remove lines 13 and 14

Re-number accordingly

2009 HOUSE HUMAN SERVICES

SB 2318

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2318

House Human Services Committee

Check here for Conference Committee

Hearing Date: March 23, 2009

Recorder Job Number: 11380

Committee Clerk Signature

Dicky Crabtree

Minutes:

Chairman Weisz opened the hearing on SB 2318.

Sen. Dick Dever, District 32 sponsored and introduced the bill: SB 2318 involves a program to help care for the elderly at home. An HMO has to have a minimum equity that is assets over liability of \$1 million and the program is unable at this point to satisfy those requirements. The administrators of the program and the insurance commissioner sat down together and asked what they could do to protect the public from any problems that may develop and enable this program to continue to exist. The decision was page 3 of the bill defines what the PACE program is and it is through CMS and on page 4, Section 2 talks about bond. A bond would be posted to take care of the protection of the public. Initially we had \$500,000 in the bill and decided \$250,000 would be adequate. This is going to have a sunset clause so we can look at it next session.

Chairman Weisz: The 250 is that an issue for anybody as far as meeting that bond requirement?

Sen. Dever: They are able to satisfy that requirement and the insurance commissioner was comfortable with. The need for the bond is to protect anybody that might be private paying in

the program. There is no one that is private pay in this program. The program is under CMS and everyone that is involved with it at this point.

Rodger Wetzel, Executive Director of Northland PACE Senior Care Services: See Testimony #1.

Tim Cox, President of Northland Healthcare Alliance: See Testimony #2.

Chairman Weisz: Do you know the average monthly cost they incur at home rather than a nursing home?

Tim Cox: \$230 per day in a nursing home and our cost is half of that.

Rep. Hofstad: How is capitated rate determined?

Tim Cox: The state hired Nolan an actuary firm to determine the cost and they determine their portion of that using that methodology and they review that on a periodic basis. That rate was set a year ago with Nolan and that is what the state uses. The federal government uses a different formula for their capitated rates using a frell elderly index and base it on some (inaudible) data on an annual basis.

Rep. Hofstad: Is it reviewed annually or biannually?

Tim Cox: Every two years.

Rep. Frantsvog: What about the other communities where this program is not available? What is happening in those communities?

Tim Cox: We intend to try and expand to that quickly as we can.

Rep. Frantsvog: So there are programs in other cities that are in place that allow for this type of process to take place, is that correct?

Tim Cox: In the state of ND at this point there are organizations that could go through the same process of becoming licensed.

Rep. Frantsvog: I'm thinking of a program that is probably run by the Dept. of Human Services where there are individuals who can go into these homes and perform these same services. Am I wrong or is that something that is available now?

Tim Cox: There are community bases services that are sponsored by the state. There is a difference between the PACE program and the home community based services. This program really is all inclusive, so we are responsible for all of the healthcare needs of people.

NO OPPOSITION.

Chairman Weisz closed the hearing.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. 2318

House Human Services Committee

Check here for Conference Committee

Hearing Date: March 23, 2009

Recorder Job Number: 11428 (29: 09 on recorder)

Committee Clerk Signature

Vicky Crabtree

Minutes:

Chairman Weisz: Let's look at 2318 the PACE program.

Rep. Porter: Move the removal of Section 3 lines 16 and 17 on page 4.

Rep. Hofstad: Second.

Chairman Weisz: That is the sunset clause.

Rep. Kilichowski: What was the reason for the sunset clause?

Chairman Weisz: No good reason outside of the fact that in case we wanted to look at it in two years. I think the insurance commissioner thinks there is a problem.

Voice Vote: Motion Carried.

Rep. Hofstad: Motion Do Pass as Amended.

Rep. Uglem: Second.

Rep. Potter: Question on page 3, line 20 (Reads part of the bill.) Why is that it important that the 501c3 or religious organization does it make a difference if it's for profit or something?

Chairman Weisz: I believe the federal funds are only available for non-profit.

Rep. Potter: Is Hospice for a profit or non-profit?

Rep. Pietsch: It's a 501c3.

Rep. Damschen: On page 2, line 21, it talks of health maintenance organization in the existing language, but on the next page on line 16, the definition of person is stricken, does that affect health maintenance organization means any person?

