

#### The MediCaring Communities Reform Building from PACE

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Altarum Institute integrates independent research and client-centered consulting to deliver comprehensive, systems-based solutions that improve health and health care. A nonprofit, Altarum serves clients in both the public and private sectors. For more information, visit **www.altarum.org** 

#### Single Classic "Terminal" Disease



#### Prolonged dwindling



### Sad Tale – NY Times Sept 28, 2014 Fighting to Honor a Father's Last Wish: To Die at Home

By NINA BERNSTEIN SEPT. 25, 2014



### The MediCaring Community Components



J Lynn, <u>MediCaring Communities: Getting what We Want and</u> <u>Need in Frail Old Age at an Affordable Cost.</u> Altarum Institute, 2016. Available on Amazon.com

# Frail Elderly People Need Some New Spending...

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- \$ Housing
- \$ Nutrition

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- \$ Personal Care
- \$ Caregiver training, respite, income
- \$ New drugs and other treatments
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Where will it come from? \$\$\$\$\$\$\$\$\$\$

#### My Mother's Broken Back



#### "The Cost of a Collapsed Vertebra in Medicare"



## [Better Care & Lower Cost] for Advanced Illness

- PACE 75% lower hospitalizations; 14% lower nursing home
- Aetna Compassionate Care 22% lower net costs
- GRACE net savings 23%
- Independence at Home saving \$3070 per person per year
- Sutter's AIM Medicare saved \$760 per person per month
- Veteran's HBPC-VA + Medicare costs reduced 11.7%

Summary in J Lynn, <u>MediCaring Communities: Getting What We Want and</u> <u>Need in Frail Old Age at an Affordable Cost</u>. Altarum Institute, 2016, pp 57-66.

#### **MediCaring Communities Financial Simulation**



#### http://www.milbank.org/the-milbank-quarterly/early-view-articles

#### Piloting the MediCaring Community

- Use a flexible "Accountable Care Community"
  - Serve all eligible and willing frail elders
  - Define geographically
  - Account for co-existing shared savings models and demos
- Many communities with leadership organizations interested
  - Raising start-up funds appears feasible
  - Best practices emerge from testing in diverse settings
  - Can build revenue model from MCO, ACO, SNP, or PACE, with waivers
- Successful piloting requires
  - Rapid cycle improvement with technical assistance
  - Sustaining the endeavor through shared savings

#### Components of the Frail Elder Expanded PACE Program



	MEDICARE ONLY	DUAL ELIGIBLE	MEDICAID ONLY
ELDER NEEDS NURSING HOME LEVEL OF CARE	Expansion #1: Poor, but not in Medicaid Not usually possible in current PACE Expansion #2: Adequate Assets Possible but rare in current PACE	Current PACE	Current PACE Small numbers
ELDER HAS WORSENING DISABILITIES BUT DOES NOT NEED NURSING HOME LEVEL OF CARE	Expansion #3	Expansion #3	<b>Expansion #3</b> Small numbers

#### The Opportunity to Care for the Pre-Dual Medicare Only Population



Increasingly frail, needing ready access to comprehensive care and coordination --Many are not eligible yet for nursing home level of care; virtually all have Medicare, but many not yet financially eligible for Medicaid.

These patients can pay privately for risk-stratified LTSS services.

#### Medicare "Help at Home" (Davis, Willink, Schoen)



#### Components of At Risk PACE Expansion



# A Proposed Set of LTSS Tiers

Tier 0

Tier 1

Tier 2

Tier 3

- Introductory package with comprehensive assessment, care planning and navigation
- Available to Medicare beneficiaries for a modest fee (before PACE enrollment)
- Ongoing comprehensive assessment, care planning, navigation, caregiver training and support, medication management
- Short-term day care, short-term respite, adapted transportation, 24/7 on call assistance
- All of the above plus personal care services of up to 45 hrs per week, including regular day care
- More bundles or a menu for some services may be better
- All of the above plus personal care of more than 45 hours per week or long term nursing home placement





Aim – do a little better than balancing

### Next Steps to Operationalizing PACE Expansion

- Working with National PACE Association, interested states, PACE organizations, Aging Network, other experts and stakeholders to garner support
- Either get waivers or
- Work with MCOs or ACOs
- Get the first few sites operational
- Learn and evaluate!



### **PACE Expansion: Broader Effects**

- Savings from careful use of high-cost Medicare services would be used to address:
  - Service supply gaps and quality problems
  - Workforce development
  - Community planning and management, dashboard implementation
- State savings would accrue from slowing Medicaid spenddown rates
- Frail elders (Medicare-only and duals) would have longitudinal, integrated care plans, more flexible service availability, and slower spend-down, enhancing the last years of life

#### PACE to Anchor MediCaring Communities

- Enabling all frail elders and their families to get longterm care services, mostly at home
- Delivering and/or managing services that reflect each elder's situation and goals
- Supporting an independent community board that reflects community priorities on behalf of community-dwelling frail elders, and monitors progress
- Re-investing savings from better medical care and the effects of adequate social supports in community priorities.

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#### Interested in Research in this Area, Or in Broad ElderCare Reform in Your Community? Contact us! Joanne.Lynn@Altarum.org