

Is An Alternative Care Site in Your PACE
Program's Future Growth Plans?
Imagine the Possibilities!

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Discussion Topics

1 Overview and Nuts & Bolts

The Patient-Centered ACS

Case Study: InovaCares for Seniors

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Overview and Nuts & Bolts

Anne Lewis, Manager, PACE Advisory Services
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Overview

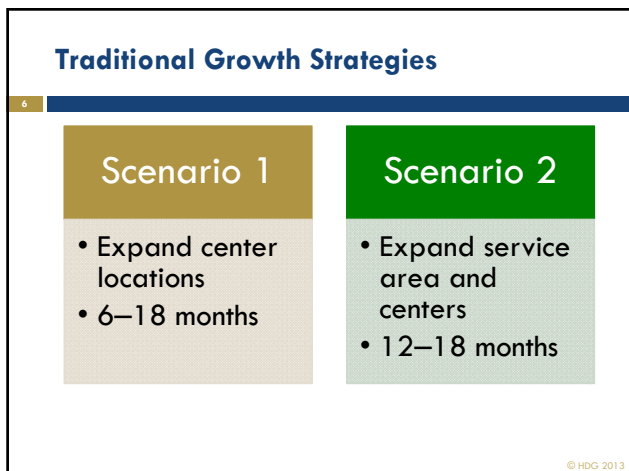
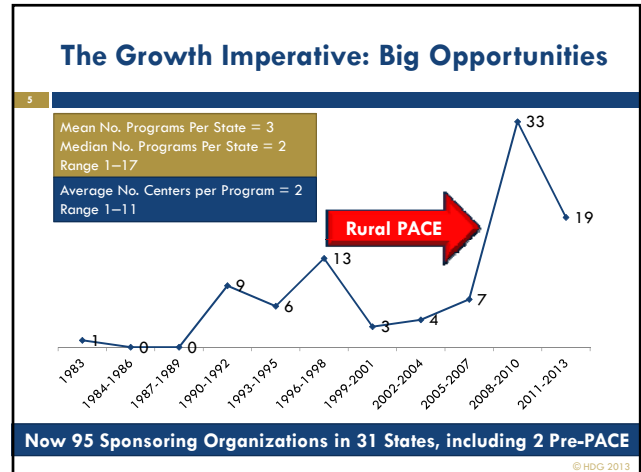
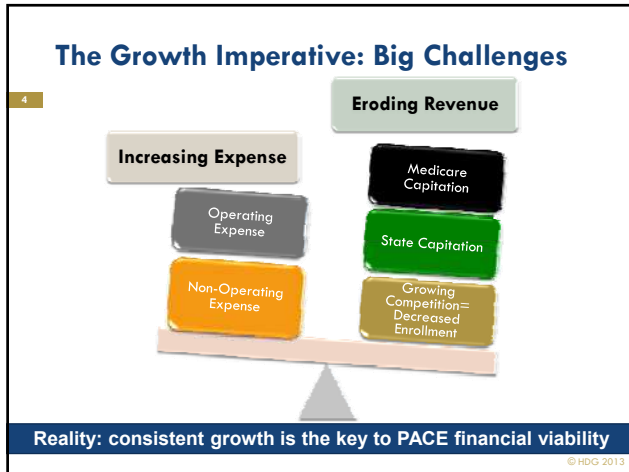
3 *It's Coming HERE...*

- Health care reform, managed care and market dynamics are creating a dramatically different future for PACE providers
- Despite the unknowns, imperatives are emerging for those organizations that will choose to adapt and survive



