* Thank you, Mr. Chair and members of the committee. HF1596 is a bill to bring Program for All Inclusive Care for the Elderly to Minnesota. This bill had bipartisan support last session as well and was carried in the House position of the HHS omnibus bill by Chair Schulz.
* Program for All Inclusive Care for the Elderly (or PACE), is an innovative program that allows people ages starting at age 55, most of whom are dually eligible for Medicaid and Medicare, to receive comprehensive medical and social services while still living in the community. Although all PACE participants are eligible for nursing home care, 95 percent continue to live at home.
* PACE programs coordinate and provide all needed preventive, primary, acute, and long-term care services so older individuals can continue living in the community. Through PACE, health care systems come together to serve the unique needs of each individual in a way that makes sense to elderly individuals with complex needs, their informal caregivers, health care providers and policymakers.
* Research has shown that PACE saves taxpayer dollars through a lower-cost model of care that has proven effective at preventing hospitalizations and rehospitalizations and helps to support and improve family caregiving.
* As you heard from the previous bills, the demand for senior care will spike in the next 8-10 years. In the next 5 years, we will have 50,000 more seniors who are 80 or older. Minnesota must continue to evolve the ways it supports seniors and their families in home and community settings. PACE is a model that has worked extremely well in 30 other states, including California, New York and most recently, Illinois.
  + Legacy approaches like place-based care settings are the choice seniors would least likely make, and as a model are very expensive to maintain and expand.
  + PACE has proven to support underserved communities with high quality flexible care, in the persons home.
  + PACE would become an option available for seniors with specific needs. If Minnesota moved implemented the program, it would complement existing programs like MSHO much like Integrated Health Partnerships complement managed care plans.
* For those of you who serve on the Policy Committee, you may recall testimony from Dr. Joe Gaugler, who is the Robert Kane endowed chair at the University of Minnesota School of Public Health, and the director of the University’s Center on Aging. He couldn’t be here today, but would say if he could that Minnesota is known to be an innovator and leader in health care delivery, and its beyond time for us to have PACE.
* Minnesota has had enabling language in statute for some time now. This bill would direct DHS to conduct a required actuarial rate study and propose an implementation plan, which is a critical step towards program implementation.
  + [Note: If needed: We have worked with DHS for technical assistance on this language. There may be some additional refinement on the parameters of the study, which we continue to work with stakeholders on.]
* In your packets, you should see letters of support from organizations including the Alzheimer’s Association, Leadership Council on Aging, and several provider organizations, many of whom care for seniors in your communities. I would now like to turn it over to my testifiers.
  + Wayne Olson, Presbyterian Homes