HOUSE OF REPRESENTATIVES
COMMONWEALTH OF PENNSYLVANIA

* * * *

LIFE Program

* * * *

House Aging and Older Adult Services Committee

Irvis Office Building
Room 515
Harrisburg, Pennsylvania

Tuesday, June 22, 2021 - 9:00 a.m.

--oOo--

COMMITTEE MEMBERS PRESENT:

Honorable Gary W. Day, Majority Chairman
Honorable Eric Davanzo
Honorable Ann Flood
Honorable Mark M. Gillen
Honorable Tim Hennessey
Honorable Carrie Lewis DelRosso (virtual)
Honorable Abby Major
Honorable Steven C. Mentzer
Honorable Brett R. Miller
Honorable David H. Rowe
Honorable Francis X. Ryan (virtual)
Honorable Wendi Thomas
Honorable Parke Wentling
Honorable Craig Williams
Honorable Steve Samuelson, Minority Chairman
Honorable Jessica Benham
Honorable Amen Brown
Honorable Isabella Fitzgerald (virtual)
Honorable Bridget Kosierowski
Honorable Napoleon Nelson
Honorable Danielle Friel Otten
Honorable Darisha Parker
Honorable Melissa Shusterman
Honorable Dan Williams

INDEX OF TESTIFIERS

SUBMITTED WRITTEN TESTIMONY

(See other submitted testimony and handouts online.)

MAJORITY CHAIRMAN DAY: I'd like to call this public hearing of the Aging and Older Adults Services Committee to order. I'd like to welcome everyone this morning to our discussion on the PA LIFE program.

Before we begin with our agenda, please join me in reciting the Pledge of Allegiance.

(Pledge of Allegiance held off the record).

MAJORITY CHAIRMAN DAY: I'd like to remind everyone this meeting is being recorded, and members and guests should please silence all cell phones and electronic devices.

We have members present online, so, when you're not speaking if you could mute your microphone, that will help us here in person.

With that, I'd like to start with the members -- House members in the room to introduce themselves, and we'll start with Representative Davanzo.

REPRESENTATIVE DAVANZO: Thank you, Mr. Chairman. Eric Davanzo, 58th District, southern Westmoreland County. Thank you.

REPRESENTATIVE HENNESSEY: Good morning. Tim Hennessey from Chester County and southeastern

part of the state.

REPRESENTATIVE MILLER: Brett Miller, 34th District, Lancaster County.

REPRESENTATIVE MENTZER: Steve Mentzer, Lancaster County. Right by him.

REPRESENTATIVE MAJOR: Abby Major, Armstrong, Butler, and Indiana counties.

REPRESENTATIVE NELSON: Good morning. Napoleon Nelson, 154th Legislative District in Montgomery.

REPRESENTATIVE C. WILLIAMS: Good morning. Craig Williams, Delaware and Chester counties.

REPRESENTATIVE D. WILLIAMS: Good morning. Dan Williams. I represent the 74th District in Chester County.

REPRESENTATIVE KOSIEROWSKI: Good morning. Bridget Kosierowski, and I represent the 114th in Lackawanna County.

REPRESENTATIVE FLOOD: Good morning. I'm Ann Flood with the 138th District in Northampton County.

REPRESENTATIVE THOMAS: Wendi Thomas, 178th.

REPRESENTATIVE GILLEN: Representative

Mark Gillen, 128th Legislative District, southern Berks, Lancaster counties.

REPRESENTATIVE FRIEL-OTTEN: Danielle Friel-Otten, central Chester County.

REPRESENTATIVE SHUSTERMAN: Melissa Shusterman, Chester and Montgomery County.

REPRESENTATIVE BENHAM: Jessica Benham, 36th District in Allegheny County.

MAJORITY CHAIRMAN DAY: I'll also note that people joining us remotely, using technology is Representative Rowe, Representative Ryan, Representative Lewis DelRosso. I'm state Representative Gary Day from Lehigh and Berks counties, the area that I represent, and I'm also Chairman of this Committee.

With that, I'd like to begin with brief opening remarks. The LIFE, LIFE being an acronym, the LIFE, or the Living Independence For Elderly program, offers an alternative to Community HealthChoices, or CHC. It provides comprehensive health and support services.

A few weeks ago I visited a LIFE center in Berks County with a few of my colleagues. A few weeks before that I visited the one that serves in Lehigh County, Lehigh and Northampton County in the

Lehigh Valley. It was an eye-opening experience to the alternative options available for our nursing home, clinically-eligible populations.

So I thought it was prudent to hold a hearing to showcase this fantastic program. I'd like to -- I'd like to thank PALPA, ALPA, the LIFE Provider Alliance here in Pennsylvania for helping to organize this hearing and provide our members the opportunity to learn more about the program and ask some questions.

As we move forward, it's been made clear to me by people in the industry, not just this industry, but the overall industry of the -- that serves the same population that Pennsylvania is going to see a spike in population of our seniors. And it's incumbent upon this Committee to help prepare Pennsylvania for that growth that's coming in the senior population.

