AGENDA

1. Welcome

2. Approval of minutes from May 13, 2019 board meeting – discussion and action item

3. Appointment of board member to Executive Committee – discussion and action item

4. 2019-20 strategic plan – discussion and action item

5. Other business

6. Adjourn

Attachments
A. Draft minutes of May 13, 2019 board meeting
B. Minutes of June 10, 2019 Executive Committee meeting
C. Executive Committee charter
D. CalPACE 2019 – 20 Strategic Plan – Draft
E. CalPACE proposed new strategic initiatives 2019-20 -- overview document

Board Members

- AltaMed PACE, Maria Zamora
- Brandman Centers for Senior Care Arnold Possick
- CalOptima, Elizabeth Lee
- Center for Elders' Independence, Linda Trowbridge
- Fresno PACE, Patricia Sandoval
- On Lok Lifeways, Eileen Kunz
- Redwood Coast PACE, Joyce Hayes
- San Diego PACE, Kevin Mattson
- St. Paul's PACE, Cheryl Wilson
- Stockton PACE, Elizabeth Carty
- Sutter SeniorCare PACE, Pamela Ansley
Minutes of CalPACE Board Meeting
May 13, 2019
Conference Call

Attendees
Board Members: Arnold Possick, Brandman Centers for Senior Care
Cheryl Wilson, St. Paul’s PACE
Elizabeth Carty, Stockton PACE
Elizabeth Lee, CalOptima PACE (Elected at beginning of meeting)
Eileen Kunz, On Lok Lifeways
Linda Trowbridge, Center for Elders’ Independence
Maria Zamora, AltaMed PACE
Pamela Ansley, Sutter SeniorCare PACE
Patricia Sandoval, Fresno PACE

CalPACE Staff: Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Senior Director of Operations
Fred Main, CalPACE Counsel
Bing Isenberg, Center for Elders’ Independence

Guests: Bev Dahan, InnovAge
Carol Hubbard, St. Paul’s PACE
Rosana Scolari, San Diego PACE
Susie Fishenfeld, Brandman Centers for Senior Care

Board members absent: Joyce Hayes, Redwood Coast PACE
Kevin Mattson, San Diego ACE

Note: These minutes are confidential and privileged and should not be circulated outside of the CalPACE Board.

Board Chair Linda Trowbridge welcomed members and convened the meeting at 2:10 p.m.

Decisions

Minutes: Minutes of the March 22, 2019 board meeting were approved (Wilson/Kunz).

CalOptima designation of Elizabeth Lee as board representative. A motion to approve CalOptima’s designation of Elizabeth Lee as its board representative was approved (Kunz/Carty).

PACE rate methodology proposal. Linda Trowbridge, board chair, provided an overview of the meeting she and Eileen Kunz had with the Department of Health Care Services, which was attended by Peter Hansel, CEO, and Fred Main, counsel and advocate. She indicated that DHCS would prefer to make further changes in the rate methodology administratively and not through legislation, but did indicate its intent to make certain changes in how it applies the current methodology, including not continuing to move rates to the lower end of the rate range. Given DHCS’ opposition to several of the provisions in the proposal, CalPACE will need to compromise if
it wants to be successful in getting changes made. Fred Main reviewed a draft of proposed revisions, which include removing the specific percentage add-on amounts for capital, risk and administrative reporting requirements and the initially proposed rate floor, both of which DHCS strongly opposes; extending the current flexibility for DHCS to set rates within the actuarially sound range to mitigate rate shock; and clarifying the rate protections for new PACE organizations. Board members discussed whether the changes represent an acceptable compromise for CalPACE. Cheryl Wilson expressed concerns and opposition to removing the rate floor provisions. Eileen Kunz expressed support for provisions making it harder for DHCS to move rates to the lower rate bound. After discussion, a motion was adopted to approve the revisions but to express concerns that the changes leave PACE organizations with considerable uncertainty about their rates and that CalPACE will return next year with further changes if the changes do not result in positive changes (Kunz/Ansley; 6-1; Wilson voting no).

