



Assembly Bill 540 Aging in Place with PACE

SUMMARY

This bill will help more seniors remain in their homes and communities by improving beneficiary awareness of and access to the Program for All-Inclusive Care for the Elderly (PACE).

BACKGROUND

PACE is designed to provide care for California's frail population as an alternative to institutionalization. PACE programs coordinate and deliver preventive, primary, acute and long-term care services to older adults who would otherwise be in nursing homes so they can continue to live in the community.

PACE is unique in that it is the only provider-based model of care where a single entity is entirely responsible for the delivery, outcomes and cost of care. Eligible beneficiaries receive all of their services through one-stop-shop PACE centers, while still residing in their home and/or community. Participants are age 55 or older, certified by the state to qualify for nursing home care, able to be cared for safely in their community, and live in a PACE service area. Currently, there are 50 PACE sites across California, serving over 10,000 frail seniors.

Research shows that PACE achieves significant reductions in hospital use, significant improvements in health status and quality of life, significant delays in the onset of extended nursing home stays, very high rates of beneficiary and family satisfaction and relief of caregiver burdens. Additionally, it is estimated that PACE saved California over \$69 million in 2020 for the

beneficiaries it serves, compared to what it would cost to care for them outside of PACE.

NEED FOR THE BILL

Even though PACE is a model of care for frail seniors, many beneficiaries are unaware of PACE and how it may benefit them. The bulk of enrollment occurs through individual referrals from community sources including hospital discharge planning, senior housing, AAAs and other sources. As a result, many seniors with higher needs could benefit from direct State engagement and referrals for PACE services.

SOLUTION

AB 540 improves beneficiary awareness and access to PACE by:

- Requiring PACE to be offered as a Medi-Cal plan choice,
- Requiring PACE to be identified as a Medicare plan choice and included in all enrollment materials and information,
- Requiring the Department of Health Care Services to establish an auto referral process to refer beneficiaries to PACE,
- Requiring assessment processes to include criteria to identify, and provide for referral to PACE and
- Ensuring continuity of enrollment by exempting Medi-Cal beneficiaries who are enrolled in PACE from mandatory or passive enrollment in Medi-Cal managed care

SUPPORT

CalPACE (Sponsor)

CONTACT

Lizzie Cootsona | Legislative/Press Aide
Assemblywoman Cottie Petrie-Norris
Lizzie.Cootsona@asm.ca.gov | (916) 319-2074