

MINUTES OF THE HOUSE KANSAS FUTURES COMMITTEE

The meeting was called to order by Chairman Carlos Mayans at 1:30 p.m. on February 28, 2001 in Room 526-S of the State Capitol.

All members were present except: Representative Mike O'Neal - excused
 Representative Tom Sloan - excused

Committee staff present: April Holman, Legislative Research Department
 Lynne Holt, Legislative Research Department
 Amy Kramer, Legislative Research Department
 Lois Hedrick, Committee Secretary

Conferees appearing before the committee:
 Scott Nicholson, Chief Executive Officer, Via Christi Hope, Inc., Wichita

Others attending: See attached list

Via Christi's Program of All-Inclusive Care for the Elderly (PACE)

Opening with the mission statement of Via Christi's Senior Services and Health System, Mr. Nicholson stated the System consists of medical centers, hospital nursing homes, senior community, clinics and other health-related organizations. He described the new PACE project as a complicated model built around common sense. It is a comprehensive service delivery and financing model of acute and long-term-care for both inpatient and outpatient care. Enrollees must be at least 55 years of age, live in the area, and be certified as eligible for nursing home care by the appropriate state agency. The goal is to maximize each patient's autonomy and continued community residence, and to provide quality primary care, social work, and restorative therapy at a lower cost to Medicare, Medicaid, and private-pay patients relative to their payments in the traditional system. Their sponsoring congregations are the Sisters of St. Joseph of Wichita and the Sisters of the Sorrowful Mother. As a means of displaying the program, a 10-minute video was played showing a 79-year-old grandfather who reached the point of decision for health care. Mr. Nicholson stated PACE addresses individual needs with early recognition of health problems, allows for quality care with lower cost and less use of hospitals and nursing homes.

Congress began its sponsorship of PACE by financing 15 demonstration sites in 1996. In 1997, it established PACE as a permanent provider under Medicare and a voluntary state option under Medicaid.

Mr. Nicholson indicated PACE allows Via Christi to collaborately plan with some 48 groups for care within its own entities. "It has the ability to contract with other organizations as well." Under HUD provision 202, Via Christi is developing affordable senior housing as part of its complex.

Representative Sharp asked if someone chooses to enter the PACE program, can they leave it? He answered they can leave at any point, but it must be determined first they will have continued support. Via Christi cannot disenroll someone for non-compliance of the health plan because of cognitive problems.

Chairman Mayans asked when the Via Christi PACE program will have its site open. Mr. Nicholson answered between October and December this year, serving 147-150 participants over a 5-year time frame. The Area Agency on Aging has begun a list of possible enrollees. The Wichita program must first go through a 6-month approval process (which will end May 1) with the federal government, HCFA, and the state's inspection and approval. The Legislature must approve any increase in the capacity level from that initially approved. Reimbursements, if any, will come from Medicare and Medicaid.

Chairman Mayans asked if universal-designed homes are planned for the housing project. Mr. Nicholson answered he would have to defer to Mark Bailey of Law and Kingdom, who is overseeing the building of communal-type housing. When asked about payments through long-term-care policies, Mr. Nicholson replied that the National Public Policy Committee is looking at its availability. As background, he

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indicated about 95% of the people have not had an opportunity to buy such insurance, so PACE does not see a large market from it. Asked if people now in nursing homes want to change to PACE, Mr. Nicholson stated it is an option, but the reality is many have already spent their own finances and cannot afford to change. If an enrollee is not eligible for Medicaid, (s)he is required to pay the amount Medicaid would normally pay. That amount is \$2,678 each month. He stated PACE is unmatched by any other program in this country or Canada as it includes everything a person needs for health care.

The next meeting is scheduled for March 5, 2001.