**PACE licensing transfer proposal.** Chair Trowbridge summarized the results of a meeting with DHCS staff to discuss CalPACES legislation to transfer responsibility for PACE licensing functions from DPH to DHCS. At the meeting, CalPACE representatives and Brenda Klutz, CalPACE consultant, reviewed a matrix comparing PACE licensing and regulatory requirements, which has been developed by Brenda Klutz in conjunction with a CalPACE work group. While the matrix indicates great overlap and similarity in many areas, it also notes that there are minor disparities between the licensing and regulatory requirements in several areas. DHCS believes it can administer PACE licensing functions and integrate them into the PACE regulatory requirements but has asked for further information on which of the licensing requirements are in statute. The legislation may need to be further amended to clarify how these apply to PACE. Fred Main reviewed amendments to AB 1128 which are to be taken in the Assembly Appropriations Committee, which include clarifying that DHCS will make the determination of when the transfer becomes operative and providing that the administration of the licensing functions will continue to be supported through fees paid by PACE organizations. Further amendments are being explored to give DHCS authority to adjust and adapt the licensing requirements via PACE policy letters. There was consensus among board members to continue to moving AB 1128 and continue discussions with DHCS.

**Discussion**

**Appointment of board member to Executive Committee.** With the departure of Arif Shaikh from CalOptima, there is a vacancy on the Executive Committee. Fred Main advised the board that the committee can operate with its existing members until the board appoints another member. Kevin Mattson has been nominated to fill this vacancy. CalPACE staff will see if he is interested in serving on this committee.

**Update on strategic plan.** Board chair Trowbridge summarized work that the chair and staff are doing to develop concepts and proposals for the new strategic plan. CEO Hansel outlined some of the themes from the post-retreat strategic planning meeting, which are being developed into potential elements for the strategic plan. They include having CalPACE develop performance data through health informatics entities to identify PACE attributes associated with high outcomes, developing the groundwork and business plan for a special needs plan offering by CalPACE members, developing standardized PACE marketing materials and possibly a statewide marketing plan, assessing member staff training resources and needs and advancing best practices in quality improvement systems.
Other business. Cheryl Wilson shared with board members that one of her board members attended a national meeting that included discussions of the PACE model as a model of care for all populations with higher needs.

The meeting was adjourned at 3:05 pm.

Respectfully submitted,

Eileen Kunz, Secretary

Prepared by: Peter Hansel, Chief Executive Officer
Jennifer Blankenship, Senior Director of Operations
Executive Committee Meeting Minutes

June 10, 2019

Attendees
Committee members:  
Eileen Kunz, On Lok Lifeways  
Linda Trowbridge, Center for Elders Independence  
Maria Zamora, AltaMed  
Cheryl Wilson, St. Paul’s PACE

Other board members:  
Kevin Mattson, San Diego PACE

CalPACE staff:  
Peter Hansel, Chief Executive Officer  
Fred Main, Counsel  
Jennifer Blankenship, Director of Operations

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Committee Chair Linda Trowbridge welcomed members and convened the meeting at 1:05.

Recommendations

Draft 2019-20 strategic plan. Chair Trowbridge and Peter Hansel reviewed the elements of the draft strategic plan for 2019-20, which include a CalPACE mission statement; environmental landscape facing PACE in California; summary of strengths, weaknesses, opportunities and threats; CalPACEs Painted Picture for 2014; and major goals, strategies and tasks for 2019-20.

Members suggested several changes to the painted picture summary, including noting that the data that demonstrates that the PACE model leads other LTSS options includes new data that is proposed to be developed under the new strategic plan, and that CalPACE has both formed and strengthened several affiliations with other organizations, including the California Primary Care Association. Members discussed references to the PACE growth that is expected to occur by 2024, and several recommended that growth be benchmarked more in terms of total enrollment rather than in terms of the number of PACE sites. Expanding enrollment is important to CalPACEs success in terms of advocacy and increasing its dues revenue.

In the area of the draft strategic plan goals and strategies, members suggested changing the federal policy goals to include both supporting NPAs federal policy priorities but also advocating for federal changes that may not be part of NPAs agenda that affect California PACE organizations, such as aspects of the PACE application process and potential opportunities for having CMS delegate greater responsibility to DHCS.
The meeting was adjourned at 2:00 p.m.

Respectfully submitted,

Eileen Kunz
Secretary

Prepared by: Peter Hansel, CEO
CalPACE Executive Committee
Charter

Duties of Committee

Except as may be prohibited by law, the Executive Committee may act on behalf of the Board in its ordinary and routine transaction of business and such other matters as the Board may direct. A report of such transactions shall be made to the Board.

Unless otherwise directed by the Board, the Committee shall not act on behalf of the Board on matters of policy or association strategy, nor shall it act in lieu of the Board on matters concerning the election of officers, or in matters concerning the adoption of annual budgets and member dues levels.

Composition and Terms of Office

The Committee shall be comprised of all Board officers and one additional board director who is appointed by the board. Committee members shall serve one year terms that shall coincide with the terms of the Board officers.

Meetings

The Committee shall meet upon the call of the Chair. All meetings shall be duly noticed and minutes shall be recorded of all meetings.