*Are you up
to the challenge?*

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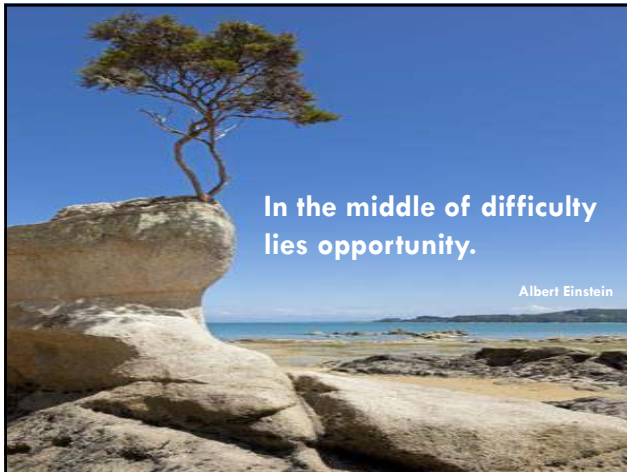


Cost of Traditional Growth

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Component	Expense
Adult Day Center	Build = \$3 million to \$15 million Purchase = \$1 million to \$3 million Lease = \$15 to \$30/sq ft/year
Leasehold Improvements	\$500,000 to \$2.5 million
Equipment	\$400,000 to \$800,000
Vans	\$40,000 to \$60,000 each
Start-up Costs	\$500,000 to \$1 million
Operating Losses	\$1 million to \$3 million
Total Capital Investment	\$3 million to \$6 million

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Cost of Missed Opportunity

Federal and state policies will negatively impact PACE growth; however, they also may create opportunities that should not be overlooked:

- CMS financial alignment initiatives
- Long-term care rebalancing initiatives
- Mandatory managed care enrollment
- FFS system changes, e.g., dispossessed provider types-ADHCs

"Nothing is more expensive than a missed opportunity."

H. Jackson Brown, Author

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Example: Indiana

2012 Indiana Balancing Incentives Program¹

- Further develop No Wrong Door/Single Entry Point
- Develop core standardized assessment tools
- Ensure conflict-free case management services
- Grow home health utilization
- Continue Money Follows the Person Demonstration
- Offer PACE as alternative to nursing home placement

¹NCOA Friday Morning Collaborative Webinar, Satrina McDonald, Dir. Project Management Indiana FAAS, Div. of Disability & Rehabilitation, May 2013

State policy creates opportunity for PACE in a new state

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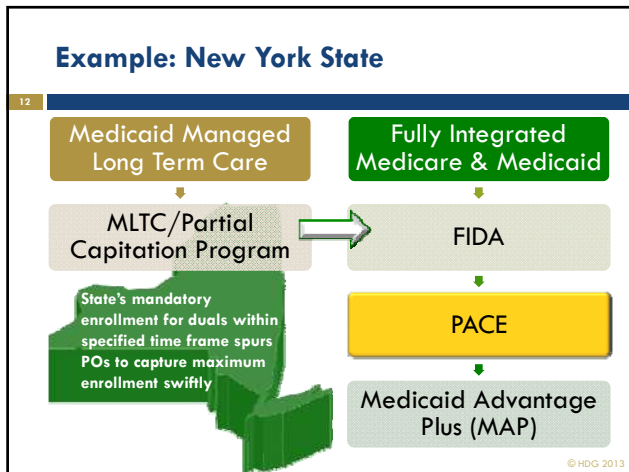
Example: Kansas



- Goal: Mandatory managed care enrollment with statewide coverage
- PACE programs are "carved-out" of KanCare and serve as a dual enrollment option
- State issued an RFI/RFP process to select awardees for PACE expansion into urban and rural Kansas
- Awardees will have tight timeline to achieve expansion goals

State policy creates urgency for rapid expansion

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Alternative Care Settings: Part of a Cost-Effective Growth Strategy

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Scenario 3: Grow through use of ACSs in existing approved service area or in a new service area

Benefits:

- Expands existing PACE center enrollment capacity; participants served in ACS require fewer attendance days in the center
- Eliminates or significantly reduces capital expense
- Increases ability to react quickly to new market opportunities
- Allows for incremental growth with conversion to a PACE center at a later date
- Repurpose obsolete PACE center
- Respond to participant desires

