



STATE OF IOWA

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

DEPARTMENT OF ELDER AFFAIRS
MARK A. HAVERLAND, DIRECTOR

October 11, 2004

Dear Friends and Colleagues,

In December of 2003, the Senior Living Coordinating Unit (SLCU) directed the Iowa Departments of Elder Affairs, Human Services and Public Health to pursue funding from the Centers for Medicare and Medicaid (CMS) and the National PACE Association (NPA) for funding a feasibility report related to establishing PACE (Program of All-Inclusive Care for the Elderly). The SLCU further directed that the Department of Elder Affairs be the lead state agency in pursuing this opportunity. In January of 2004, funding was awarded. Since that time, the Iowa Finance Authority and the Department of Inspections and Appeals were added to the state agencies participating in this study. In May of 2004, the NPA met with the state departments to explore what might be necessary to implement PACE programs in Iowa. In July of 2004, a PACE/Housing summit was held, with providers in key demographic areas in attendance who indicated an interest in becoming PACE providers or sub-contracting with a PACE organization.

Attached please find the October 8, 2004 final results of the Centers for Medicare and Medicaid PACE Market Assessment Report for the State of Iowa. I am pleased to announce that the results of the feasibility study are positive and that in the demographic areas selected, PACE programs are viable. In addition, providers in other parts of the state are interested in the PACE program and are independently researching the feasibility of establishing PACE programs in their demographic area.

Based on the preliminary outcome of the report, at its meeting of August 20, 2004, the SLCU voted to seek a legislative appropriation for a statewide PACE coordinator. The PACE coordinator is necessary to begin the process of establishing PACE programs in Iowa, via establishing a provider upper payment limit (UPL). As the report indicates, there are a number of existing providers of long-term care interested in developing PACE programs and the State of Iowa is in a good position to develop PACE programs.

PACE programs benefit adults over the age of 55 by providing more consumer choices in long-term care and provide a more flexible and comprehensive menu of services, especially for individuals that qualify for both Medicare and Medicaid. PACE benefits the state by assisting in the goal of re-balancing its long-term care system; by providing a degree of predictability in the states Medicaid budget and by providing economic development opportunities for existing providers of both long-term care and senior housing options.

Additional information related to PACE can be found at www.npaonline.org.

Sincerely,

Mark A. Haverland
Chair, SLCU