Adopted by the CalPACE Board on August 7, 2018.
Strategic Plan

2019 -- 2020

I. CalPACE Mission
II. Environmental Landscape Facing PACE in California
III. Strengths, Weaknesses, Opportunities and Threats
IV. 2024 Painted Picture Outlook
V. Major Goals, Strategies, and Benchmarks
I. CalPACE Mission

- To promote expansion of comprehensive home and community-based health care services for the frail elderly in the State of California through the Program of All-inclusive Care for the Elderly (PACE).

- To support, maintain, safeguard and promote through education and advocacy the PACE Model of Care and to promote quality health care services for the elderly in the State of California.
II. Environmental Landscape Facing PACE in California

1. Continued realignment of health care system towards models of care that promote prevention, provide medical homes, and achieve the triple aims of improving the experience of care, producing better outcomes, and reducing costs.

2. Continued pressure on reimbursement rates with payers increasingly focused on outcomes and value and, in the case of public payers, needing to achieve budget savings to deal with chronic budget deficits.

3. Additional pressure on reimbursement rates due to budget uncertainties brought about by federal funding changes.

4. Increasing competition for beneficiaries in more areas of the state that PACE serves as health plans enter the market and expand their roles serving duals under Medi-Cal and Medicare and contract with increasingly sophisticated medical groups with expertise in serving older beneficiaries with chronic conditions.

5. Growing numbers of providers and services targeting Medicare only seniors with higher needs for whom hospitals, health plans, medical groups and hospitals are at risk.

6. Continued upward pressures on costs of serving beneficiaries due to costs of new regulatory requirements and shortages of providers.

7. Continued regulatory environment for PACE that constrains growth.

8. Growing workforce shortages and challenges in attracting and retaining professional staff.
III. Strengths, Weaknesses, Opportunities and Threats

Strengths:
- PACE organizations have highly skilled, experienced and specialized staff
- PACE organizations are culturally competent
- The reputation of PACE programs is universally good
- PACE has broad political support and influence
- PACE has a strong market position by virtue of its staff, quality, and reputation
- PACE programs achieve high rates of satisfaction and quality
- CalPACE provides platform for implementing common vision
- PACE is beginning to produce standardized quality data to prove its value

Weaknesses:
- Burdensome regulatory environment leads to lost opportunities
- Small size and scalability constraints facing PACE cause policymakers to discount value of PACE
- PACE organizations have been slow to adapt to market changes
- PACE organizations face slow speed to market in new programs and expansions
- Competitors are catching up with PACE
- PACE organizations conduct limited PR and face limited brand recognition
- PACE is a capital intensive model
- PACE is complex and difficult to explain to policymakers and the public

Opportunities:
- New payers and external opportunities provide options for PACE programs to offer PACE-like products and services
- Changing market and regulatory conditions are creating opportunities to look at changes in the PACE model
- Move towards testing new models of integrated care is causing people to pay more attention to PACE
- The current environment creates opportunities to use PR, messaging, and quality benchmarking to demonstrate the value of PACE
- The market for PACE services is growing
- Medicare and Medicaid initiatives as well as payment and policy changes are creating opportunities for PACE organizations to serve populations not traditionally served by PACE, including Medicare-only, under 55, and at risk of nursing home placement
- Use of monitoring, telehealth, and other aging technologies is expanding rapidly, creating growing opportunities for PACE organizations to enhance the outcomes, value and visibility of the services they provide through use of technology.

Threats:
- Rates will likely be inadequate to justify expansion of PACE under the model it has historically operated under
- Regulatory burdens, while easing, will continue to place PACE at a disadvantage relative to health plans
- PACE faces a challenge to grow fast enough to justify its existence
- Shortages of specialized providers with elder care and other clinical resources will hamper expansion of PACE
- Despite greater exposure and visibility, people may continue to misunderstand PACE
- Competition for enrollment, e.g. through the Coordinated Care Initiative and agreements between housing providers and health care plans and medical groups, could dry up the pipeline for PACE
As the number of clients enrolled in PACE continues to increase, CalPACE has strengthened its effectiveness as a trusted advocate and expanded its services to members. CalPACE has established itself as the cost, outcome, and quality leader among similar LTSS programs. Dues revenue has increased due to new members, and CalPACE has also grown its non-dues revenue to support additional projects. In recognition of changes in the health care payment models, CalPACE has launched a new business to offer PACE expertise in a more flexible package, leveraging the collective strength of its members. It has formed new affiliations with housing and behavioral health partners, and a university research affiliation.

What services does CalPACE provide?