Also, as a former member of the Appropriations Committee, it's quite the budget challenge to certain line items to have folks that are in long-term care, because that is the most expensive way to care for and provide for seniors. Therefore, it seems obvious to me that we should look at alternatives to long-term care that cost

less, and maybe even provide better services for our seniors. So it seems like a smart thing to do, and another tool in the toolbox of serving those seniors.

With that, I'd like to move on to our presenters. In the interest of time, I'm going to ask each presenter, within our panel here, to limit your opening remarks to about 5 or 7 minutes. If you need to go further, feel free to go further. Just kind of giving you a target. Whenever I testify or give a speech, I like to know what's the target for the agenda. That's the target. And we're gonna allow -- that will allow ample time for members to interact, which is really where policy formation happens; when members that represent different people around the Commonwealth are allowed to engage and ask questions, that, you know, other members will ask questions that I don't even think about.

So this morning we're joined by our testifiers -- Actually, everybody is in person today. And we have Joann Gago, CEO of LIFE Pittsburgh. We have Silvia Boswell, CEO of the Eastern Region for InnovAge; is that right? Innovage?

MR. IRWIN: Right.

MAJORITY CHAIRMAN DAY: And Mark Irwin, CEO of Senior LIFE and also the acting ALPA chair.

So, thank you all for being here, and would you please -- We swear in all our testifiers. So, if you would please stand and raise your right hand.

(All testifiers sworn en masse).

MAJORITY CHAIRMAN DAY: And, thank you. Miss Gago, would you like to begin?

MS. GAGO: Thank you very much. Good morning, Majority Chairman Gary Day. I had -- our Democratic side, Steve Samuelson, but I don't think he's here today. Other honorable members of the Aging Older Adults Services Committee, thank you for having us.

I particularly want to say, I'm Joann Gago. I am the founder and CEO of the LIFE Pittsburgh program. And we've been in existence since, first of all, 1999. I have been working in this area for quite some time, as I had been a nurse in an acute care hospital seeing older adults bouncing in and out and in and out of the hospital. They needed a transition and they needed support when they left the hospital. So, I was truly

committed to home and community-based care, which made me take on this crazy task.

At the end of the day, we and LIFE Pittsburgh have served over 2000 participants. We now currently serve 600 participants. We're a member of PALPA and have been for the beginning -- since the beginning of PALPA. We thought we needed one voice to speak with, if we can.

You mentioned that LIFE Pittsburgh, or LIFE itself, Living Independence for the Elderly, which is the acronym, we did choose that acronym instead of PACE. So if you ever read about the PACE program nationally, it's not able to be used in Pennsylvania because of our wonderful pharmaceutical program. But that's the acronym. If you look it up, you can see the PACE model program is all inclusive care for the elderly is alive and well in many states in the country.

In 95 percent of the people we serve have both Medicare and Medicaid, and they are always going to be nursing-facility eligible. By that, they will need a lot of supports. We're very clear that we can do this. Now after 23 years of doing it, I feel confident that it can be done even if the person is fairly frail.

We have a lot of contrast with the CHC program, in that, we are also providing the medical services and all the medical coverage, as well as the long-term services and supports, which is primarily what the CHC is known to do.

We're also center based. We use our, I call it a day health center. Some call it other names. But, mainly, we provide a lot of services in there which -- the least, of which, is not -- it's the avoidance of isolation and loneliness, especially during COVID we found so many people with -- just everything that could go wrong did, because they were alone. They didn't eat. They didn't move. They didn't want stimulated. It was a very difficult time. The LIFE program took on -- all of our LIFE programs took on how we were going to care for people in the community without the ability to use our centers.

Our commitment to keep people at home is another aspect that differentiates us from other programs. Also, the other way, the structure set up under a three-way agreement with CMS and the Office of Long-Term Living, the Human Services in Pennsylvania. That three-way agreement requires us fulfill plenty of bureaucracy, and I'll just say it

that way, lots of regulations.

In Pennsylvania, we have 66 of the 67 counties covered in this state. The least -- the latest one's in 1919 -- or 2019. 1919. -- were mostly rural locations, and that's really good news because we're, really, one of the few states that have a huge coverage of the whole state with the LIFE program, with just one county, which is Pike County, not quite covered yet and for reasons I am not -- I have not been made privy.

We have 19 distinct programs in Pennsylvania, which is, I will tell you, fairly significant when you compare to other states in the country. The 19 providers have 52 LIFE centers and 7 alternative care settings. This is important to know the settings because those are where we bring people in for services. We bring people in for socialization, for meals, to see their doctor, to see their nurse. It's very important to know that center has a great deal of a role in this that helps keep people stay health.

The 19 providers are listed in the written testimony that we provided to you, so I won't read each one of those. But we are vibrant and alive.

The eligibility criteria to get into the LIFE program, you must be 55 or older. I thought that was too young. It's not. There's many people. Nursing facilities clinically eligible, which means you have to have a certain degree of dependency on your activity of daily living. You must be quite dependent, live in a certain catchment area. We did that very intentionally so that we could reduce the concept of competition in the sense of grabbing people. You meet a certain financial criteria, and that you can be safely served in the community, which is, sometimes, it's a bit of a subjective comment.

