

PACE Instructions for Prospective PACE Organizations

North Dakota Health and Human Services (HHS) is interested in increasing Program of All-Inclusive Care for the Elderly (PACE) access in North Dakota (ND) by contracting with more PACE providers. The goal is for more people who qualify for nursing home level of care to remain in their home and community and experience an enhanced quality of life. This can be done by making PACE services available in more service areas across the state.

To become a PACE provider, the organization must be enrolled with ND Medicaid, comply with federal PACE regulations, and adhere to the related PACE program agreements.

The Prospective PACE Organization (PPO) shall provide an electronic copy via email and four hard copies of the original submission of the information below to HHS.

Submission Requirements

A PPO that would like to open a PACE site in ND must submit the following in the order listed below. The PPO must label all documents clearly. HHS may consider allowing a PPO to open in a zip code currently served by another PACE provider depending on what the feasibility study shows for that service area.

1. Letter of Intent

The PPO's authorized personnel shall submit a signed letter of intent that commits to starting operations within 18 months of notification by HHS. Then will follow CMS's step by step process for approval of the PPO application. This letter should clearly specify the service area, by zip codes, for which the PPO wishes to be considered. The prospective PACE organization interested in more than one zip code shall rank each zip code in order of interest from most desirable to least desirable. This letter should be sent to HHS as soon as the PPO decides to begin the process of submitting the required information to attain state approval to apply to CMS to become a PACE provider in ND. There is no

deadline for submitting this information but the sooner HHS receives it, the sooner the new PACE provider payments can be projected into the budget.

2. Organizational Background

The PPO shall illustrate its history and experience and the experience of any parent organization in serving individuals qualified for the PACE program and in developing long-term services and supports programs. The PPO shall also identify each of the members of its corporate governing board, their responsibilities, and their relationship to any parent organization. It shall identify the proposed management team for PACE.

Each PPO, its parent corporation, and (if applicable) other PACE programs associated with the PPO shall be in good standing with HHS and CMS.

The PPO shall provide copies of any reports, penalties, or restrictions issued for a period of two years prior to the date of this notice by CMS, HHS, or other governmental agencies on any PACE provider organization associated with the PPO. The PPO gives governmental agencies regarding the PPO's performance. HHS must be satisfied that any deficiencies have been, or are being, corrected and that the deficiency is unlikely to recur.

3. Feasibility Study

The PPO shall provide HHS with a feasibility study (including a market and financial assessment) of the project showing the number of PACE-eligible citizens in the desired service area and the expected growth of enrollment by month for at least the first two years of operation. The study must be conducted by an approved PACE technical assistance center, which can be found at <https://www.npaonline.org/start-pace-program/pace-technical-assistance-centers-tacs>. The PPO shall provide a complete copy of the study, or the submission will be rejected.

The feasibility study must address at least the following and provide evidence and examples to support any claims:

- The realistic demand for the PACE services in the proposed service area. The analysis must cite the sources and years of the data used and the calculations and rationale to estimate the PACE-eligible population and must provide comparison to successful PACE programs in similar regions. The analysis cannot assume that the program will achieve substantial market penetration in the early years or be a market leader, without substantial proof.

- The PPO's experience in programs having principles consistent with the PACE model and the PPO's depth of leadership and experience required to address the challenges in developing a sustainable PACE program.
- The PPO's experience with primary, acute, or long-term care services and demonstrated capability in serving a Medicare and Medicaid-eligible population.
- The financial capacity to fund program development, assume financial risk, and fund risk reserve to and through the sustainability point. This shall include a two-year start-up budget showing the following:
 - Monthly enrollment growth projections
 - Costs of operations, including marketing and advertising
 - Sources of funding, both initial start-up and periodic infusions
 - The break-even census number and month, plus the desired maximum census
- A project design that incorporates a new or existing PACE center and describes the services plan and staffing ratios at or above PACE best practices. The project design must also describe transportation for the participants and 24-hour service capability.
- The PPOs shall describe the service area by zip code, the estimated number of PACE-eligibles, geography, demographics, and the realistic annual enrollment expected over the first two years. A map showing travel times to the prospective PACE center and to critical health care and other contracted facilities should be included.

4. Service Area

The PPO shall describe the service area by zip code, the estimated number of PACE-eligibles, geography, demographics, and the realistic annual enrollment expected over the first two years. A map showing travel times to the prospective PACE center and to critical health care and other contracted facilities should be included.

5. Marketing Plan

The PPO shall illustrate the outreach methods, the advertising methods and schedules, and follow-up schedules. The PPO shall also illustrate and document any contracts and commitments that are already in-place with aging organizations, medical and service providers, community leaders, and the like (examples: on-staff marketing professionals who have successfully started and sustained a PACE-like program; uniqueness in project design or outcomes expected; eliminating or downsizing nursing facility beds; improving the quality of collaborations with hospitals, personal services and medical providers, housing sources and builders; and incorporating innovative referral and marketing methods).

6. Implementation Plan

The PPO shall show an ability to provide services to potential participants within 18 months of receiving formal notification of approval to open from HHS, which will follow the CMS approval of the PPO application. Details of the implementation plan shall include the level of construction needed for the site and whether a design firm or contractor has been consulted and provide the firm(s) names for projects that include a new PACE center. The PPO shall describe the staffing plan and whether a set of professionals and others have been surveyed for interest in serving the program. The implementation plan shall also explain how operational needs will be managed 24 hours a day. Further, the selected PPO must adhere to milestones established by HHS. HHS will terminate a project that is not executed in a timely manner. HHS will not authorize participant enrollment until the PACE program agreements between the provider, CMS, and HHS have been signed and an executed ND Medicaid Provider Agreement is in place. The PPO is responsible for ensuring all PACE program agreements are signed and a Medicaid provider enrollment has been successfully completed.

7. Financial Viability and Commitment

The PPO shall provide realistic, justified, and attainable detailed financial projections (including resources for consulting, acquisition of space, acquisition of equipment, vans, working capital, and solvency reserves), and enrollment census projections for at least two years. If applicable, the PPO shall provide evidence that the organization has been successful with similar operations. The PPO shall provide a letter of commitment from the board of directors, signed by an officer of the organization authorized to contractually bind the organization and to fund the project through the break-even point. In addition, the PPO shall provide documentation of a risk reserve that will provide for sustainability. The PPO shall provide the last two years of audited financial statements. If external financing is needed, provide a letter of intent from the lender.

Evaluation of Submissions

HHS will evaluate any submissions from a PPO. HHS reserves the right to investigate any claims made or information provided. HHS also reserves the right of final approval or to reject a submission. If selected, the PPO will be required to complete additional steps, such as submission of a formal CMS application which can be found at <https://www.cms.gov/medicare/medicaid-coordination/pace>.

Submission of Information

The submission must be addressed to the North Dakota Health and Human Services,
Attention: PACE Administrator, 600 East Boulevard Ave. Department 325, Bismarck, ND
58505 or emailed to dhspacetosaainfo@nd.gov