

Congress of the United States
House of Representatives
Washington, DC 20515

July 21, 2014

Marilyn Tavenner
Administrator
Center for Medicare and Medicaid Services
Department of Health and Human Services
Room-445G, Hubert H. Humphrey Building
200 Independence Avenue
Washington, D.C. 20201

Dear Administrator Tavenner,

For more than 40 years, the Program of All Inclusive Care for the Elderly (PACE) has offered a comprehensive, fully integrated, provider-based option for the frailest and costliest members of our society – those who require a nursing home level of care. The PACE philosophy is centered on the belief that it is better for frail individuals and their families to be served in the community whenever possible. Although all PACE participants are eligible for nursing home care, 90 percent continue to live in the community.

With a proven model of integrated care and financing, PACE is in a unique position to help CMS achieve its goals of better care, better health and increased cost-effectiveness for a larger and more diverse number of dually eligible individuals. However, current regulatory and statutory barriers have inhibited PACE growth and innovation.

It is our understanding that CMS is currently revising *42 CFR Chapter IV, Subchapter E – Programs of All Inclusive Care for the Elderly*. As the Agency considers regulatory changes, we encourage you to offer PACE the operational flexibility it will need in order to most effectively and efficiently serve our seniors who need long term services and supports. These flexibilities should:

1. Allow PACE organizations, as an alternative to operating a PACE Center, the option to offer services in other community settings, such as adult day health centers or senior centers, that support PACE participants interaction with one another and with the PACE interdisciplinary team members .
2. Allow PACE organizations to integrate community physicians as members of the PACE interdisciplinary team.

3. Provide operational flexibility to configure the PACE interdisciplinary team based on the needs of the individual participant, including greater flexibility in the use of nurse practitioners and physician assistants as primary care providers.
4. Conduct concurrent CMS and state agency, reviews of new PACE provider applications or service area expansion applications.

The PACE program has long been the gold-standard for integrated care for the frail elderly. Operational flexibility is needed to ensure that PACE programs can continue to offer a high quality, cost effective option to seniors. Even as state and federal agencies pursue managed long term care options, PACE with its proven track record requires CMS' support as a foundation for integrated care options. It is imperative that we preserve access to the proven and effective PACE model. We encourage CMS to promptly release a revised PACE regulation and foster a regulatory environment that increases access to the proven, high-quality, cost-effective PACE model.

Further, greater operational flexibility for PACE can support its adaptation in support of new populations with significant chronic care and long term service and support needs. To assess the potential of PACE to serve additional populations, including individuals under the age of 55 and those at-risk of needing a nursing home level of care, we encourage CMS' use of its applicable waiver authority to conduct a PACE pilot. CMS has a range of authorities to test innovations with the potential to improve value for the Medicare and Medicaid programs. We believe these authorities are appropriate and sufficient to allow a PACE demonstration to move forward. We encourage you to implement a PACE pilot project under the authorities currently available to CMS.

Thank you for your consideration of this request.

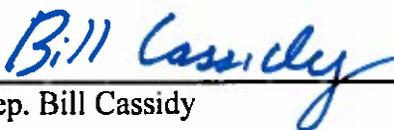
Sincerely,



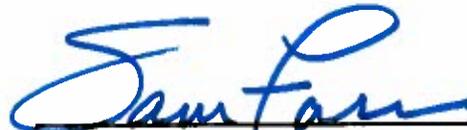
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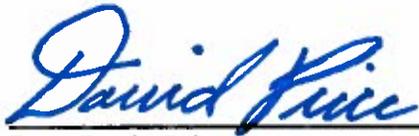
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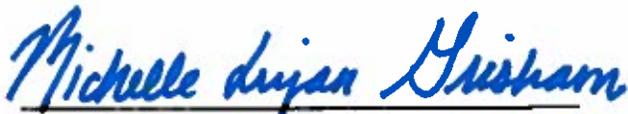
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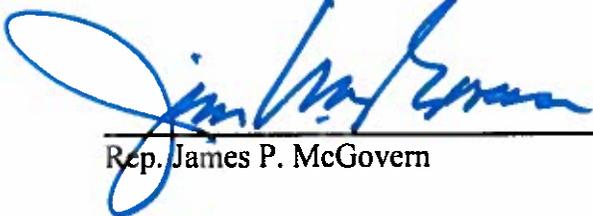
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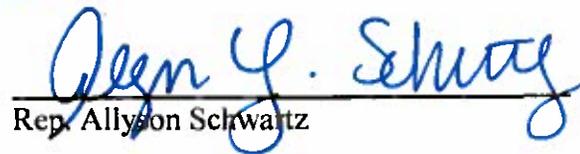
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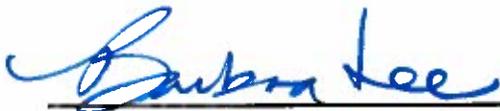
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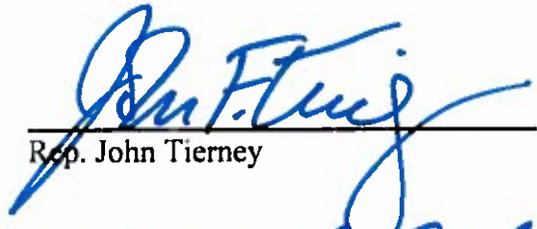
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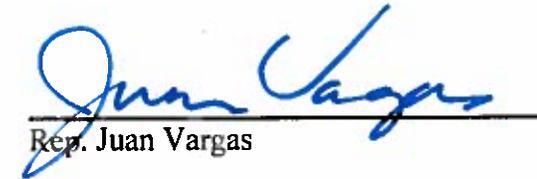
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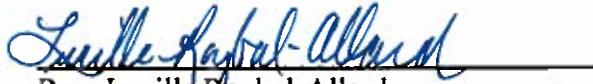
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