



## COLORADO

Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

January 23, 2023

*Via Electronic Mail*

Patrick Blair  
PBlair@myinnovage.com  
President and Chief Executive Officer  
Total Longterm Care Inc. dba InnovAge  
East Lowry Boulevard  
Denver, CO 80230

**RE: Notice of Release of Imposition of Sanction to Suspend Enrollment of Programs of All-Inclusive Care for the Elderly for InnovAge Colorado**

Dear Mr. Blair:

This letter serves as notice that InnovAge dba Total Longterm Care, Inc.'s ("InnovAge Colorado") has cured their breach of contract to perform material contract obligations under §§ 11, 12, and 14 of the Program of All-Inclusive Care for the Elderly ("PACE") Contract 20-140742 ("Contract") between the State of Colorado by and through the Colorado Department of Health Care Policy and Financing ("HCPF") and InnovAge Colorado, including all amendments executed thereafter. Additionally, pursuant to the authority of Sections 1894(e)(6)(A) of the Social Security Act that establishes the Program Agreement and 42 C.F.R. § 460.48, HCPF hereby notifies InnovAge Colorado effective January 23, 2023, that HCPF is releasing InnovAge Colorado PACE from an enrollment sanction of new Medicaid beneficiaries under the Contract for the following centers:

1. *Aurora PACE Center - 3551 N. Chambers Aurora, CO 80011*
2. *Denver PACE Center - 1265 South Broadway Denver, CO 80210*
3. *Lakewood PACE Center - 8405 W. Alameda Ave. Lakewood, CO 80226*
4. *Northern Colorado PACE Center - 1303 E. 11th St. Loveland, CO 80537*
5. *Pueblo PACE Center - 401 W. Northern Ave. Pueblo, CO 81004*
6. *Thornton PACE Center - 445 E. 124th Ave. Thornton, CO 80241*

On December 23, 2021, HCPF imposed an enrollment sanction on InnovAge Colorado PACE. The sanction immediately suspended InnovAge's ability to enroll new participants into its



PACE program in Colorado. The sanction was imposed due to clinical and operational deficiencies detected during the audit, which began May 26, 2021.

HCPF required InnovAge Colorado to undergo a validation audit, which began December 5, 2022, of all the operational areas cited in the notice before the enrollment suspension could be lifted. HCPF evaluated the results of the validation audit in deciding on whether InnovAge Colorado has corrected the deficiencies that formed the basis for the sanction. HCPF, in collaboration with the Centers for Medicare and Medicaid Services, has determined that InnovAge Colorado's sanction-related deficiencies have been sufficiently corrected.

Although InnovAge sufficiently corrected the deficiencies that led to the imposition of sanctions, the validation audit did identify deficiencies impacting the health, safety, and welfare of participants that must be corrected. Due to deficiencies found, HCPF requires that InnovAge Colorado conduct a post sanction corrective action plan, as provided in Attachment A, and submit to ongoing monitoring of their operations including the following:

1. The Department will require post monitoring oversight of their program. This will include periodic center visits and regular data submissions, as determined by the Department, including but not limited to:
  - a. Monthly tracking of new enrollees by center and the date of development of care plans for each new enrollee per center.
  - b. Monthly tracking of assessments performed by IDT members for new enrollees per center.
  - c. Any data provided to Centers for Medicaid and Medicare Services ("CMS") for ongoing monitoring.
  - d. Quarterly submission of training logs for staff, new and current, regarding InnovAge Colorado's policies and procedures.
2. Department access to the electronic medical records, including EpicCare, to perform periodic checks for service delivery compliance and routine updates to the Department regarding new Electronic Health Record system rollouts.
3. An audit in 2024 and 2025, unless findings of deficiencies during the periodic checks prompt immediate action.

We thank you for your collaborative partnership in addressing the issues identified to improve care quality to Medicaid members in your care. Please note that any future failures to comply with PACE program requirements and Contract may subject InnovAge Colorado to other remedies available under law, including the imposition of intermediate sanctions or termination of the PACE program agreement and Contract. If you have any questions about this notice, please contact me or Bryan Fife at [Bryan.Fife@state.co.us](mailto:Bryan.Fife@state.co.us).



Sincerely,



Kim Bimestefer  
Executive Director  
Department of Health Care Policy and Financing

Enclosure(s)

Attachment A: PACE Validation Audit Report - InnovAge 12.05.22-12.14.22

cc: Bonnie Silva, OCL Office Director, HCPF  
Colin Laughlin, OCL Deputy Office Director  
Michele Craig, Section Manager, HCPF  
Bryan Fife, PACE Program Administrator, HCPF  
Winter Roberts, PACE Compliance Specialist, HCPF  
Rachel Entrican, Legal Division Director, HCPF  
Olivia Patton, Chief Compliance Officer, InnovAge  
Maria Lozzano, Chief Operating Officer, InnovAge

