

Shawn Sullivan, President/CEO, Midland Care Connections, Inc.
Responses to December 15, 2020, Questions
Regarding the Program of All-Inclusive Care for the Elderly

**Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and
KanCare Oversight**

On December 23, 2020, Shawn Sullivan, President/CEO, Midland Care Connections, Inc., provided the following responses to questions posed on December 15, 2020, by members of the Robert G. (Bob) Bethell Joint Committee on Home and Community Based Services and KanCare Oversight regarding Program of All-Inclusive Care for the Elderly (PACE).

1. Total number of PACE participants in Kansas and surrounding states as of 12/1/20.

- Kansas: 694
- Colorado: 4,663
- Oklahoma: 631
- Nebraska: 212
- Missouri: 0

Colorado has one of the best rural PACE programs and is seen as a model across the country on how PACE can be supported. Nebraska only has one PACE program that serves the Omaha area, but is actively looking to expand PACE access to other areas of the State. Missouri is in the process of developing a PACE program and is working with SWOPE Health, a FQHC to establish access in Kansas City, Missouri and with a senior living organization to establish PACE access in St. Louis.

2. The number of Kansas PACE participants living in a nursing home. As of 12/1/20, we only have 3.3% of our Kansas PACE participants living in a skilled nursing facility. This compares favorably to the national average of 5% of PACE participants living in a nursing home. As a reminder, all PACE participants are certified to need nursing home level care and PACE programs are at full financial risk for all of a person's care. We do all we can to keep them healthy, independent and out of high cost acute care inpatient and nursing home settings as we also pay for the cost of this care.

3. The number of dual eligible PACE participants in Kansas as compared to the national percentage. As of December 1, 78% of the PACE participants in Kansas are dually eligible for Medicaid and Medicare benefits. Nationally, 90% of PACE participants are dually eligible for Medicaid and Medicare. I believe that the PACE programs in Kansas serve a lower percentage of dual eligible beneficiaries as we serve more participants with mental health needs that are eligible for Medicaid, but not Medicare.

4. The savings that PACE provides to the Kansas budget. I described the PACE rate setting process during the 12/15 committee meeting and stated the State is required to pay PACE organizations rates for Medicaid participants that is less than what would otherwise have been paid under the State Medicaid plan if not enrolled in PACE. The discount for PACE rates in Kansas compared to members in KanCare is 10%, meaning we get paid 90% of what the MCOs are paid for a similar population. This provides an approximate cost savings to the State of Kansas of \$4.0 million. This savings estimate was taken by applying the average PACE rates in Kansas and multiplying by the number

of participants and applying the 10% discount. Brad Ridley from KDADS can provide a more exact estimate as he has more data than I do, but I believe he would agree the savings are in the \$4.0 million range.

Thank you for your interest in the PACE program. We are blessed to have support of the program from the leadership of KDADS and believe there is an opportunity for PACE to significantly grow in Kansas. There are over 15,000 persons that are considered PACE eligible in Kansas. Approximately 54% of them have access to the program, but we need to work to reduce the barriers to their access so they have increased opportunities to stay in the community with better outcomes while providing the State with savings. We also would welcome expanding PACE to the 46% of the State that is not currently served by a PACE program.