We're very aware that we work with the unit of the family as well as the participants. We will navigate all of the things they need. It's everything, so everything. It could be meals, if you are in need of meals. If you have access to food, no. But sometimes people have access to food, they can't cook it, so our staff will help do all of that. During COVID, of course, we had to take on all of that because we didn't want anyone going out or bringing anybody in.

One very unique piece of the program is that, it's a planned interdisciplinary team, plan

of care for each unique individual. So there is no one-way, one shoe fits all. It's all individualized and contextual. We make a point to say, the people that work in our program are physicians, nurses, dietician, physical therapist, occupational therapist, recreation therapist, social workers, transportation, personal care, and sometimes anybody else that's needed to be called to the table to talk about a problem the participant has.

We will help navigate the health care system. If you, yourself, ever accessed anything in the health care system, you know that we could all use a little bit of navigation.

All the services that are provided at the health center are listed again in your written testimony that was provided for you. It's lengthy, but the one I want to point out is, we do not carve out. We absolutely care for behavioral health problems.

Behavioral health services is extremely important for the aging population, and it's been -- it sometimes gets overlooked because it's very challenging. We are saying to you today, we include all of that. And let say too, we never

relinquish the care of the patient. Participant, sorry. So if the participant is in the hospital, we pay for that, we coordinates that care. If they're in a nursing home we pay for that, we coordinate that care. They're important to know how involved we are.

Health care is also a really big important part of our program. And during COVID was the primary thing we did during that time. And remember that this program provides the need versus want. You may want 50 things, but what you need you will get, and you need to trust that when you need it, you will get it.

I want to say that I particularly want to thank you for hearing us today. We are -- I believe in this program to my soul. It's important that we treat our aging citizens in a way that respects them at home.

Thank you for this opportunity. So, I'm happy now to turn over this message to Silvia Boswell. She'll be providing sort of a day in the life of the LIFE program.

MAJORITY CHAIRMAN DAY: Silvia, I'm going to jump in here real quick. Having been a member for many years, we have a panel up here of

House members that have all different types of experiences. I just really should have framed out a little better than I did.

You did during your comments the way I understand the LIFE program. But, I just want to make sure members are aware that we know what the long-term care model looks like. We centralize people. We put people in congregate care living and then centralize services around that.

This is really an opportunity to add where we centralize the services, so I know with my parents and my in-laws that they spend a ton of time going to doctors' appointments all over different places, from the Lehigh Valley -- in the Lehigh Valley it can be 40 minutes away, down to Philadelphia an hour and a half away.

What this does, just to give you a picture of what I saw, is, they have transportation. They have buses that go out and get people. They have food, nutrition services I would say. They have a daytime activity center at the ones that I saw. While people are there, they can kind of spend the day there like traditionally senior activity centers. They have medical directors that direct either are the physicians or

directing physicians and nurses. And that was interesting to me is to have all your care there, more efficient for seniors.

Social workers are sitting there as well trying to make sure whatever services are available, as you just said, the ones that are needed are given. Physical therapy I think you mentioned as well.

I just wanted to -- I should have done that at the beginning to kind of tee you guys up of the detail that you're getting into. I just wanted members to kind of have the visual of what I saw at these places.

With that, we'll go to Miss Boswell.

MS. BOSWELL: Thank you. And good morning, everyone.

If I could just tagline onto that before I officially get started, we also have full-service dental suites in our LIFE centers. We also have laundry in the event that someone has an accident and they need to take a shower and get their clothes laundered.

We also have a clinic built into just like your doctor's office in the community. We have a full-service dental -- I'm sorry -- medical

clinic inside, as long as we have services. And lastly, just as important, we also have a full-service hair salon in the LIFE centers as well for both men and women. So that's very important.

So, good morning, everyone. Thank you Chairman Day, Chairman Samuelson, and members of the House and Aging and Older Adults Services for the opportunity to testify today.

My name is Sylvia Boswell, and I'm the Chief Operating Officer for the Eastern Region at InnovAge. InnovAge is the largest provider for the Program of All-Inclusive Care for the LIFE program in the country. We serve seniors in Pennsylvania, Colorado, New Mexico, Virginia, and California. InnovAge serves five centers in Pennsylvania located in the north, northwest and northeast sections of Philadelphia. I'm here to talk about a typical day for a participant and how they find their way to the LIFE program.

Participants come to the program in many different paths. Some see an ad for the program and they reach out. Others may be referred by the Area Agency on Aging, also known as the Triple A. Some may live in subsidized senior apartment buildings where LIFE center is hosted, and yet,

others may have friends who also refer them to the LIFE program.

The intake process begins with the confirmation that the participant meets the basic eligibility requirement and an evaluation of their needs and their goals. Once a participant has identified they want to move forward with the program, we work directly with them to gather the needed paperwork related to their resources and their medical care.

We assist the participant on walking through the enrollment phone calls and to understand the evaluation of their needs. Once the enrollment is processed, the interdisciplinary team that Joann spoke about meets with the participant to immediately set up services.

