PACE Medicaid Rate Setting

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Statutory and Regulatory Requirement

• Social Security Act Section 1934(d)(2)

• Regulation 42 CFR § 460.182

• “… less than the amount that would otherwise have been made under the State plan if the individuals were not so enrolled and shall be adjusted to take into account the comparative frailty of PACE enrollees…”
Recent Efforts

• Increase in Oversight of PACE Rates

• Ensure Consistency

• Develop and Release Formal Guidance
PACE Medicaid Rate Guidance

- Issued in December 2015
- Intentionally broad guidance with more detail to be added in the future
- Posted on the Medicaid.gov website
Structure for Critical Elements

• Expectations for how the state would document and calculate the amount that otherwise would have been paid for a comparable population

• Expectations for the development and documentation of the PACE rates
Future Activities and Considerations

• Update to Rate Guidance with more detail in particular areas as needed

• Managed Long Term Services and Supports (MLTSS)
  – Update to Guidance for States that have MLTSS and impact on calculation of amount that otherwise would have been paid

• Webinar for States this summer
Questions