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ACS Strategy Examples

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- Grow by reaching further into the existing approved service area
- Seed enrollment in preparation of new PACE center development in new location
- Respond to unique market challenges:
 - Distance
 - Cultural
 - Geographic barriers
- Respond to consumer preferences, e.g., capitalize on relationships with existing service providers
- ACSs used in conjunction with other regulatory flexibilities, e.g., Community-Based PCPs, results in greater benefit to the PO

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graph TD
    A[PACE Center] --> B[Alternative Care Settings]
    B --> C[CBPCPs]
    D[Increased center capacity] --> B
    E[Increased clinic capacity] --> C
  
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ACS: The Nuts and Bolts



ACS Defined

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An ACS is any physical location in the PO's CMS approved existing service area other than the participant's home, an inpatient facility, or PACE center, where a PACE participant receives PACE center services on a fixed basis during usual and customary PACE center hours of operation, that supplement and do not replace services provided at the PACE center



*CMS Memo, Alternative Care Settings in the PACE Program
July 13, 2012*

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ACS Deconstructed

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An ACS is...	An ACS is not...
A place that meets local and state laws	A participant's home, inpatient facility, or PACE center
Located in an approved service area	Outside of the approved service area
Provider of PACE center services on a scheduled basis	Duplicative of all PACE center services
Where participants are assigned to a PACE IDT that manages, oversees, and coordinates care delivered in the ACS	Where services provided on an episodic or drop-in basis
Where ACS staff are members of the PACE IDT	Where services provided in isolation from the PACE IDT

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Types of ACSs

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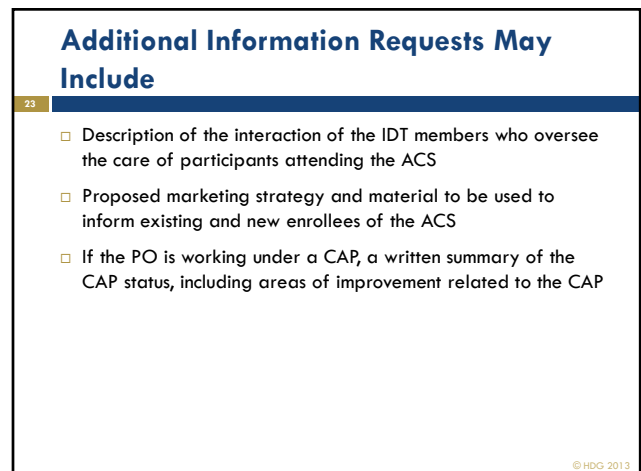
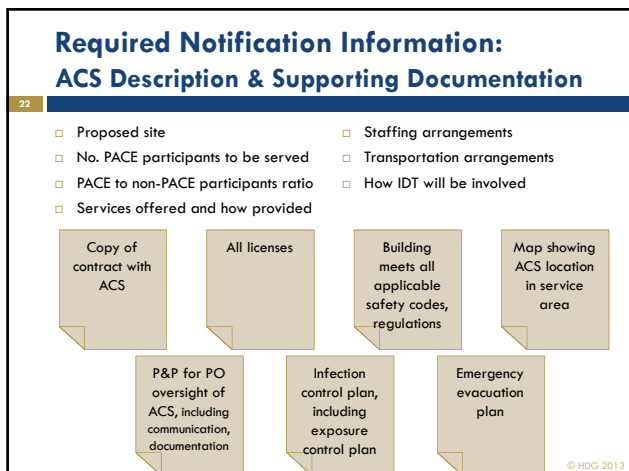
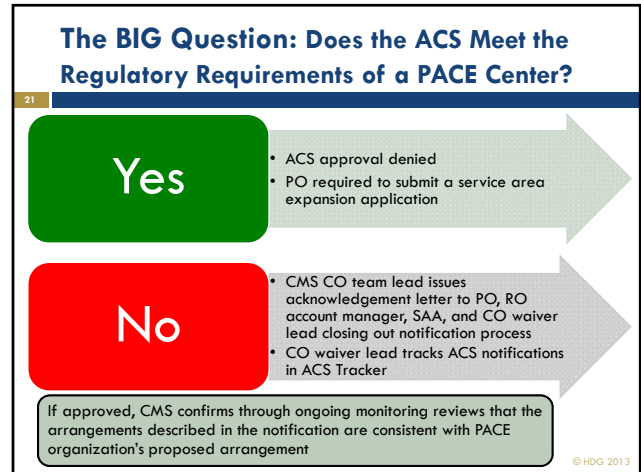
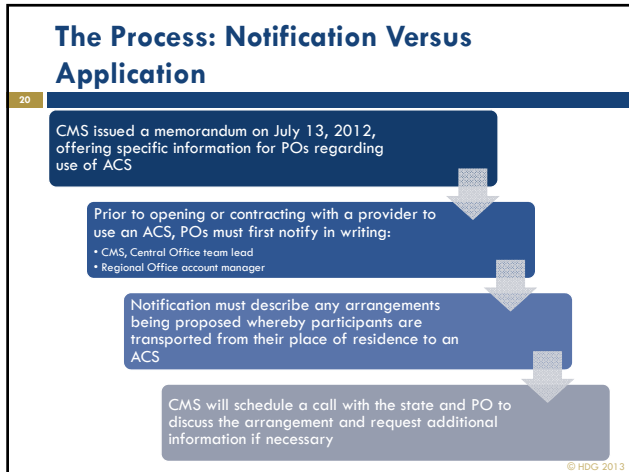
19% of PACE organizations currently utilize ACSs; examples include:

- Adult day centers
- Community senior centers
- Low-income housing
- Religious communities
- Senior living communities
- Skilled nursing facilities
- Supportive living residences



Source: National PACE Association 2013

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Operational Considerations

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ACS Critical Success Factors

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- Shared philosophy and aligned interests toward mutually beneficial goals
 - ▣ Compatible organizational structure with minimal interest conflicts
 - ▣ Managed care versus FFS care
 - ▣ Community care versus institutional care
 - ▣ Shares versus withholds information
 - ▣ Flexible versus inflexible
 - ▣ Promotes and sustains effective team performance
- Willingness to cooperate and comply with existing PACE requirements



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"The significant problems we face today require a different level of thinking than we possessed at the time they were created."

Albert Einstein

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The PACE Innovations Act

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- CMS considering revisions to PACE rule that "update the PACE regulations and improve the quality..., provide operational flexibility and modifications, and remove redundancies and outdated information."
- Notice of Proposed Rulemaking release date scheduled for January 2014
- NPA working with Congress to expand PACE eligibility and increase operational flexibility that includes integration of community resources and efficiency improvement, including flexibility in use of ACSs



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Potential Impact on ACSs

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- Lessening restrictions on service provided by an ACS and reducing inconsistencies
 - ▣ Number and type of services, e.g., primary care clinic
 - ▣ Method of ACS delivery, e.g., mobile health services, remote monitoring
- Increased flexibility around ACS notification and review process
 - ▣ Retrospective versus prospective review
 - ▣ Rapid response to ACSs interested in contracting

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The Patient-Centered Alternative Care Site

Richard Carroll, AIA, LEED AP, Partner
McAuliffe + Carroll Architects

What is Restorative Place-Making?

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- Focuses on people and the making of place
- Enhances the user experience and contributes to their well-being
- Involves a critical assessment of the care providers' programs, making sure that the vital link between the participant and the design of the facility is understood, refined, and strengthened

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- Provide a safe and secure environment
- Foster familiarity and comfort
- Provide varying levels of privacy and social interaction

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- Support functional independence
- Provide settings to support services
- Facilitate orientation and way-finding