The care plan is determined after an initial visit with the participant and discussed by the team. The plan is then reviewed by both the participant and their caregiver so they can give input to the plan as well.

The safety of the participant is always our top priority, so we also visit the home for safety evaluation as well. Once everyone is in agreement with the plan, it's updated and it's

implemented. Services become effective at the beginning of the month. After the initial care plan is developed and updated on both a semi-annual basis, an annual basis, and any type of change in condition or services that are needed.

So I will lay out for the average day for two different participants might look like for the LIFE program, so you'll have a more robust understanding.

Our first participant scenario is a senior who attends the center five days a week. The participant's daily scheduling is set and it's agreed upon again as part of the assessment and the care, so a home health aide may come around 8 o'clock in the morning to help them get ready for the van. The van will transport them to the center.

So she may help them -- he or she may help them get dressed for the day, help them to get out of bed. The participant may choose to eat at home or they could choose to eat breakfast in the LIFE center. It's their option upon arrival.

The participant will arrive at the center around 9:30. Once at the center, they could elect to take a shower, if they want, or receive

some other grooming services they may need, like a shave or the hair salon. Throughout the day the senior can participate in social activities, such as enjoying live entertainment, cooking demonstrations, Wii and Xbox games, card game tournaments, Zumba and stretching exercises, or participate in an outside trip such as going to the flower show in Philadelphia or going out to a restaurant to have lunch.

In addition to the social activities, the participant may meet with their interdisciplinary team and receive medical therapy or social work services, as needed. These services can include lab work, which again, we do actually in the LIFE center, X-rays, medication administration, wound care, respiratory treatment, physical, occupational, or speech therapy. Dental care, again, which is provided in our full dental suite that is on site in our LIFE centers; podiatry care for foot care or sizing of diabetic shoes; social services for assisting in locating housing, if needed, or completing advanced directives. All of these services are part of the LIFE program.

Then we serve lunch around 11:30 or 12 o'clock. The day ends around 3 or 3:30.

Sometimes later. It depends on the participant. Some may leave at 5 o'clock. It depends on what support they need, or when a caregiver will be home.

So again, the home health aide may assist them on a van, back into their home; again, prepare a meal, complete light housekeeping duties such as vacuuming, washing the dishes, cleaning the bathroom, or even putting up a load of laundry. Once the participant is safely set for the evening around 6 or 7 o'clock, the home health aide can leave.

In addition to that, if needed, if necessary, some participants may wear a life alert pendent, in the event they need to call for an emergency, or they have a fall at home if there's no one at home with them.

In the second scenario, the participant prefers to stay at home without visiting the center at all. Participants who prefer to stay at home may receive a call from the interdisciplinary team, who checks on the participant to review their plan of care. They're free to stay home to enjoy spending time with their family, their friends, watching TV, or enjoying activities.

The participant only comes to the center when they have appointments with the care team or can call the center at any time. Wound care may be provided at home, for an example, for a participant who chooses not to come into the center as per the physician order. The required appointments will occur, again, on a semi-annual basis, annually, and any type of change of condition or any change in services that are needed. This does not mean that the participant who chooses not to come into the center will be left alone. The interdisciplinary team will make regular home visits, and this includes our physicians and our nurse practitioners. Everyone that's part of the interdisciplinary team will make home visits.

In addition, the participant can visit the center any time that an appointment is needed, or any time that their situation changes and they do need to come into the center twice a week, or three times a week, or even every day if that's what's needed.

Every participant's day and experience is unique, whether you go to the center every day or whether you stay at home. We work hard to provide innovated solutions for each person. The

use of our center helps us centralize services and offers a gathering place for our participants. We enjoy seeing them every day and interacting with them every day.

I personally learned how to do the BOP with the seniors with live entertainment because I didn't know how to do the BOP. So it's a joy, the things that you learn when you spend a lot of time -- I don't know how to play Pinnacle either, but I learned a little bit to start playing with the seniors. So, we do have very, very close relationships with them.

Another position to really point out is that driver. That person that's picking you up every morning and taking you home, great ties and great strong relationships there.

So, for those who have a support system in the community or do not enjoy going to the center, they can enjoy staying home. Those decisions are up to the participant, and we are pleased to be able to accommodate them either way.

The LIFE model allows our team members to become like family and grow a very special bond. We are truly unique -- We are a truly unique program and we enjoy the perspective and focus it

gives us.

Unfortunately, the COVID-19 pandemic has been very hard on both our participants and our staff. In March of 2019, we were forced to drastically change our approach because our centers were shut down by the Commonwealth's diaster declaration, and rightfully so. This forced us to change how we provided care and services in a different setting and a very individualized setting, again, in their homes. So working with staff and clients, we quickly put together a plan to manage the shift and delivery of our services. We began to deliver meals, activity kits.

We went to participants' homes. We completed assessments using iPads and iPhones, using audio and telehealth visits. And we continued to provide hands-on care as well during the pandemic, ADL wound care, installing equipment, and completing assessments as well.

