

# Introduction to PACE and InnovAge



November 2019

## InnovAge Mission



- **Our mission is to sustain and enhance the independence and quality of life for those we serve, on their terms**
- **At InnovAge we have one goal: To help people age independently in their own homes and communities for as long as safely possible**



InnovAge is committed to empowering seniors and caregivers by creating a personalized roadmap for aging based on an individual's unique and evolving needs

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# What is PACE?

**Interdisciplinary team directed care delivered from an adult day center**

**Integration of Medicare and Medicaid funds allows whole person focused care**

**Open to military veterans and those who can pay out-of-pocket**

**Preferred option to nursing facilities**

**There are 130 PACE providers with 261 PACE centers in 31 states**

**PACE programs serve >52,000 nursing-home eligible seniors nationwide**

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# PACE Services

**Many Services Are Provided at the PACE Center**

- Primary care, including physician, nursing services, and mental health and psychiatric as needed
- Social services
- Restorative therapies, including physical therapy and occupational therapy
- Personal care and supportive services
- Nutritional counseling
- Recreational therapy
- Meals
- Speech therapy
- Dental service (most InnovAge facilities have full dental suites)
- Lab / X-Ray
- Medical Equipment
- Activities (yoga, dance, cards, trivia, computers, etc.)

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**Employed Interdisciplinary Care Team Develops Individualized Care Plans**

- The interdisciplinary care team at each PACE center comprehensively assesses and meets the individual needs of each participant. Each participant is assigned to an interdisciplinary care team. These individuals are focused exclusively on PACE and are either employed by InnovAge or in the case of physicians sometimes contracted given regulatory dynamics
- Team members include: primary care physician, registered nurse, Master's-level social worker, physical therapist, occupational therapist, recreational therapist or activity coordinator, dietician, PACE center manager, Home Care coordinator, Personal Care attendant, driver

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**Flexible Home Support Provided to Keep Participants at Home**

- Transportation is provided to and from the center and appointments (InnovAge vans complete >30,000 one way trips per month)
- Home Care (skilled, unskilled, personal care etc.) is provided in the home
- Total flexibility of funds means InnovAge can install an air conditioner or grab bars or a ramp, adjust the height of the microwave, anything to facilitate keeping a participant at home


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**Services Also Covered Outside PACE Center and Home**

- Hospital services (inpatient, ER, etc.) are covered as well as specialist visits
- If a participant is no longer able to live independently in the home safely, InnovAge covers the cost of a nursing home or facilitates assisted living

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## Impact on Caregivers



### Personal

- Mental, physical toll, delayed medical care
- Loss of family relationships



### Economic

- \$25.2B annual loss in worker productivity
- \$13B additional employer healthcare costs for caregiving employees

**PACE helps reduce the burdens and stress on family caregivers**

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## Participant Profile



### PACE Eligibility

- Live in a PACE service area
- Age 55 or over
- **Certified to need nursing home care**
- Able to live safely in the community with PACE support at the time of enrollment (can not be enrolled in a nursing home)

### Average InnovAge PACE Participant

- 92% dually eligible for Medicaid and Medicare
- 75 years old (83% 65+, 17% 55-64)
- 69% women, 31% men
- 70% living in community, 21% in assisted living facility, 9% NH
- 2.3 risk score; higher acuity compared to Medicare average of 1.0
- 37% of ambulatory, community-dwelling participants diagnosed with dementia, and 36% have 5 or more chronic conditions on the FCI
- Timed Up and Go (TUG) of 15.7 seconds (13.5 seconds is considered threshold for fall risk)
- Top diagnoses: diabetes w/chronic complications; major depressive, bipolar, and paranoid disorders; COPD; polyneuropathy; dementia w/o complications; chronic kidney disease; CHF; vascular disease
- In an average month: 9 prescriptions; 3 visits to PACE center per week; 10+ personal contacts; uncapped individualized prescribed therapy (PT/OT) sessions; 10 one-way bus trips

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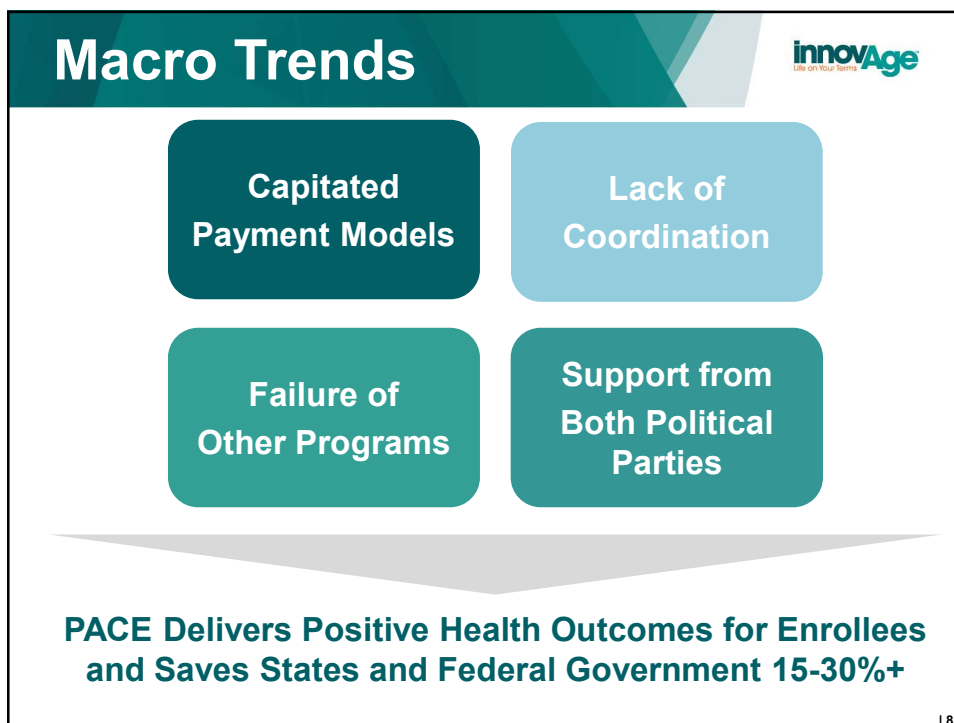
## Alternatives to PACE

