



COLORADO
Department of Health Care
Policy & Financing

2021 Medicaid Provider Rate Review Analysis Report

Appendix G – Programs of All-Inclusive Care for the Elderly (PACE) Rate Comparison Analysis



The Rate Review Process & PACE

The Department has conducted a modified rate review analysis for Home and Community Based Services (HCBS) using PACE service rates as a comparator due to the limited comparators available for waiver services.¹ This appendix further explains and contains the modified analysis.

PACE

The Program of All-Inclusive Care of the Elderly (PACE) is a fully capitated program, whereas other long-term care programs are fee-for-service. Through the capitated rate the PACE program must provide all medically necessary services.

In addition, the PACE program allows for flexibility to provide non-medical services that provide a benefit for an individual to remain in their home. Under the Home and Community Based (HCBS) program, services are provided per an approved care plan via fee for services. As such, the Department must clearly define the service, cost and amount. Because PACE is a capitated full risk program, there are no limitations on how they can provide a service or amount of services.

The differences between these service delivery models create barriers for direct comparison. For example, personal care services under HCBS may be limited by number of units and type of service while PACE is not limited.

Furthermore, PACE Organizations may provide services via direct staff rather than through contracted providers, which allows them to mix a wide array of services limiting their ability to price services individuals as a direct comparison to HCBS.

Although PACE Organizations do provide services through contracted providers, the rates paid to the subcontracted cannot be directly compared to HCBS because service definitions are independent of regulations and are defined by the contracted parties.

Rate Comparison Methodology

The Department used information available in PACE provider contracts to identify an average rate for certain services. The average rate was then directly compared to the matching HCBS rate on the most recent [Health First Colorado Fee Schedule](#). The following table shows the average PACE rate for each service by PACE provider as a percentage of the HCBS rate.

¹ In addition to this appendix, the Department is also conducting a more in-depth analysis comparing HCBS waiver service rates with PACE service rates to further inform rate comparison and access to care data presented in the 2021 Medicaid Provider Rate Review Analysis Report, and will use this information to identify opportunities, if any, to improve access to care and provider retention for HCBS waiver services.



Service	PACE Provider	HCBS Rate	Average PACE Rate	PACE as a Percentage of Colorado HCBS Rate
Alternative Care Facility (ACF)	Rocky	\$70.08	\$70.08	100%
Acupuncture	Rocky	\$18.46	\$51.00	276%
Massage	Rocky	\$14.20	\$23.50	165%
Non-Medical Transportation (NMT) Wheelchair Van – 0-10 miles	Rocky	\$14.31	\$42.00	294%
NMT Wheelchair Van – 11-20 miles	Rocky	\$26.78	\$42.00	157%
NMT Wheelchair Van – Over 20 miles	Rocky	\$36.47	\$63.25	173%
Personal Care	Rocky	\$5.29	\$5.47	103%
Homemaker	Rocky	\$5.29	\$5.47	103%
ACF	Innovage	\$70.08	\$73.91	105%
ACF	TRU	\$70.08	\$91.87	131%
Chiropractor ²	VOA	N/A	N/A	148%
Mental Health Counseling Individual	VOA	\$25.75	\$38.11	148%
Mental Health Counseling Family	VOA	\$25.75	\$38.11	148%
Mental Health Counseling Group	VOA	\$15.19	\$22.48	148%
Personal Care	VOA	\$5.29	\$5.34	101%
ACF	VOA	\$70.08	\$101.74	145%

² VOA pays 148% of Medicaid for all chiropractic services.