Rep. Frantsvog: I looked at that earlier and if you look at where the cross out is on line 16 and 17, but if you read line 18 and it says, "or other person licensed or otherwise authorized to furnish health care services". It seems like what was the old number 20 covered for what was in number 19. That was interpretation of it.

Chairman Weisz: The definition is redundant and that's why we don't need it.

Roll Call Vote: 13 yes, 0 no, 0 absent.

Motion Carried Do Pass.

Bill Carrier: Rep. Hofstad.

YR
3/24/09

PROPOSED AMENDMENTS TO ENGROSSED SENATE BILL NO. 2318

Page 1, line 2, after the semicolon insert "and"

Page 1, line 4, remove "; and to provide an expiration"

Page 1, line 5, remove "date"

Page 4, remove lines 16 and 17

Renumber accordingly

Date: 3-23-09
Roll Call Vote #: /

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2318

House HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended

Motion Made By Rep. PORTER Seconded By Rep. HOFSTAD

Representative	Yes	No	Representative	Yes	No
CHAIRMAN ROBIN WEISZ			REP. TOM CONKLIN		
VICE-CHAIR VONNIE PIETSCH			REP. KARI L CONRAD		
REP. CHUCK DAMSCHEN			REP. RICHARD HOLMAN		
REP. ROBERT FRANTSVOG			REP. ROBERT KILICHOWSKI		
REP. CURT HOFSTAD			REP. LOUISE POTTER		
REP. MICHAEL R. NATHE					
REP. TODD PORTER					
REP. GERRY UGLEM					

Total (Yes) 13 No 0

Absent 0

Bill Carrier _____

If the vote is on an amendment, briefly indicate intent:

*Motion carried DP
HOF Remove lines 16 & 17
Sec. 3
the sunset clause*

Date: 3-23-09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2318

House HUMAN SERVICES Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass Do Not Pass Amended

Motion Made By Rep. Hofstad Seconded By Rep. Uglem

Representatives	Yes	No	Representatives	Yes	No
CHAIRMAN ROBIN WEISZ	✓		REP. TOM CONKLIN	✓	
VICE-CHAIR VONNIE PIETSCH	✓		REP. KARI L CONRAD	✓	
REP. CHUCK DAMSCHEN	✓		REP. RICHARD HOLMAN	✓	
REP. ROBERT FRANTVOG	✓		REP. ROBERT KILICHOWSKI	✓	
REP. CURT HOFSTAD	✓		REP. LOUISE POTTER	✓	
REP. MICHAEL R. NATHE	✓				
REP. TODD PORTER	✓				
REP. GERRY UGLEM	✓				

Total (Yes) 13 No 0

Absent 0

Bill Carrier Rep. Hofstad

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2318, as engrossed: Human Services Committee (Rep. Welsz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2318 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "and"

Page 1, line 4, remove "; and to provide an expiration"

Page 1, line 5, remove "date"

Page 4, remove lines 16 and 17

Renumber accordingly

2009 TESTIMONY

SB 2318

Senate Bill No. 2318
Testimony in Support
Timothy C. Cox
Northland Healthcare Alliance

Same given to House.

Madame Chair Lee and members of the Senate Human Services Committee, my name is Tim Cox and I am President of Northland Healthcare Alliance. Northland is a member driven provider based organization of 25 hospitals and long-term care facilities located throughout North Dakota. For more than 6 years Northland Healthcare Alliance has worked to bring a PACE program to North Dakota. PACE is a (P) program of (A) all-inclusive (C) care to the (E) elderly. This program is a relatively new program that works to keep the frail elderly independent and healthy. In developing Northland PACE we have pursued funding opportunities and were fortunate enough to receive one of 14 Rural PACE grants from CMS. We have expended great resource to become a licensed PACE site and in August 2008 were awarded a PACE license to provide healthcare services to locations in Bismarck and Dickinson. Through the process of licensure and as a result of discussions with the North Dakota Department of Insurance we determined that due to Federal regulation it may be necessary for the PACE organization to become a licensed HMO in the state of North Dakota due to the chance that a self pay individual may sign up for the PACE Program. We requested a waiver from CMS to be able to exclude self pay individuals until we could resolve this issue in some manner. A temporary waiver was granted. As part of the process of developing this legislation we have sought guidance and support of the Department of Insurance. Senate Bill No. 2318 with amendments is the result of those exchanges. For information, our research nationally shows that there almost no self pay participants in PACE programs. Though the program has been available in many states we have only been able to pinpoint a couple of instances of individuals that we totally self pay. One was in Hawaii and the other was in San Francisco. In our discussion with the Department of Insurance we discussed the

process of disenrolling an individual from PACE and it is relatively short process that can take place within a 30 day period.