**innovAge**  
Life on Your Terms

**PACE is one of the most integrated and flexible delivery systems compared to the alternatives**

Competitive Alternative	Size	Medicaid Payment Structure	Medicare Payment Structure	Provider Choice	Flexibility of Benefits	Level of Care Integration	Comments
<b>PACE</b>	<ul style="list-style-type: none"> <li>130 programs</li> <li>&gt;52K participants</li> <li>31 states</li> </ul>	Capitated	Capitated	●	●	●	<ul style="list-style-type: none"> <li>Acts as integrated delivery system with providers employed exclusively for PACE and contracted provider network</li> <li>Members visit day centers and receive a full suite of medical and social services</li> </ul>
<b>Dual and Institutional Special Needs Plans</b>	<ul style="list-style-type: none"> <li>377 DSNPs</li> <li>~2.2M participants</li> </ul>	Variable	Capitated	●	●	●	<ul style="list-style-type: none"> <li>A Medicare Advantage plan that allows further coordination with Medicaid and Medicare components</li> <li>Different MCOs may manage Medicaid and Medicare components</li> </ul>
<b>Duals Demos</b>	<ul style="list-style-type: none"> <li>8 states</li> <li>~384K participants</li> </ul>	Typically Fee-For-Service	Capitated	●	●	●	<ul style="list-style-type: none"> <li>Integrates Medicare and Medicaid payments into single plan</li> <li>Dual demos often experiment with alternative care models</li> <li>Numerous states have struggled with high opt-out rates</li> </ul>
<b>Managed Long Term Services and Supports ("MLTSS")</b>	<ul style="list-style-type: none"> <li>24 states</li> <li>~1.6M participants</li> </ul>	Capitated	Fee-for-Service	●	●	●	<ul style="list-style-type: none"> <li>MLTSS is a Medicaid managed care model that offers home and community based services and institutional care at a capitated Medicaid rate</li> </ul>
<b>Home and Community Based Services ("HCBS")</b>	<ul style="list-style-type: none"> <li>~3.2M enrolled as of (2014)</li> <li>Many states offer elderly and disabled waivers</li> </ul>	Fee-For-Service	N/A (Medicaid Only)	●	●	●	<ul style="list-style-type: none"> <li>HCBS waivers offered through CMS allow managed care plans to offer members additional home and community based services at fee-for-service rate</li> </ul>

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## PACE Positioned to Grow

- Approximately **2.1 million dual eligibles in U.S.** are estimated to be **PACE-eligible**
- PACE is the **best policy alternative** to treat **low-income frail elderly**
- Delivers **integrated acute and long-term care** under a **unique full risk model** to the **highest cost, frailest Medicare and Medicaid beneficiaries**
- **Extends life, reduces institutionalization, improves quality of life**
- PACE has a **long history of successfully providing community-based, high quality, integrated health and long-term care** to the highest-risk, most costly subpopulation of dual eligibles; **improving quality and reducing overall program expenditures**
- **Numerous studies of PACE have demonstrated positive health outcomes** for PACE enrollees, and there is research and data on the **cost-saving nature of the PACE model for states and government**


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## About InnovAge

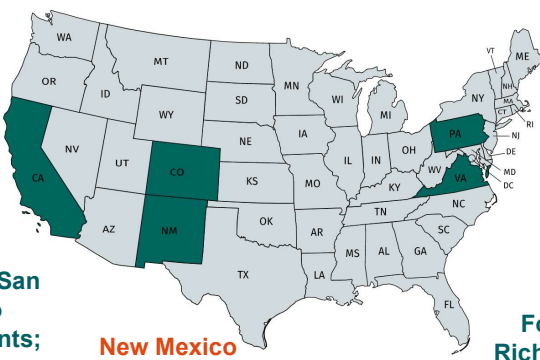


- 1989**  
Established as one of the original PACE pilot programs
- ~6,200** participants served daily
- Operate in **5** states
- 16** PACE centers
- Largest** PACE provider in the country  
Based on number of participants served

# Footprint



**16 PACE centers + 3 De Novos Opening by Summer 2020**



**Colorado**  
Six centers in Denver, Pueblo, Loveland  
~3,450 participants

**California**  
One center in San Bernardino  
~800 participants;  
Developing a new center in Sacramento

**New Mexico**  
One center in Albuquerque  
~400 participants  
(cap +100 for FY 2020)

**Pennsylvania**  
Four centers in Philadelphia ~750 participants  
Opening two new centers

**Virginia**  
Four centers in Richmond, Newport News, Roanoke, and Charlottesville  
~800 participants

Note: census as of November 2019

# Best in Class Facilities



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