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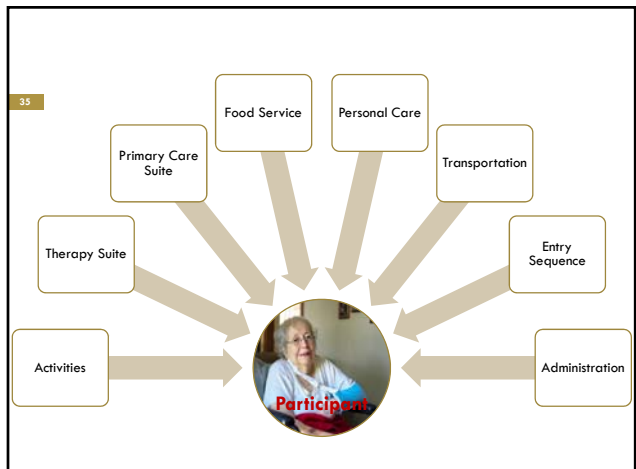


- Provide abundant access to the exterior environment
- Support spirituality
- Provide delightful experiences

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PACE Center	ACS Location	Possible Other Spaces
<ul style="list-style-type: none">• Drop off/Entry• Center Administration• Program Administration• In-Home Services• Activities Areas• Primary Care Suite• Therapy Area• Personal Care Area• Secure Unit• Food Services• Plant Operations	<ul style="list-style-type: none">• Drop off/Entry• Administration Area• Activities Areas• Personal Care Area• Storage Area• Housekeeping	<ul style="list-style-type: none">• Primary Care Suite• Therapy Area• Food Services

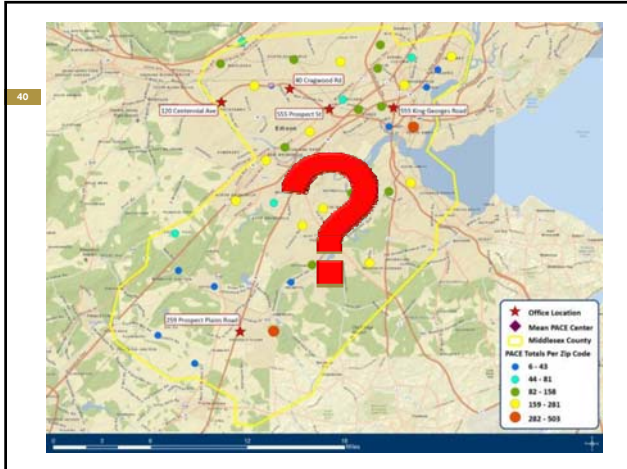
Planning for Your Alternate Care Site

Some Questions to Ask

- Where should we locate the ACS?
- What type of facility will we need to provide?



Locating the Alternate Care Site



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Things to Think About

- Located for geographic reasons?
- Located for ethnic/cultural reasons?
- Located for service type reasons?
- Opportunity for co-locating?



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The ACS of the Future

- Multi-generational day care
- Public school
- Community center
- Downtown office building
- Local shopping center
- Local church/synagogue

A collage of six images illustrating potential alternative care sites (ACS) for the future. The images include: a multi-generational day care facility, a public school, a community center, a downtown office building, a local shopping center, and a local church/synagogue.

Design Suggestions



A warm and inviting environment will help you
to stand out from other day centers that are not
designed to be participant-centric



Plan and design for flexibility and adaptability



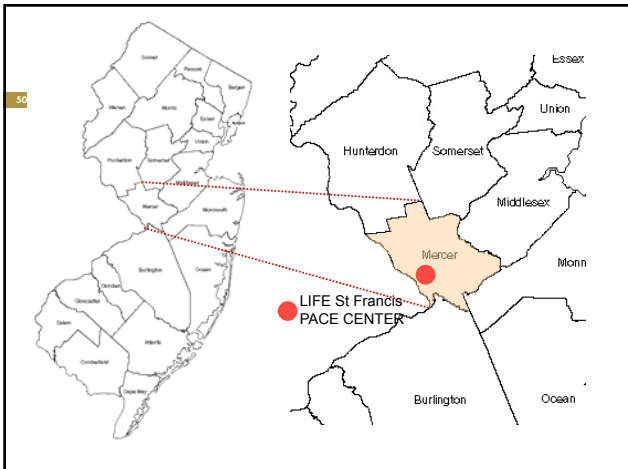
Provide safe and
secure outdoor areas
for participants