For InnovAge, we delivered over 56,000 during the pandemic. We delivered over 8,000 activity kits during the pandemic. We performed over 50,000 wellness calls during the pandemic, and we completed over 5,000 telehealth visits, using both audio and visual technology. We have been

lucky to be able to be a stable resource for our participants during this very difficult time, and we take this role very seriously.

I want to thank you for the opportunity to testify and share about a day of a participant enrolled in the LIFE program. Thank you.

MAJORITY CHAIRMAN DAY: Thank you very much. I'm going to just do some quick housekeeping. Tuesdays are one of the busiest days for session days for members, and we have members that are coming and going. And it's just the way the business works. So we have been joined by Representative Brown, Representative Fitzgerald, Representative Wentling, Representative Parker, and Chairman Samuelson as well.

And like I said, many of these members -- that's why we ask you to submit testimony, not only to make the testimony period a little bit more efficient, but also so we can review it while we're here and review it later, and even sometimes before the hearing, as well as go back on the video. I'd just like to explain why people are coming and going sometimes.

So, with that, we're going to go to Mr. Irwin.

MR. IRWIN: Thank you. Chairman Day, Chairman Samuelson, and Honorable members of the House, Aging and Older Adult Services Committee, thank you for holding today's hearing and this discussion about the LIFE program.

As noted earlier, my name is Mark Irwin, and I am the Chief Operating Officer of Senior LIFE, Pennsylvania's largest LIFE provider operating in 13 counties across Pennsylvania. In addition to my responsibilities at Senior LIFE, I'm also the chair of the Pennsylvania LIFE Providers Association (sic) referred to as PALPA.

I'm pleased to have this opportunity today, and I'd like to focus my remarks on budgetary issues. Specifically, I want to review the unique LIFE model, LIFE funding, and the LIFE program rates.

The LIFE program funding is unique because it integrates both Medicare and Medicaid funding. For each enrolled participant, LIFE is paid a capitated or a single monthly amount for all the services my colleagues have described earlier. We are not permitted to charge any deductibles, nor copays, and our home- and community-based members contribute nothing towards the cost of their care.

The LIFE program is 100 percent liable and at risk for anything and everything our participants may need, including hospital, nursing home, home care, physician, medical equipment and supplies, mental health and prescriptions, and transportation. The program is designed and only works when LIFE provides proactive quality care to keep our members safe in the community setting.

I think it is very important to highlight that all costs are covered in our program. If an individual is enrolled in the long-term services and supports program, Community HealthChoices, and needs behavioral health services, those services are covered under a separate behavioral health plan at an additional cost to the state.

While our program and Community HealthChoices are not exactly the same, when looking at the same population that we serve, those participants who are nursing facility clinically eligible, our program is paid over 30 percent less to care for those individuals than the Community HealthChoices program.

In 2019, the last time the rates were available, the CHC managed care model, the

capitation rate was about 5200 per member per month, while the LIFE capitation rate was 3750. When a Pennsylvanian who is eligible for Community HealthChoices chooses LIFE instead, Pennsylvania saves about $1500 per member per month.

These figures are especially important as you make budget decisions over the next week on how to allocate scarce resources. Not only is LIFE an outstanding service model to keep our elderly out of the nursing homes and in their communities, but it's also a very cost-effective program for Pennsylvania.

The LIFE rates are set by the Commonwealth through the budget process, whereas, the Managed Care Organization rates under CHC are set by an actuarial process with the Department of Human Services.

Presently, LIFE rates are below where they were nine years ago. In 2012, LIFE rates were cut 5 percent to help balance the state budget. Since that time, only 3 percent of the 5 percent has been restored. As we all know, the lack of rate increases has not kept up with the inflationary cost of care, including the rising cost of labor.

A review of rates nationally and in our neighboring states shows that Pennsylvania's LIFE rates have fallen behind. In New York, the rate for dual eligibles is around $4900; in New Jersey, $4500. The national average is about 4150, whereas, again, the PA LIFE program is around 3750.

We have been working with the House and Senate Appropriations Committees to provide LIFE with at least a 2 percent rate increase in this budget cycle so that our rates can be restored to where they were in 2011. We have gotten strong response from both the House and Senate committees, so we are hopeful that this will be included in this upcoming budget. Any assistance you can provide in advocating to the House Appropriations Committee would be very helpful and very appreciated.

Last week Department of Health Services published the PA State Spending Plan, the American Rescue Plan Act of 2021, Section 9817. In that plan they acknowledged that ARPA funds can be used for a LIFE rate increase. So we are hopeful that with both of these, the rate gap can be narrowed in the budget, and LIFE providers can be paid a sustainable rate moving forward.

Lastly, CMS had required that states establish an upper payment limit, which is simply the amount that would otherwise be paid for a Medicaid recipient and a comparable group of individuals if they were not enrolled in LIFE. At one time our rate was set at 80 percent of the upper payment limit which guaranteed the state a 20 percent savings. A few years back, DHS submitted a state plan amendment that eliminated the 80 percent requirement. Since then, given the last data that was made available, we have dropped to about 65 percent of what would otherwise be paid.