After examination of all the costs associated with HMO licensure including very high reserves, we have determined that this was an excessive precaution for an event that would be rare and probably would never occur. This legislation is a compromise to provide protection to the consumer and provider of services in the unlikely event that we did have a self pay enrollee and we were not able to cover the costs of providing services to that individual.

Northland PACE does have additional protection in the form of Stop Loss Coverage and the Federal Grant does provide some outlier protection for us with participants in the rural parts of the state.

The Northland PACE program is already making a difference. Several of our current participants moved into our PACE Program right out of a Long-term Facility. In visiting with them and members of their family they indicate that they have seen remarkable improvement in the health and quality of life. This is amazing given the short time in which we have been in operations. The PACE model is in many ways the future of healthcare. We have a steadily growing graying population and we need to figure out how to take care of their healthcare needs. This model is one that is working. Statistics show that it reduces hospitalizations and makes them shorter when they occur. It will save the state many dollars as it keep individuals from moving into the Long-term Care Environment. Without support of Senate Bill 2318 it may not be feasible to continue this important work. I ask for your support of this bill and its amendments. Thank you.

SENATE BILL NO. 2318

Presented by: **Melissa Hauer**
 General Counsel
 North Dakota Insurance Department

Before: **Senate Human Services Committee**
 Senator Judy Lee, Chairman

Date: **February 9, 2009**

TESTIMONY

Good morning, Chairman Lee and members of the Senate Human Services Committee. My name is Melissa Hauer and I am the General Counsel of the North Dakota Insurance Department. I appear before you today to provide information about, and a proposed amendment to, Senate Bill No. 2318.

State law currently defines a "health maintenance organization" to mean any person that undertakes to provide or arrange for the delivery of basic health care services to enrollees on a prepaid basis, except for enrollee responsibility for copayments or deductibles or both. See N.D.C.C. § 26.1-18.1-01. This bill would change that definition to temporarily exclude a qualified program of all-inclusive care for the elderly (PACE).

While the bill would provide a temporary exemption for PACE providers from the normal financial and reporting requirements imposed on any entity that acts as an HMO, it does require some protections for consumers. For example, a PACE provider may be excluded from the financial requirements imposed on HMOs only if it has revenues from private pay sources which do not exceed 10 percent of the program's total revenues. It also requires a PACE provider that operates in this state to maintain a bond, not to exceed \$500,000. These are designed to protect clients of a PACE provider who do not have the safety net of Medicaid or Medicare and who are paying for their own care. If

the PACE provider goes out of business or is unable to provide for the needs of a client, the bond could be used to return to the consumer the money he or she paid to the PACE provider.

These protections are along the lines of those required of HMOs, but on a much smaller scale. In recognition of the small number of private pay clients that are likely to seek care from a PACE provider and because the exemption is time limited, the Insurance Commissioner is suggesting an amendment to the bill to allow the PACE provider to secure a bond in the amount of \$250,000.

The amendment would also clarify how the bond may be accessed if there is a failure of a PACE provider. The bond would have to authorize recovery by the Insurance Commissioner on behalf of any person in this state who sustained damages as the result of erroneous acts, failure to act, unfair practices, or conviction of fraud by a PACE provider. Again, the bond requirement is to provide some level of protection to consumers in the event that a PACE provider does not, or cannot, fulfill its obligations to its clients.

We ask for the committee's favorable decision on the proposed amendment.

I would be happy to respond to any questions the committee members may have. Thank you.

February 9, 2009

PROPOSED AMENDMENTS TO SENATE BILL NO. 2318

Page 4, line 11, replace "not to exceed" with "in the amount of" and replace "five" with "two"

Page 4, line 12, after "hundred" insert "fifty", after "dollars" insert ". Any surety bond issued under this section must authorize recovery by the commissioner on behalf of any person in this state who sustained damages as the result of unfair practices, conviction of fraud, or failure by a qualified program of all-inclusive care for the elderly to perform a contractual obligation owed to the person.", and remove ", or proof of insurance satisfactory to the commissioner for the use"

