Federal program aims to keep seniors out of hospitals and nursing homes

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Kaiser Health News
Monday, December 20, 2010; 7:02 PM

Several mornings a week, a white van stops at Geraldine Miller's house just east of Baltimore to pick her up for ElderPlus, a government-subsidized day-care program for adults on the campus of the Johns Hopkins Bayview Medical Center.

Because Miller, who is 75 and uses a walker, has trouble getting down the stairs from her second-floor apartment, the driver comes inside to help. When she feels wobbly, he lends her an arm. When she feels strong, he faces her and steps down backward on the steps so he can catch her if she falls. When it rains, he shelters her with an umbrella. This the sort of extra care that makes ElderPlus different.

ElderPlus is part of PACE, the Program for All-Inclusive Care for Elderly, which provides comprehensive medical and social services to frail, low-income seniors with serious health problems.

More than 23,000 people are enrolled at 166 sites in 29 states, according to the National PACE Association, a trade group. There are no PACE sites in the Washington area now, but Inova Health System plans to open a Northern Virginia location next fall, and seniors' advocates are working to bring a PACE site to the District.

PACE, first authorized by Congress in the 1980s as a pilot project, is intended to help seniors stay in their homes as long as possible. If done effectively, supporters say, the program can reduce costly hospital and nursing home stays. And keeping seniors healthy can save money for Medicare, the federal program for the elderly, and Medicaid, the state-federal program for the poor and disabled.

Seniors like the program because it "honors what the elderly want, which is to stay in their familiar surroundings, to be autonomous," says Terry Smith, director of long-term care at the Virginia Department of Medical Assistance Services, which operates the state's Medicaid program.

Miller, the ElderPlus enrollee, says her friends and staff in the program are "like a family." The medical team there spotted her kidney cancer early and treated it successfully. "It's just like you are at home, and if you have a problem, you always have someone you can go to."

Under an innovative financing arrangement, PACE sponsors - for example, Johns Hopkins - get a set monthly amount from the state and federal government to provide seniors with all the medical and other services they need, not just what is covered under traditional Medicaid and Medicare.

For ElderPlus, the payment is an average of $5,600 per person a month shared about equally by Medicaid and Medicare. In return, ElderPlus, which can serve up to 150 people and has been in operation for 14 years, is responsible for every aspect of participants' medical treatment, including nursing home care and hospitalizations.

ElderPlus operates a clinic, a pharmacy, an adult day-care center, a dining hall and a fleet of eight vans to ferry participants to and from home. Hospital care is provided by Johns Hopkins.
Seniors are served breakfast and lunch in a spacious, L-shaped dining room adjacent to a patio where some grow tomatoes and flowers. Down the hall are a physician, nurse practitioner, social worker, pharmacist and physical therapist, available for regular appointments.

A dentist, an optometrist, an optician, a psychiatrist and a podiatrist visit several times a month. A part-time dietitian tries to persuade participants it's never too late to improve their eating habits and has made a few converts. Participants can get physical or occupational therapy beyond the normal Medicare limits, as well as dentures, eyeglasses and hearing aids - items that aren't covered by traditional Medicare - at no cost.

The extra care extends to home when needed, usually on a temporary basis.

Doctors or nurse practitioners make home visits, and home health aides may help with light housekeeping and other chores. When home inspections have found safety hazards, ElderPlus has installed staircase railings, handheld showers and wheelchair ramps. It also has bought home air conditioners for people with breathing problems.

One of PACE's biggest boosters is Donald Berwick, a physician who heads the federal Centers for Medicare and Medicaid Services, or CMS, which oversees the PACE sites.

"I think expansion of PACE is a great idea, and even more important is building PACE principles," he says, adding that its multidisciplinary approach, unified funding stream and other pioneering techniques could help many chronically ill people.

To be eligible for PACE, people must be at least 55 years old and qualify for Medicaid, Medicare or, in most cases, both. They must meet their state's Medicaid criteria for requiring nursing home care, live within the PACE service area and be able to live safely at home with PACE assistance. Since PACE is a managed-care plan, the enrollees must agree to get their medical care only through PACE providers. These requirements may partially explain while the program is still relatively small.

PACE participants are among the most complicated geriatric patients and often suffer from several concurrent chronic conditions such as diabetes, heart disease or hypertension, explains Matthew McNabney, medical director at ElderPlus. They typically also have some kind of physical impairment; more than half of the enrollees have some degree of dementia.

"The beauty of PACE is that the incentives are all right," says ElderPlus Director Karen Armacost. The staff provides aggressive and creative preventive health care to keep seniors healthy and to avoid expensive hospitalizations or nursing home visits, goals that patients say they share.

"We pretty much say that PACE covers almost anything," says Smith, the Virginia long-term-care director.

Virginia has six PACE programs, and four more are planned, including the Inova site in Fairfax County. Virginia officials estimate that the cost to the state of a person who has both Medicaid and Medicare through PACE is, on average, $4,200 less per year than that of a similar person getting Medicaid services either at home or in a nursing home.

Expansion? Not so fast.

Maryland officials aren't looking to expand PACE anytime soon, despite ElderPlus's waiting list - 87 as of last week.

One reason, Maryland officials say, is a dearth of organizations willing to sponsor such a program. To assume that financial responsibility, sponsors must be large health-care organizations, such as Johns Hopkins, or have sufficient resources to form a partnership with a health-care provider, they say.
Mark Leeds, the state director for Medicaid long-term-care services, says ElderPlus is "a good service, and people benefit from their participation," but he adds that before expanding PACE, the state would have "to make the numbers work."

In many parts of the country, PACE seems to be gaining popularity. The National PACE Association reports that 57 percent of sponsors are planning to expand their services. And the health-care overhaul law provides funds to test similar non-institutional alternatives for treating people who need long-term care.

In the District, Capitol Hill Village, which provides services to help its 350 members live independently in their own homes, has enlisted Volunteers of America Chesapeake, a regional human services organization, as a potential PACE sponsor. Washington Hospital Center's Medical House Call program is interested in becoming the medical partner.

In the PACE application that Inova submitted to Virginia officials, the hospital had to provide details about its business plan and medical services. But Inova also had to explain how it will cope with a problem Northern Virginia is famous for: daunting traffic that could complicate getting seniors to a PACE site and back home.

"Someone could spend 50 minutes on a van and only go 10 to 15 miles," says Robert Hager, assistant vice president for long-term services at Inova. Seniors will probably go home early to beat the traffic.

Jaffe writes for Kaiser Health News, specializing in health-care policy and aging issues. This article was produced through a collaboration between The Post and Kaiser Health News. KHN, an editorially independent news service, is a program of the Kaiser Family Foundation, a nonpartisan health-care-policy organization that is not affiliated with Kaiser Permanente.