In recent years, DHS has not really negotiated with PALPA, as is required by CMS, and has not been willing to share data or assumptions using compiling the upper payment limit or our rates. PALPA has engaged with DHS to request a formal rate setting process moving forward so we can use actual data, like it has done with CHC, in setting rates and establishing LIFE rates moving forward.

We are positive that the future is brighter, and are pleased to be an option for those who prefer to stay in their homes as they age.

Again, I want to thank you for this opportunity to provide testimony today, and I hope we have offered a clear picture of what the Pennsylvania LIFE program is all about. We would again offer and welcome any of you to tour our programs in your local areas, and I look forward to answering any questions that you might have at this time.

MAJORITY CHAIRMAN DAY: Thank you. Thank you all for your remarks. They were kind of dovetailed nicely together, but overlapping the general idea and presented what I have seen and wanted to make sure we shared with the Committee.

Before I move on to member questions, I'd like to remind members participating virtually, to use the chat -- or raise hand function in the chat if you'd like to be recognized for a question.

With that, I'm gonna start off the questions by asking, I've heard from a lot of constituents that the program is under a new enrollment process, and they're using the Independent Enrollment Broker Maximus. Can you tell me a little bit how that transition is going?

I know the Administration is in negotiations with that organization, and it would

be good to have testimony that what is practically actually happening. If you could share, talk about anything about that transition, that would be great.

MR. IRWIN: Well, I mean, I can start out, and then I'll let my colleagues add to my comments.

The LIFE program enrollments previously had gone directly through the local Area Office on Aging, so we were able to engage our local neighbors to process our consumer applications. So that was done on the clinical side.

On the financial side, we use the local County Assistance Office to process financial applications according to the Medicaid guidelines, so that process had been in place for a number of years. In May of this year, the Department of Health and Human Services mandated that we begin using Maximus as the independent enrollment broker.

Our initial experience, although it's only been seven weeks or so, has been that that has added both time and confusion to the process. In terms of time to get the applications processed, they have added time on the front end and the back end to allow someone to be eligible both clinically

and financial -- financially.

What's concerning about that is that folks who are clinically ill but need the level of care that we can provide, require that care almost immediately to prevent avoidable hospitalizations and nursing home placement, so it's very critical that we provide access as soon as possible to prevent unnecessary admissions.

So, adding that time, while it doesn't seem like it's much, if someone says it added 45 days to the process, it is significant in terms of what our potential consumers need and how quickly they need it. When a member becomes eligible for our program, it's typically triggered by a fall or a stroke, or something that has happened to them. Perhaps their -- they have care provider burnout and they've been stranded, so they need our services immediately. So any delay in that does cause much concern for our -- the consumers that we should be serving.

MS. BOSWELL: Sure. Thank you, Mark.

For InnovAge, the EIB process has come along a little bit better than we actually anticipated. We have received some referrals from Maximus; not a great deal of referrals. Not all of

them have been qualified quite as well as we would have hoped, so we do spend a little bit of time making sure we go back through the process with them.

Initially we did experience some technical difficulties. We were receiving daily e-mails so that we can communicate back and forth. The other hurdle that we went through is just making sure that now everything has to go through Maximus, when we're used to doing everything and carrying the ball and passing the baton, and even over to the County Assistance Office. We do prefer to still collect the financial documents to help make that process go quicker. As you guys know, it's a five-year look-back. It's a very lengthy process, so we do try to support as much as possible.

It's going better than what we had expected. I would love to see more referrals, and I would love to see the enrollment process go a little bit quicker than what it is. Considering that we can only enroll at the top of the month, if you are not enrolled and the services don't become effective by the 1st, you have to wait another full 30 days. As Mark said, when you're a critical

position, your mom, your dad, your grandma, your uncle, they need help, another 30 days is critical.

MS. GAGO: And let me just say, the confusion that we put into the older adult in the first place, the families are navigating a system that, I'll just give one example of when, sometimes, the IB is calling. It's coming from a West Virginia number. We're in Allegheny County, so they're not answering that phone. I don't care what. So, it's become confusing for them.

They don't understand if we came out and saw them, why is another person gonna -- And they're suppose to come in person. I think they're having trouble doing that, because it is very new.

So, in some fairness to them, which, of course, I don't want to be. But, I want to say it started May 3rd. It's new enough to say, can you work through the kinks? It's difficult to communicate. We've got lots of things.

I'm very close to this. The thing that most impacts me, in my view, is the confusion we put on the older adult who doesn't know who they're talking to, who's calling me? And then a five-year look-back? They're lucky to know they have a bank account at XYZ bank, let alone five years' worth of

data. It's very difficult. We typically navigated that for them just to help them.

So, I could go on. But, mostly, it's got a lot of kinks, and I think it sounds better for Silvia's program than ours, but we're in Allegheny County. Maybe that's -- Thank you.

MAJORITY CHAIRMAN DAY: Thank you very much.

Many members have been contacting me. As a matter of fact, I had a text while you guys were talking from a member that said -- asked me about, what's going on with Maximus going forward? So I just thought it was a good opportunity to understand about, you know, the practical application of what's happening right now. So I appreciate that.