Page 4, remove lines 13 and 14

Renumber accordingly

House Human Services Committee
SB 2318 – Testimony in Support - March 23, 2009
By Rodger Wetzel, Executive Director
Northland PACE Senior Care Services

Mr. Chair and members of the House Human Services Committee:

I am Rodger Wetzel, Executive Director of Northland PACE Senior Care Services. I appear before you in support of SB 2318. I have worked in the field of aging in North Dakota since I was 26, and this year I will turn 65...almost 40 years of professional aging experience in our wonderful state. PACE stands for "Program of All-inclusive Care for the Elderly" with the emphasis on "all-inclusive." Previously I served as Director of Eldercare at St. Alexius for 23 years; and prior to that I was the Assistant Director of the Aging Services Division of the NDDHS.

From my 40 years of "aging" experience, PACE is a much-needed addition to our long term care, and home and community based services, continuum in N.D. It differs from current, often fragmented, programs in that it offers a comprehensive, coordinated, wellness system of care. A comprehensive care plan is developed by the participant, family, and the interdisciplinary care team. The plan includes all needed medical, health, social, in-home, and transportation services, plus medications; for seven days/week if needed. Care is provided at our PACE Center, in the home, and in other facilities, such as hospitals or nursing homes, if necessary. Participants may remain in the program their entire lives.

PACE provides or pays for all needed services. So it serves as both a provider and payer of all needed services, which vary by participant, and may change over time.

I also have provided copies of:

- Our current PACE brochure
- The NDDHS PACE fact sheet; and the CMS (Medicare and Medicaid) fact sheet

The PACE program is approved by the NDDHS/Medicaid, and CMS (federal Medicare and Medicaid). All participants must be screened eligible for nursing home level of care.

We implemented this program last fall in two communities, Bismarck-Mandan and Dickinson. So far we have 18 enrollees, with many more expressing interest in enrolling in the near future. Some of our first enrollees moved out of nursing homes back into their communities. All 18 current enrollees are living in their own homes or apartments.

This legislation is necessary to exempt Northland Healthcare Alliance, the PACE sponsoring organization, from HMO requirements in state law. We appreciate the cooperation of the ND Insurance Department in developing this legislation. The legislation basically requires Northland to post a surety bond in case participant bills were not paid to other service providers. All of our current participants, and we anticipate all our future participants, are eligible for Medicare and/or Medicaid funding, and we are paid a capitated monthly rate for providing all needed services. We do not anticipate any 100% private pay participants because of the capitated cost. These people, with significant resources, will want to choose all their own services and providers, and not wish to use another provider organization.

I ask your support for SB 2318. I will be happy to answer any questions. Thank you!

part of #1



Fact Sheet

September 2008

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

Background:

- The Balanced Budget Act of 1997 established the PACE model for both Medicaid and Medicare programs.
- PACE providers receive a set amount of money on a monthly basis for each eligible Medicare and Medicaid enrollee to provide patient-centered and coordinated care to frail elderly individuals living in the community.
- PACE has been approved by the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration (SAMHSA) as an evidenced based model of care.

PACE Services:

The emphasis of the PACE program is on enabling participants to remain in their community and enhancing their quality of life. A team of health care professionals from different disciplines assesses each participant's needs, develops a care plan, and delivers all services (including acute care and nursing facility services if necessary). Minimum services that must be provided in the PACE center include primary care services, social services, restorative therapies, personal care and supportive services, nutritional counseling, recreational therapy, and meals. The services are provided primarily in an adult health center, supplemented by in-home and referral services in accordance with a participant's needs. PACE is a voluntary program.

What is PACE?

PACE programs provide a comprehensive service delivery system which includes all needed preventive, primary, acute and long term care services so that individuals can continue living in the community. The PACE program becomes the sole source of services for Medicare and Medicaid eligible enrollees. For most participants, the comprehensive service package permits them to continue living at home while receiving services. Providers assume full financial risk for participants' care without limits on amount, duration, or scope of services.

Location:

The Northland Healthcare Alliance has developed two PACE organizations in North Dakota. They are located in Bismarck and Dickinson. The Bismarck PACE program is able to serve 150 enrollees and Dickinson is able to serve 25 enrollees.

Who Can Participate?

Participants must:

- Be a Medicare or Medicaid enrollee who is age 55 or older,
- Be eligible for nursing home level of care, and
- Live in a PACE service area.