Expansion Case Study

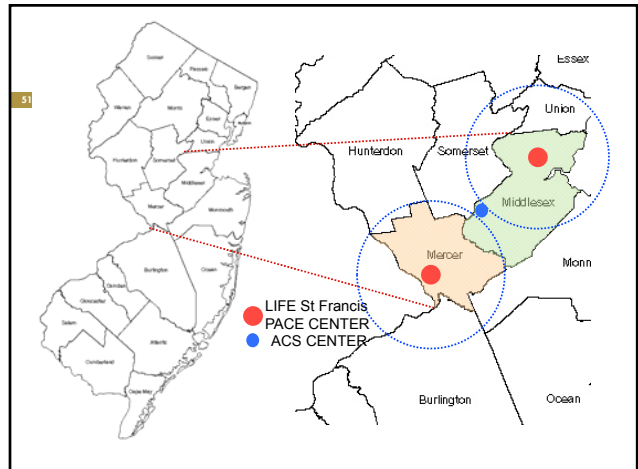
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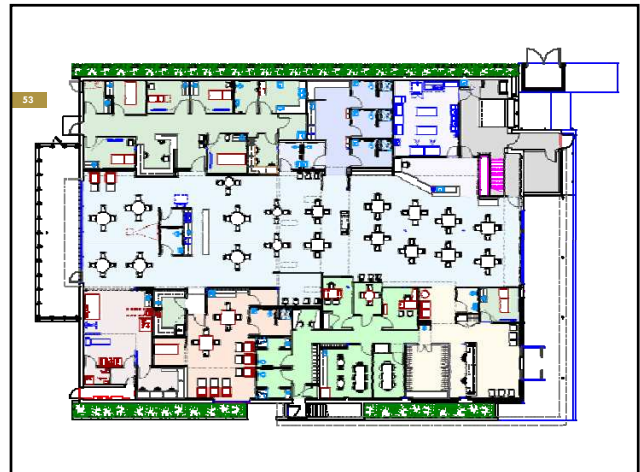
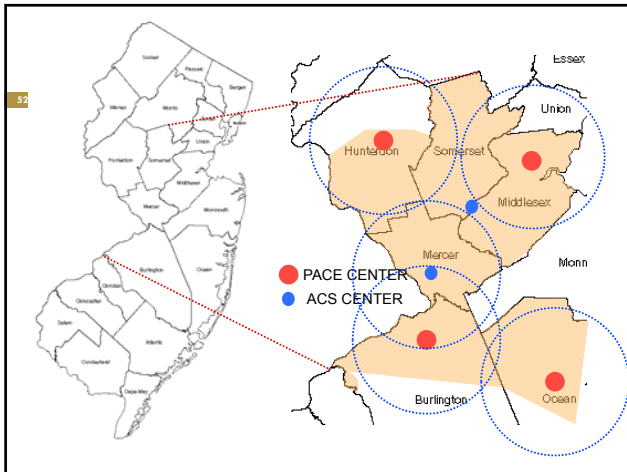


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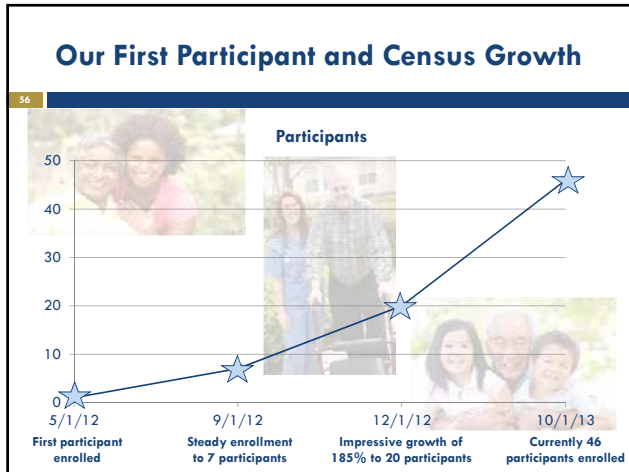
Case Study: InovaCares for Seniors

Robert Hager, AVP Long Term Care
Program Director, InovaCares for Seniors
Inova Health System

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InovaCares for Seniors PACE
Part of the Commonwealth of Virginia's
Program of All-inclusive Care for the Elderly (PACE)



Why ACS?