With that, we have four members and Chairman Samuelson as well that would like to ask questions. So I'd like to go to Chairman Samuelson.

MINORITY CHAIRMAN SAMUELSON: Thank you. Just a quick followup.

Our understanding from the Department of Human Services is, they are in the process of negotiating a contract with Maximus for the future.

Currently, the enrollment part of it is done by Maximus, and the assessment part is done by the counties, the county Area Agency on Aging, the Center For Independent Living.

I thought I heard you say that May of this year, the assessment switched to Maximus?

MR. IRWIN: The process switched to Maximus where we had to provide them with the physician script to go out and have the assessment done. Currently, they are still using the Triple A's to actually provide either the face-to-face assessment or the phone assessment to get the FED tool done, the Functional Eligibility Determination.

So, currently -- First of all, that was a long answer for your question. Currently, that's still being done by Triple A today.

MINORITY CHAIRMAN SAMUELSON: Okay. Many of us have expressed our concern that if this process continues to move forward, we're gonna lose that local face-to-face contact with the Triple A's, the county caseworkers, the local contact with the Centers For Independent Living.

MS. GAGO: That's right. It would be a problem.

MINORITY CHAIRMAN SAMUELSON: Yeah. Okay. One follow-up question on the financials.

You said the LIFE capitation rate is 3,750 per month, which is 45,000 a year. Is that the total picture? Or when somebody comes to a LIFE program, is there any separate billing that you do to the federal government or any other program, or is that 45,000 a year cover everything?

MR. IRWIN: The thirty-seven fifty is the state portion, the Medicaid portion. There is a Medicare portion on top of that to cover parts A through D that we also bill Medicare directly for.

MINORITY CHAIRMAN SAMUELSON: What is that amount? Is that a fixed amount or...

MR. IRWIN: The federal amount is slightly different. It depends on the patient's acuity. So there's an acuity score that's derived through a physician assessment process, so every Medicaid recipient gets paid differently.

MINORITY CHAIRMAN SAMUELSON: Okay.

So the 45,000, the thirty-seven fifty a month, that's 30 percent less than we'd be paying if somebody was in a nursing home.

MR. IRWIN: That's right, or Community HealthChoices.

MINORITY CHAIRMAN SAMUELSON: The state portion. But you're also able to bill Medicare for some of the services that are provided.

MR. IRWIN: Right, and those are to help cover the hospitalization cost, the Part B cost which would be physician's services, and the Part D cost which would be for all the prescription drug services.

MS. GAGO: So if it makes sense, this involves all your specialists, subspecialists, the pulmonary doctor, the dermatologist, the audiology, the air --

MINORITY CHAIRMAN SAMUELSON: Yeah.

MS. GAGO: -- all of those things within the Medicare side or for the medical health plan, if you will, if that makes sense.

MINORITY CHAIRMAN SAMUELSON: So if I add the state portion and the federal portion together, I'm wondering how that compares to the cost of someone being in a nursing facility.

MR. IRWIN: It's still less than what a person would cost in a nursing facility. So, if I could estimate, around $2500 on the Medicare side would be the total cost for the Parts A through C. So that would still be --

When we do place someone in a nursing home, we are still responsible for those costs. And those are typically loss leaders for us because we are paying more for the nursing home stay than we're getting in total reimbursement. And that doesn't count if they still go to the hospital again, if they still need dialysis, if they still need something else, that's on top of that. So they are loss leaders for us.

And again, I'd say, collectively, our programs typically have about 7 percent of our population in the nursing home where we're able to successfully keep 93 percent of the population in their community setting where they want to be.

MS. GAGO: And they're all nursing facility eligible, clinically.

MINORITY CHAIRMAN SAMUELSON: Thank you.

MAJORITY CHAIRMAN DAY: Thank you, Chairman.

With that, I want to go to Representative Craig Williams.

REPRESENTATIVE WILLIAMS: Thank you, Mr. Chairman.

I just want to say before I ask my question, thank you and to Chairman Samuelson and

staff for holding these hearings. This Committee stands apart from all my other committees in having these hearings to gather this information. And I find it absolutely invaluable. Keep it up, and I'll keep showing up with a smiling face and a curious mind.

As I've said many times, and I'll continue to say, I have more than 20 senior communities in my district. I'm told that's more than any other district in the Commonwealth. I invite my colleagues to correct me because then I'll know I have an ally in this fight.

My question dovetails off of some of the positives that you indicated in your testimony about the many services you provide, including hair styling and gaming, and things that keep people active and engaged.

On the flip side of that, are there services that you feel like have been maximized? In other words, is there a cap on the things that you can offer? Are there things that are left out because they're capped out that you think we should be exploring?

MS. GAGO: Well, I'll just say no, but the area that's pretty maxed out is behavioral

health. Psychiatry, psychology, available specialists in the county, in the community and the state and country is limited. So, that has always been a struggle, and I think that's so important because we'll have people with persistent mental health problems, illness, that come into the program, and COVID has created its own new brand of problems; substance abuse, loneliness. It's just --

If you were at one time -- Substance abuse is 90 percent related to mental health that's untreated. We're very clear that this is an area we need to strive, and we all do provide that. It would be impossible to do this without that.

