

ALTSA PACE SERVICE AREA POLICY

Purpose - This policy sets forth the Aging and Long-Term Support Administration (ALTSA) criteria for approving or disapproving new or existing PACE organization (PO) service area requests.

The purpose of this policy is to (1) establish a uniform approach to PACE service area request criteria to ensure continuity in the ALTSA's approval or disapproval of requests from current and prospective PACE organizations to provide PACE services in a service area (2) establish required material submission protocol for service area requests.

This policy addresses these situations:

- 1) Non-contracted business entity wants to provide PACE services in a service area that is not currently being served by a contracted PACE organization.
- 2) Existing ALTSA contracted PACE organization wants to expand in a service area not currently being served by another contracted PACE organization.
- 3) Non-contracted business entity wants to provide PACE services in a service area that is already being served by an existing ALTSA contracted PACE organization.
- 4) Existing ALTSA contracted PACE organization wants to expand in a service area already being served by another ALTSA contracted PACE organization.

This policy allows ALTSA to be consistent in its decision making when approving or disapproving PACE service area requests and for business entities to have a set procedure to follow when making a PACE service area request.

Definitions

Aging and Long-Term Services Administration: "ALTSA" means the state of Washington Aging and Long-Term Services Administration and its employees and authorized agent.

Letter of Intent: "LOI" means a letter that is submitted to ALTSA from an organization that states confirmation of intent to seek to bring PACE services to a service area in WA state and submit a CMS PACE application.

Market Feasibility Study: means a market analysis that is required to be included in a service area request.

PACE Organization – means a for-profit or non-profit private or public entity that is primarily engaged in providing PACE health care services.

PACE Service Area – means the geographic area that a PACE organization is approved to provide PACE services.

Service Area Request Process

New organizations and existing PACE organizations seeking ALTSA approval for a service area request should understand and complete the following general steps:

- Potential organization research, Federal regulations, and information available from the National PACE Association to assess the feasibility of becoming a PACE organization or expanding to a new service area.
- Potential organization or existing PACE organization completes a feasibility study for the proposed service area.
- Potential organization or existing PACE organization submits a letter of intent and the feasibility study to ALTSA PACE Program Manager. The letter of intent and feasibility study should include the following:

Letter of Intent:

- Confirmation of intent to seek to bring PACE services to a service area in WA state and submit a CMS PACE application.
- Identification of the applicant.
- Proposed service area including zip codes.
- Proposed site location for the applicant's PACE center.
- Confirmation of capital and infrastructure to support PACE operations.
- New applicants proposing to serve an area with an existing or pending PACE organization must identify the overlapping zip codes in their LOI.
- LOI must state the timeline related to CMS application submission which needs to occur no later than 2 years upon receipt and acceptance of LOI request.

Market Feasibility Study:

- Estimate of the number of PACE eligible individuals in proposed service area.
- Description of the methodology /assumptions used to determine potential membership.
- Identify all competitive factors impacting the market (Existing POs, managed care plans, demonstrations).
- Identify projected market capture/saturation rate.
- Demonstrate that there is an unmet need for PACE in the proposed service area.

Evaluation Criteria for PACE Service Area Expansion requests

When considering a new or existing PACE service area request, ALTSA will consider the following:

- Number of possible PACE eligible clients within a given service area.
- The availability of hospitals and medical providers in a requested service area.
- Community partners and other MCO network(s) in the surrounding areas.

Only a single PACE organization will be allowed to provide PACE services in a same service area zip code to avoid oversaturation and promote the enrollment success of the current PACE organizations serving the area.

The only exception is King County, based on the number of eligibles in that county, the state has allowed two PACE organizations per zip code based on an assumed 10% penetration rate.

Final decision-making authority on the PACE service area request is the ALTSA Senior Strategic Integration Advisor or delegated authority.

Requirements

Role	Responsibilities
<p>Business Entity</p>	<p>Initially request via email to provide PACE services in a selected service area.</p> <p>Upon approval to move forward, submit a letter of intent with a market feasibility study that demonstrates viability of:</p> <ol style="list-style-type: none"> 1) business entity organization servicing a service area where PACE services are not provided or, 2) current PACE organization servicing a service area where PACE services are currently being provided by a contracted PACE organization or, 3) two PACE organizations servicing the same service area or, 4) two PACE organizations servicing and sharing the same service area zip code. <p>Once accepted, it is the responsibility of the PO to continue forward progress to keep the LOI active and in approved status.</p>
<p>ALTSA</p>	<p>Approve or disapprove the PACE service area expansion request and provide methodology that the decision was based on.</p> <p>Agree on a timeline for application submission.</p> <p>Acceptance of the LOI by ALTSA includes the timeline requirement that application activity by the organization will begin no later than 2 years from the receipt and confirmed acceptance of the LOI by ALTSA.</p>

References that apply to this policy

Reference	Applicable Information
CFR 460.12(c)(2)	CMS, in consultation with the State administering agency, may exclude from designation an area that is already covered under another PACE program agreement to avoid unnecessary duplication of services and avoid impairing the financial and service viability of an existing program.