Contact Information:

For information about PACE and how to enroll into the program, contact Northland PACE:

- Bismarck 701-751-3051
- Dickinson 701-456-7387
- Toll Free 1-888-883-8959



Quick Facts about Programs of All-inclusive Care for the Elderly (PACE)

What are Programs of All-inclusive Care for the Elderly (PACE)?

PACE is a Medicare program for older adults and people over age 55 living with disabilities. This program provides community-based care and services to people who otherwise need nursing home level of care. PACE was created as a way to provide you, your family, caregivers, and professional health care providers flexibility to meet your health care needs and to help you continue living in the community.

An interdisciplinary team of professionals will give you the coordinated care you need. These professionals are also experts in working with older people. They will work together with you and your family (if appropriate) to develop your most effective plan of care.

PACE provides all the care and services covered by Medicare and Medicaid, as authorized by the interdisciplinary team, as well as additional medically-necessary care and services not covered by Medicare and Medicaid. PACE provides coverage for prescription drugs, doctor care, transportation, home care, check ups, hospital visits, and even nursing home stays whenever necessary. With PACE, your ability to pay will never keep you from getting the care you need.

Who can join a PACE Plan?

You can join PACE if you meet the following conditions:

- You are 55 years old or older.
- You live in the service area of a PACE organization.
- You are certified by the state in which you live as meeting the need for the nursing home level of care.
- You are able to live safely in the community when you join with the help of PACE services.

Note: You can leave a PACE program at any time.

PACE services include but aren't limited to the following:

- Primary Care (including doctor and nursing services)
- Hospital Care
- Medical Specialty Services
- Prescription Drugs
- Nursing Home Care
- Emergency Services
- Home Care
- Physical therapy
- Occupational therapy
- Adult Day Care
- Recreational therapy
- Meals
- Dentistry
- Nutritional Counseling
- Social Services
- Laboratory / X-ray Services
- Social Work Counseling
- Transportation

PACE also includes all other services determined necessary by your team of health care professionals to improve and maintain your overall health.

You should know this about PACE:

PACE Provides Comprehensive Care

PACE uses Medicare and Medicaid funds to cover all of your medically-necessary care and services. You can have either Medicare or Medicaid or both to join PACE.

The Focus is on You

You have a team of health care professionals to help you make health care decisions. Your team is experienced in caring for people like you. They usually care for a small number of people. That way, they get to know you, what kind of living situation you are in, and what your preferences are. You and your family participate as the team develops and updates your plan of care and your goals in the program.

PACE Covers Prescription Drugs

PACE organizations offer Medicare Part D prescription drug coverage. If you join a PACE program, you'll get your Part D-covered drugs and all other necessary medication from the PACE program.

Note: If you are in a PACE program, you don't need to join a separate Medicare drug plan. If you do, you will lose your PACE health and prescription drug benefits.

You should know this about PACE: (continued)

PACE Supports Family Caregivers

PACE organizations support your family members and other caregivers with caregiving training, support groups, and respite care to help families keep their loved ones in the community.

PACE Provides Services in the Community

PACE organizations provide care and services in the home, the community, and the PACE center. They have contracts with many specialists and other providers in the community to make sure that you get the care you need. Many PACE participants get most of their care from staff employed by the PACE organization in the PACE center. PACE centers meet state and Federal safety requirements and include adult day programs, medical clinics, activities, and occupational and physical therapy facilities.

PACE is Sponsored by the Health Care Professionals Who Treat You

PACE programs are provider sponsored health plans. This means your PACE doctor and other care providers are also the people who work with you to make decisions about your care. No higher authorities will overrule what you, your doctor, and other care providers agree is best for you. If you disagree with the interdisciplinary team about your care plan, you have the right to file an appeal.

Preventive Care is Covered and Encouraged

The focus of every PACE organization is to help you live in the community for as long as possible. To meet this goal, PACE organizations focus on preventive care. Although all people enrolled in PACE are eligible for nursing home care, only 7% live in nursing homes.

PACE Provides Medical Transportation

PACE organizations provide all medically-necessary transportation to the PACE center for activities or medical appointments. You can also get transportation to appointments in the community.

