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METHODS AND STANDARDS OF ESTABLISHING PAYMENT RATES - OTHER
MEDICAL CARE (Continued)

PAYMENT TO PACE PROVIDERS (Continued)

Methodology

- Identify potential participants for PACE (requirements of long term care services)
 - Categories of Service 05-01 and 05-02 (NF) and 27-01 (HCBS)
 - Excludes recipients of MR clinic services, long term mental health services and assistive community care services
 - Individuals age 55 and older
 - Statewide data
- Identify individuals eligible for Medicaid only and individuals eligible for both Medicaid and Medicare (Duals)
- Calculate member months
- Aggregate paid Medicaid claims
- Calculate historical PMPM values
- Develop adjustments to historical data
 - Claims lag factors
 - Increased utilization due to enhanced access
 - Drug Rebates
- Calculate UPL
 - Define blend of NF and HCBS
 - PACE conventional approach is: $60\% \text{ NF}/40\% \text{ HCBS} - \text{UPL} = \text{NF PMPM} \times \text{NF}\% + \text{HCBS PMPM} \times \text{HCBS}\%$
- Calculate PACE rate
 - Program savings assumption of ten percent

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Supersedes
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