1. Policy Advocacy*
2. Expertise in CA Regulations
3. Creation of networking opportunities
4. Rate-setting advocacy with DHCS
5. Dissemination of best practices
6. Education of the public and the media
7. Expertise in performance data (Priority #1)
8. Access to a Group Purchasing Organization
9. Access to a Pharmacy Purchasing Organization
10. Recruitment and training services for all levels of PO staff (Priority #2)
11. Marketing materials that differentiate PACE from other managed care options (Priority #3)
12. Analysis of PO’s market position in relation to other managed care products

*Bold indicates current services

What percentage of eligible Californians have access to a PACE program?

80%

What is CalPACE’s reputation among members?

CalPACE is known as the “get it done advocate”, energizing legislators and regulators to support, expand, and add flexibility to the PACE model. 95% of PACE organizations in California are members, in recognition of the technical support, education on best practices, and the united provider voice CalPACE
represents. CalPACE, through its members, is viewed as expert in cultural competence and outreach to diverse populations.

**What is CalPACE’s reputation among Legislators and regulators?**

CalPACE is regarded as a strong, respected advocate whose members have demonstrated that they bend the cost curve for complex dually eligible individuals. CalPACE data, including newly developed data measures, clearly demonstrates that the model leads other LTSS options in quality outcomes, client satisfaction, and cost reduction. Legislators trust CalPACE information and view the association as reasonable and solution-focused. They reach out to CalPACE for advice on a range of eldercare policies.

**What special projects has CalPACE launched?**

1. Started a Care Management business line as a separate company
2. Created an ISNP made up of interested POs (Priority #1)
3. Provides services/membership to POs in states without a PACE association
4. Launched a statewide enrollment campaign on behalf of members (Priority #2)

**What percent of non-dues revenue does CalPACE generate?**

CalPACE generates 30-40% of its revenue from sponsorships, grants, and purchased services

**What new affiliations has CalPACE formed or strengthened?**

1. Housing associations
2. Mental /behavioral health and Alzheimer’s associations
3. Chambers of Commerce (job creator)
4. Academic research affiliation
5. California Primary Care Association

**What have been CalPACE’s most significant accomplishments over the past 5 years?**

1. Reached agreement with state on a rate setting methodology that includes capital costs
2. Recognized by the state as the leader among similar LTSS programs in cost effectiveness, outcomes, and quality
3. Achieved transparency by the state on standards for overlapping service areas
4. Achieved greater flexibility on both state and federal regulations
5. Started at least one new business line/newco for PACE organizations
6. Increased partnering among PO’s to create economies of scale
7. Advocated for expansion with the result that CA PACE organizations now serve 13,000 beneficiaries*
8. Added 1-2 new services for members

What capabilities/resources does CalPACE need to develop or strengthen to achieve the Painted Picture?

1. I-SNP/C-SNP Expertise
2. Performance Improvement/Quality
3. Public Relations

What are the near-term opportunities to help achieve the Painted Picture?

1. Develop visibility with the new state administration
2. Utilize PACE 2.0 to spur growth
3. Identify RFPs outside the pure PACE space to expand partnerships
4. Explore corporate partnerships to support education and research initiatives

3/2019
Major Goals, Strategies, and Tasks for 2019-20

CalPACe’s overarching goal is to promote the expansion of PACE and to enable it to get to scale in California. It will work to achieve this overarching goal by developing and carrying out strategies related to the following specific goals:

A. Demonstrate the value of PACE
B. Promote awareness and visibility of PACE
C. Advocate for PACE growth, stability and sustainability
D. Develop new business opportunities
E. Promote best practices and innovation

A. Demonstrate the Value of PACE

Strategies:

Develop and disseminate data and information that showcase PACE, demonstrate its cost effectiveness and differentiate it from other types of plans and programs offering integrated care to older adults and seniors with higher needs.

Tasks:

1. Begin collecting additional quality and outcome measures as identified by the quality workgroup that project the value of PACE relative to other providers of integrated care and are feasible to collect and report.

2. Commission a health informatics and performance data driven study to highlight outcomes achieved by PACE programs and features associated with the highest outcomes. Request one or more proposals from recognized health informatics entities; seek grant funding if needed to fund study; create workgroup to develop parameters and inputs for study; provide regular status reports to board.

3. Develop cost and utilization estimates for end of life care provided in PACE as compared to the general Medicare population based on Dartmouth Atlas data.

Resources needed: Health informatics/performance data consulting work and grant funding for Task 2. All members would need to agree to report additional data for tasks 1 – 3. Grant writer services.

