# PACE Provides Much-Needed Rural Support and Services for Older Adults

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Americans older than age 65 who live in rural areas and need long-term services and supports find it tougher than urban dwellers to age in place. Often, this cohort's younger family members have relocated to cities to find employment. This leaves fewer family members and other informal caregivers nearby to provide support. There also is a short supply of healthcare professionals and para-professions in rural communities, causing additional fracturing of the rural healthcare system.

The Program of All-Inclusive Care for the Elderly (PACE) has many advantages for older residents of rural communities. The principal tenet of PACE is that it is better for older adults with chronic conditions to remain in the community as long as possible.

## What Is PACE?

The PACE concept originated in 1971 in San Francisco's Chinatown-North Beach community. A group of concerned citizens investigated methods to create a community-based system of care that would address long-term care needs. Under the leadership of Marie Louise Ansak, this effort led to the formation of a nonprofit corporation called On Lok Senior Health Services (now On Lok Lifeways), which developed PACE. Since then, PACE has helped thousands of individuals in communities nationwide by providing them with long-term services and supports and enabling them to age in place. As of October 2015, there were 116 PACE organizations in 32 states.

PACE programs serve individuals ages 55 and older who are nursing home–eligible, live within a PACE service area, and are able to live safely within the community at the time of their enrollment. Typically, an interdisciplinary healthcare team representing 11 disciplines oversees and provides all medically necessary care for PACE enrollees, as well as transportation to PACE centers and medical appointments and support to family and caregivers. Each PACE organization has at least one PACE center, where enrollees receive most of their primary care and socialization. PACE fully integrates all Medicare and Medicaid services through capitated financing to promote primary, acute, specialty and long-term care services and supports for frail older adults.

## Paying for PACE

PACE organizations receive a per-person monthly payment to provide all necessary care. Under this payment system, PACE programs are able to provide the entire continuum of care and services to older adults with chronic care needs, while maintaining their independence for as long as possible.

The challenge for PACE providers is that the program must be fully functional before the first client enrolls. A portion of start-up costs for PACE programs pays for interdisciplinary team members, contracted services, transportation, and building and operating the PACE center. This means PACE programs generally lose money in the first months of operation as they build enrollment. Growing the number of enrollees quickly is not the sole challenge in building a PACE program. Operators also must ensure the program serves an area that can grow large enough to cover its fixed costs.

The congressional act in the late 1990s that created PACE also instructed the Centers for Medicare & Medicaid Services (CMS) to provide flexibility to test variations of PACE in rural communities. In 2006 the U.S. Department of Health and Human Services (HHS) created the Rural PACE Provider Grant Program, which provided up to 15 grantees with $500,000 each to support the development of a rural PACE program. The National PACE Association (NPA) and the National Rural Health Association (NRHA) received a contract from HHS to create a Rural PACE Technical Assistance Program, which produced resources for and provided technical assistance to organizations interested in developing a PACE program to serve a rural area.

Thanks to the legacy of that 2006 grant program, 15 percent of PACE organizations today exclusively serve rural communities. In addition, many innovations that make PACE possible in rural communities also might help improve the urban care model or provide inspiration for how PACE could serve other high-need, high-cost individuals in the future.

## Rural Variations of PACE

As PACE expanded into rural communities, its model of care adapted to better serve enrollees. In the traditional PACE model, new enrollees give up their physician and other providers and are served solely by the PACE interdisciplinary care team and network of specialists. However, about 40 percent of rural PACE organizations work with community physicians—providers outside of the PACE interdisciplinary team. By contracting with community physicians for primary care, PACE programs allow enrollees to preserve community relationships, thereby providing a way for them to access services across a large geographical area.

“If we have a new enrollee who is not seeing one of our community physicians, we actually encourage them to choose one,” said Dory Funk, medical director of Senior CommUnity Care in western Colorado.

In the early days of the program, the practice of incorporating community physicians allowed Senior CommUnity Care to grow faster than any PACE organization ever had.

“We were a rural program, so we knew it would take a while for us to grow,” Funk said. “But by involving community physicians, they immediately saw that we were providing services that just were not available in the community. They brought all of their eligible patients to us.”

Over time, PACE has refined its relationship with its doctors, she said. “Now we have requirements for them. They have to attend an [interdisciplinary] team meeting once a month, and they have to agree to share their medical records.”

PACE enrollees always have access to PACE clinical staff, but access to a community physician is an added benefit.

## Outside Services

Compared to urban-based PACE organizations, the service areas of rural PACE organizations are geographically large, often encompassing several communities and spanning several hundred square miles. Encouraging daily attendance in a central PACE center is not as feasible as in smaller service areas.

“We don’t want to keep anyone on a van for more than 40 minutes,” said Dana Collins, program director of AllCARE for Seniors in Cedar Bluff, VA. One strategy is to have several members of the interdisciplinary team travel together to conduct home visits several days a week.

A PACE program in Colorado shares a community adult day center so PACE services can be provided a few days a week at locations closer and more convenient than at an existing PACE center.

“One advantage we have in rural communities is more of a willingness for providers to work together,” said Sally O’Connor, center manager at Senior CommUnity Care in Colorado. “Instead of competing to provide the same set of services, we depend on each other. We know the community cannot afford to support duplication in many areas that you would see it cities.”

## Integrating with Community Services

In many instances PACE organizations have used their position as a consumer of community services to enhance or develop services for the entire community.

Senior CommUnity Care contracts for most of its transportation.

“When we started, there already were intensive senior transportation services in place,” O’Connor said. “Our intention was to use them, but we found that they could not provide the assistance from the home to the van that our enrollees required. However, they took it on as a challenge to develop their services so that it would serve our needs. They developed new routes for us. I am sure we’re more than half their business, but I also know that others in the area are using them because they have developed this expertise in serving our population.”

AllCARE in Virginia contracted with a community provider for food services. The contract allows the provider to expand its kitchen and the reach of its home-delivered meal services and to serve additional congregate meal sites. The presence of the PACE program enabled the service to expand because it now had a reliable and regular customer.

PACE programs continue to grow and innovate in America’s rural and urban communities. They excel at serving some of the nation’s most vulnerable populations and always strive to keep older adults living in their homes and communities. To learn more about the PACE Model of Care and PACE programs, please visit the **NPA website**.