You should know this about PACE: (continued)

What You Pay for PACE Depends on Your Financial Situation

If you qualify for Medicare, all Medicare-covered services are paid for by Medicare. If you also qualify for your State's Medicaid program, you will either have a small monthly payment or pay nothing for the long-term care portion of the PACE benefit. If you don't qualify for Medicaid you will be charged a monthly premium to cover the long-term care portion the PACE benefit and a premium for Medicare Part D drugs. However, in PACE there is never a deductible or copayment for any drug, service, or care approved by the PACE team.

For more information about PACE do the following:

- Visit www.npaonline.org on the web. This website is sponsored by the National PACE Association.
- Visit www.medicare.gov/Nursing/Alternatives/PACE.asp on the web.
- Call 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

Northland PACE Description

The Northland PACE Program is designed specifically to maintain independence for seniors by offering comprehensive, coordinated healthcare services through a single organization.

Advantages to participating in Northland PACE include:

- Dedicated, qualified healthcare professionals
- Long-Term care services
- Coordinated care 24 hours a day, 365 days a year
- Support for family care givers
- Personalized individual care



mission

Northland Healthcare Alliance, dedicated to the healing mission of the elderly, is a combined effort of its members to collaborate through our Northland PACE Project to provide healthcare services especially for the frail elderly in our communities by fostering independence, optimizing function, preserving dignity and assisting them to live in their community for as long as they are able.

NORTHLAND/PACE

Program of All-Inclusive

NORTHLAND/PACE

Program of All-Inclusive
Care for the Elderly



dedicated to providing the
highest level of care



Who is eligible for Northland PACE?

To be eligible to enroll in the Northland PACE Program you must:

- Be at least 55 years old.
- Meet nursing home level of care.
- Be able to live safely in the community.
- Live within an area served by Northland PACE.

How is Northland PACE different from other healthcare providers?

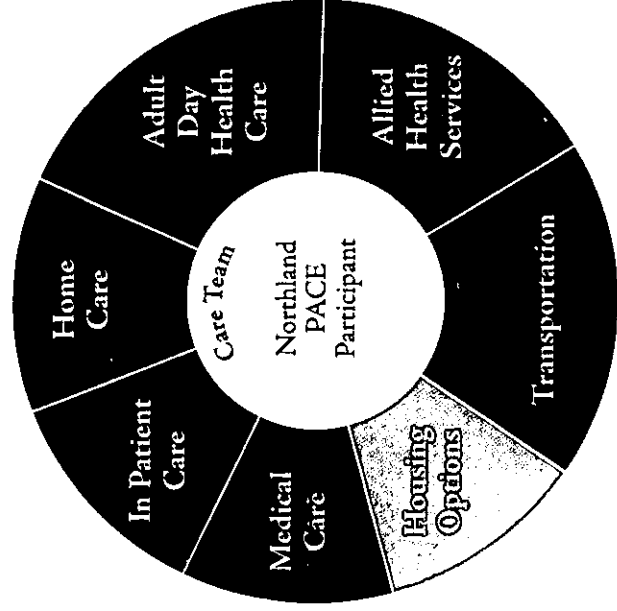
Northland PACE has several different caregivers available to meet your healthcare needs every day to ensure you have the highest quality of care. With the Northland PACE care team, you won't fall through the cracks.

What services are available with Northland PACE?

- Comprehensive primary medical care provided by a Northland PACE physician
- Meals and nutritional counseling
- Services of medical specialists, including audiology, dentistry, optometry, podiatry, and speech therapy
- Home health care and personal care
- All necessary prescription drugs
- Social services
- Adult day center with therapists (physical, occupational, and recreational) and nursing care
- Hospital, emergency service and nursing-home care when necessary
- Transportation

How much does PACE cost?

Northland PACE program accepts Medicare and Medicaid. Individuals eligible for Medicaid may have a monthly spend down amount calculated based on financial criteria. The spend down or private amounts are not impacted by a change in the PACE participant's health status. There are no hidden costs or deductibles.



What is Northland PACE?

Northland PACE serves the elderly in our community. PACE is designed to keep seniors who are at risk for nursing home care living independently at home by providing the highest level of healthcare. Northland PACE employs a team of professionals called a care team that coordinates all aspects of healthcare for PACE participants. Our team approach promotes personal attention while adding quality to you or a loved one's life.

What is the Northland PACE care team?

Your care is provided by a team of specialists. This team includes a physician, a nurse practitioner, registered nurse, social worker, rehabilitation and recreation therapists, health aides and several others who will assist in your healthcare.

Our goal is to help you increase your quality of life allowing you to continue living at home.