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- Enrollment predictions
- Traffic patterns in Northern Virginia
- Reduce capital cost
- Square footage of first center
- Concentration of dual eligibles by ZIP code

A Snapshot View

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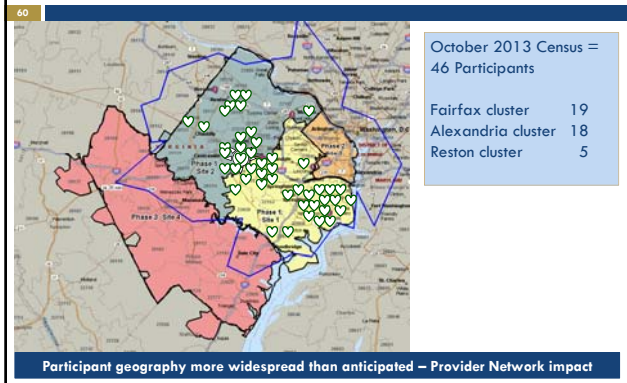
<ul style="list-style-type: none"> □ 46 Participants <ul style="list-style-type: none"> ▣ Women 34 ▣ Men 12 □ Age Distribution <ul style="list-style-type: none"> ▣ < 65 years old 9 ▣ 65–90 years old 32 ▣ >90 years old 5 	<ul style="list-style-type: none"> □ Diagnoses <ul style="list-style-type: none"> ▣ Dementia 21 (Higher ADC Utilization) ▣ CHF 7 ▣ Multiple Sclerosis 3 ▣ Diabetes 14 □ 5 Permanent Placements
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Our Cultural Diversity

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We have participants who were born in the United States, Korea, Vietnam, Cambodia, Liberia, Somalia, Pakistan, Afghanistan, Philippines, Thailand, El Salvador, Israel, China, Venezuela, and Panama

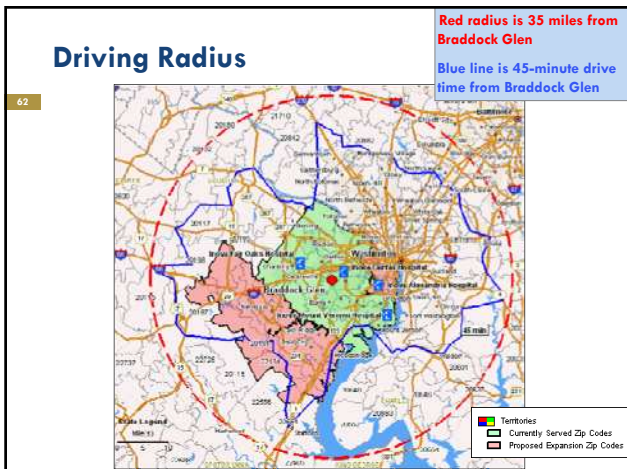
Geography of Participants and Expansion



Alternate Care Sites



Driving Radius



New Purpose for ACS

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- Cultural diversity of participants
 - Important role in community
 - Additional bi-lingual staff—local resources
 - Market/enrollment opportunities

ACS Challenges: Our Journey

- Clear communication of intent to regulators
 - ▣ SAA
 - ▣ DSS
 - ▣ CMS
- Impact of policies and procedures
- Additional training (all staff)
- Clear delineation of clinical responsibility
 - ▣ Role of IDT
 - ▣ Oversight
 - ▣ Communication
 - ▣ QAPI Measures/Initiatives
- Potential for unfavorable pricing

Future Opportunities—Expansion

- Increased flexibility of ACS—Beyond ADHC
 - ▣ Assisted living conversion of space on IHS Campus
 - ▣ Senior housing
 - ▣ Feasibility of co-locating with new development
- Expansion application
 - ▣ Site development
 - ▣ Transition of first site to ACS

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