B. Promote Awareness and Visibility of PACE

Strategies:

Conduct ongoing communications and public relations efforts to disseminate data, information and stories to increase awareness of and support for PACE and what it does.

Tasks:

1. Collect, update, and showcase participant profiles showcasing the impact of PACE, including videos showcasing participants’ experiences and improvements.
2. Develop and update easy to understand fact sheets and material that showcase what PACE does, who it serves and the outcomes it achieves.

3. Carry out website and social media strategies that boost visibility for PACE and use of the CalPACE website.


5. Expand partnerships and links with other aging and disability organizations.

Resources needed: PR and social media firm contracts.

C. Advocate for PACE growth, stability and sustainability

Strategies:
Advocate for policy changes at the state and federal level that support PACE growth and stability, promote regulatory flexibility, and facilitate expansion of PACE to new populations.

Tasks:
1. Support and achieve enactment of legislation to shift responsibility for PACE licensing functions from DPH to DHCS.

2. Support and achieve enactment of changes to the PACE rate methodology to better recognize unique features of PACE and support the unique costs and risks it assumes as a model of care.

3. Advocate for addition of DHCS staff dedicated to PACE to facilitate projected enrollment growth.

4. Develop and advocate for policies to promote PACE as a service option for older adult homeless population.

5. Support NPAs federal policy agenda and also advocate for specific federal PACE application and policy changes needed to facilitate growth in California.

6. Advocate for broader state and federal policies that directly or indirectly benefit PACE in areas such as the ACA, Medicaid funding, Medicare policies, and affordable housing.

D. Develop new business opportunities

Strategies:
Support PACE expansion and growth through development of shared savings agreements and new business opportunities.
Tasks:

1. Assess the feasibility of and develop a business plan for a PACE sponsored special needs plan (I-SNP or C-SNP).

2. Develop standard marketing materials and messages based on performance and quality data.

3. Assess feasibility and interest in a joint statewide marketing campaign.

4. Extend West Coast PACE 2.0 Learning Collaborative for participating CalPACE members. Seek grant funding to continue in—person learning collaborative sessions for sharing of best practices.

Resources needed: Strategic consulting work for Task 1; health care marketing and branding consulting support for Tasks 2 & 3. Grant writer services, grant funding or supplemental dues, and facilitator for Task 4. Participating members would also need to provide supplemental dues for Tasks 1 – 3.

E. Promote PACE best practices and innovation

Strategies:

Conduct technical assistance and member education to highlight best practices.

Explore opportunities for shared services arrangements that result in cost savings and greater consistency among PACE organizations in core PACE functions.

Tasks:

1. Create workgroup to assess members’ current staff training resources and identify opportunities for development of standard training curriculum for key PACE staff positions.

2. Create workgroup to identify and share information on best practices for quality improvement programs and systems.

3. Explore the feasibility of conducting a PACE quality symposium focusing on best practices in quality metrics, assessment, and management.

Resources needed: Consultant with expertise in PACE staff training for Task 1; Consultant with expertise in quality metrics, monitoring and management for Tasks 2 & 3.
## CalPACE Proposed New Strategic Initiatives 2019-20

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<thead>
<tr>
<th>Strategic Initiative</th>
<th>Funding Level</th>
<th>Organization to do Work</th>
<th>Source of Funds</th>
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<tbody>
<tr>
<td>Performance data analysis</td>
<td>$10,000 for grant application</td>
<td>Grant writer TBD</td>
<td>Baseline dues increase</td>
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<tr>
<td>Website, social media and press strategies</td>
<td>$100 – 200,000 for study</td>
<td>Stanford Clinical Excellence Research Center</td>
<td>Grant</td>
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<td>SNP offering feasibility analysis and business plan development</td>
<td>$10,000 for feasibility overview work</td>
<td>Avalere (recommended by Andy Edeburn)</td>
<td>Supplemental dues</td>
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<tr>
<td>Joint marketing materials/campaign</td>
<td>$20,000 for initial consulting on concepts</td>
<td>Cantu Consulting</td>
<td>Supplemental dues</td>
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<td>Extend West Coast PACE 2.0 face-to-face learning collaborative</td>
<td>$10,000 for grant application</td>
<td>Grant writer TBD</td>
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<td>Staff training resources assessment</td>
<td>$25,000</td>
<td>Consultant TBD</td>
<td>Baseline dues increase</td>
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<tr>
<td>Best practices for quality improvement</td>
<td>$25,000</td>
<td>Consultant TBD</td>
<td>Baseline dues increase</td>
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### Funding Totals

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<tr>
<td>Baseline dues increases</td>
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<td>Grants</td>
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