

March 14, 2023

Dear Representative Reyer and Senator Morrison,

As Minnesota plans for the expansion of services to meet the needs of its older adults, we strongly urge your support for the development of the Program for All-Inclusive Care for the Elderly (PACE) as proposed in SF1640/HF1596.

BoldAge PACE was created by the owners of New Jersey PACE provider, Beacon of LIFE PACE, to draw upon the lessons learned by the nation's preeminent PACE experts and to bring our successful model of national PACE best practices to states beyond New Jersey. We have PACE programs with varying stages of implementation across a diverse array of communities in California, Florida, Illinois, Indiana, Kentucky, and New Jersey. Our executive team includes national PACE development and operations leaders each with many years of experience in multiple new and growing PACE programs.

In Illinois, we are establishing PACE in the urban community of Southern Cook County, near Chicago, that has limited home and community-based services for seniors, insufficient accessible transportation and affordable housing. Our two fully equipped PACE centers will serve over 500 older adults providing a fully coordinated primary and nursing care, social work services, recreational and rehabilitative therapy, dental services and behavioral health care.

In California, BoldAge is partnering with a senior services provider in the Hmong community to develop a PACE program. This innovative PACE model will also provide the full range of PACE services and incorporate culturally appropriate care including complementary health care, accommodating five different languages, and providing ethnically appropriate meals and activities.

In Minnesota, BoldAge PACE has been working with community partners on the ground and PACE advocates to bring the benefits of a PACE program to older adults throughout the state. It is with passion for the PACE model and successful management experience producing cost savings and positive participant outcomes that we write asking for your support.

PACE embodies both person-centered and accountable care. PACE organizations bear full financial risk for all Medicare- and Medicaid-covered services, as well as any additional services required to implement an individual's care plan. PACE is accountable for these services across all settings, 24 hours a day, 365 days a year. The capitated and fully risk bearing payment methodology applied to PACE provides a strong incentive to avoid duplicative or unnecessary services while encouraging the use of high value care, including appropriate community-based alternatives to avoidable hospital and nursing home care.

PACE combines excellence in clinical care and care coordination from a dedicated interdisciplinary team of providers to achieve the highest standards of quality and efficiency. PACE addresses social determinants of health (SDOH) as part of the care model, including transportation, food security, social integration, support systems and access to high quality,

linguistically and culturally appropriate health care services. In our PACE programs, participants attend the day center two to three times a week on average and participate in a variety of programs, and even interact with our therapy dog, Tova. Through these experiences they develop relationships and interests that add to the quality of their life, leading to significantly less depression, loneliness and anxiety than usually found in this population.

PACE organizations commonly leverage partnerships with other community-based organizations to ensure that SDOH are met. In New Jersey, we have many such relationships such as with local housing providers, senior centers, and religious communities.

PACE has been highlighted as a consistently “high performer” by the U.S. Department of Health and Human Services<sup>1</sup>, based on a finding that “full-benefit dual eligible beneficiaries in PACE are significantly less likely to be hospitalized, to visit the ED, or be institutionalized.” PACE is a value-based payment model that helps increase the availability of home care for older adults with complex biopsychosocial needs.<sup>2</sup> PACE helps beneficiaries remain in a community setting longer. PACE provides care for the dual-eligible population over age 65 (Medicare and Medicaid) at a cost that is on average 33 percent less per person per month. For those aged 55 to 65 (Medicaid-only), costs are on average 19 percent lower than typically incurred for a similar population.

Data show that PACE participants are healthier, happier, and more independent than their counterparts in other care settings, and that PACE participants live longer than even similarly situated enrollees in other home- and community-based waiver programs. The National PACE Association reports just a mere five percent (5%) of PACE participants living within a nursing facility and 95 percent living within the community. At Beacon of Life, we have only 3% of participants living in nursing homes.

We hope you will prioritize the health and happiness of older Minnesotans, as well as the sustainability of Minnesota’s Medicaid services, and support this effort to ensure and promote access to PACE.

Thank you,

Mary Austin, MSN, NHA, RN  
CEO, BoldAge PACE

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<sup>1</sup> Office of the Assistant Secretary for Planning and Evaluation Office of Behavioral Health, Disability, and Aging Policy <https://aspe.hhs.gov/reports/comparing-outcomes-dual-eligibles>.

<sup>2</sup>A recent policy brief from the Duke-Margolis Center for Health Policy recommended that the IC further explore PACE. <https://healthpolicy.duke.edu/sites/default/files/2021-12/Revised%20Policy%20Agenda%20Brief%20%231.pdf>.