OVERVIEW

Program Summary

The Program of All-Inclusive Care for the Elderly (PACE) is an optional service under the Medicaid State plan. PACE is a capitated, managed care program, with objectives to:

- Enhance the quality of life and autonomy for frail, older adults;
- Enable frail elderly individuals to live independently in the community, rather than be institutionalized, as long as medically and socially feasible;
- Maximize the dignity and respect for older adults; and
- Preserve and support the older adult's family unit.

In order to meet program requirements, a PACE recipient must:

- Be at least 55 years of age or older;
- Live in the approved PACE provider service area;
- Meet the requirement for Medicaid eligibility;
- Be certified by the state to need nursing facility level of care; and
- Be able to live in the community with PACE support without jeopardizing health and safety.

The PACE organization must provide comprehensive health care services based on his or her individual needs with the goal of enabling individuals to continue living independently in the community. PACE must coordinate and provide all needed preventative, primary health, acute and long term care services. The PACE organization must establish and implement a written Plan of Care to furnish care that meets the needs of each recipient in all care settings 24 hours a day, every day of the year.

The PACE program includes all Medicare and Medicaid covered services and other services determined by the PACE interdisciplinary team (IDT) necessary to maintain or restore the PACE recipients independence to remain in their homes or communities. The PACE recipient must

receive all of their services through the PACE organization.

PACE providers assume full financial risk for the recipient's care without limits on amount, duration, or scope of services. PACE is responsible for all care costs, even if it exceeds the monthly capitated payment they receive each month from Medicare and/or Medicaid.

Background Information

PACE model of care is centered on the belief that it is better for the well-being of seniors with chronic care needs and their families to be served in the community whenever possible. In the early 1970s a nonprofit corporation, On Lok Senior Health Services, was formed to create a community based system of care that consisted of a comprehensive system of care combining housing and all necessary medical and social services was outlined. The model was tested through Centers for Medicare and Medicaid Services (CMS), then Health Care Financing Administration (HCFA), demonstration projects that began in the mid 1980s. For most recipients, the comprehensive service package permits them to continue living at home while receiving services rather than be institutionalized.

The Balanced Budget Act of 1997 (BBA) established PACE model as a permanently recognized provider type under both the Medicare and Medicaid programs and mandated that the quality of care be monitored. This enabled states to provide PACE services to Medicaid beneficiaries as a Medicaid State plan option. In 2004 Louisiana included PACE as an optional benefit in the Medicaid program.

Purpose of this Chapter

The Department of Health and Hospitals (DHH), Office of the Secretary, Bureau of Health Services Financing (BHSF), Office of Aging and Adult Services (OAAS) implements the PACE program in accordance with the federal regulations in Title 42 Part 460 of the Code of Federal Regulations (CFR) and the Louisiana Administrative Code, Title 50, part XXIII. This Louisiana Medicaid Manual Chapter is intended to assist the provider in understanding and correctly implementing federal and state PACE policies and procedures.

The services offered under the PACE program are provided by a Medicaid enrolled agency that has a valid Adult Day Health Care (ADHC) license issued by DHH, BHSF, Health Standards Section (HSS) in accordance with the State of Louisiana licensing requirements for ADHC.