MR. IRWIN: I'll just dovetail on what Joann shared already. And there are no caps on what we can provide. And I'll give our teams a lot of credit for how creative they are to keep people at home.

While there is no defined list of benefits, we provide anything that can possibly help them remain successful in that community. And we do things like we put ramps in their house. We put air conditioners in their house. We'll do whatever it takes to make those home modifications

to make it safer and more easier for them to age in place. So, there's really no bounds as to what we can do for our members to be safe in that setting.

REPRESENTATIVE WILLIAMS: And I greatly appreciate the comment about mental health and behavioral health. That's a comment that we're hearing across all age spectrums with respect to the pandemic, and I think it desires our attention.

Thank you.

MAJORITY CHAIRMAN DAY: Thank you.

With that, I'd like to go to Representative Kosierowski.

REPRESENTATIVE KOSIEROWSKI: Thank you, Mr. Chairman. By going last, my questions have been answered.

But I just wanted to say to Joann and Silvia and Mark, I'm a nurse. I've been a nurse for 27 years. I worked at University of Pennsylvania Hospital, and then moved back to Scranton where I'm from. I worked at Mercy Hospital in Scranton.

What you talked about the continuity of care and the pattern of elderly patients being back and forth to the hospital, and a lot of times not having family members present; being taken care of

by hospitalists who are not their family doc, it causes such confusion.

Everything you're saying today about that community-based care is, the outcome was so much better. When we were able to send our patients home, have care at home, whether it be wound care, travel to -- their outcomes were significantly better. So thank you for what you're doing, each and every one of you. We need to take care of our population here in Pennsylvania.

I'm cruising into that 50th-ish range too. So when you say that 55 are eligible for the LIFE program, that's a little, yeah, a little hard to think about. So, thank you. Thanks for being here today. Anything we can do to support, I'm happy to be here for you. Thanks.

MAJORITY CHAIRMAN DAY: Representative Nelson.

REPRESENTATIVE NELSON: Thank you.

And I agree here as an ally along with Representative Williams. As we have significant senior populations in my district, we do have a decent amount of clearly identified senior housing, but we also a significant portion of kind of naturally-occurring retirement communities.

And one of the things that we also struggle with, and I'm wondering how you all handle it within your LIFE program, is kind of the financial counseling for another household or kind of basic living expenses that many of the seniors are going through, especially if, as you mentioned they are usually qualifying for both Medicare, Medicaid programs.

How are we handling the other financial needs that our seniors are facing, especially at a time when they become a little bit more concerned and hesitant on receiving financial and legal supports?

MR. IRWIN: I'll start off by saying that I want to give the design of the program a lot of credit. They can be Medicaid-eligible, and because they are still living in that community, the state recognizes that they still have a heat bill. They're still paying for, perhaps, a car. They still have groceries, so they keep all of their money. They don't pay anything to us whatsoever, so they keep a hundred percent.

If they go to the nursing home, all that goes away, and they pay everything over to the nursing home; all their SSI, Social Security

income, and they keep maybe $60 a month. So, by staying in the community they get to keep all of their resources, which really helps them be more successful.

And then we augment that with anything we can provide support, whether it's food insecurity, or if it's helping with financial and budgetary issues. We are there to help them navigate through those things to help them. Our social workers help them apply for heating assistance, and all the available resources that are out there. So, it's incumbent upon us to help make them sure they can manage their financial situation to be successful in that community.

We do on limited occasions become rep payees for our members who are struggling with that so that we can actually manage their funds for them, but that's only if they -- if they choose that, for us to do that for them.

MS. BOSWELL: I would also add that for some of our seniors, I mentioned that they live in subsidized senior housing, and some of those housing units are right on the same location of our life centers. Fortunately enough, those housing units by another company, they have social workers

there on site who also assist them with financial needs. We also help them with ordering food online, if they need to get their groceries delivered.

Some of our trips, I mean, we do the fun stuff, like flower shows, and again, going out to dinner, go to the casino, all kinds of fun stuff. But sometimes our trips twice a month are to the supermarket just to make sure that they have exactly what they need. They don't have to worry about medication. We deliver medication directly to their door. Again, there's no co-pay. For eyeglasses, if they lose them three times, we replace them three times, and there's no co-pay.

So all of those things that Mark talked about also helps them to become financially stable. Probably the biggest thing they have to continue to deal with is making sure their rent is paid, and we are right there to help them make sure that their rent is paid as well because, if they're evicted, they're back in the nursing home. Their goal is to remain in the community.

I'm a nursing home administrator by background, so I love both worlds of it, but I truly am -- I love the community side of it. So

it's really important that once they get out. And in our program we have several, I'm sure as both Mark and Joann do, have come out of the nursing home and depended on the LIFE program to stay in the community.

MS. GAGO: Yes. I just wanted to say with respect to housing, particularly, many of our people have been evicted numerous times. It's not necessarily because they're running out on the pay. They can't figure it out. It's not a -- It's a management problem, and sometimes it's also a truly financial problem.

So, once we do either get a third-party rep payee service for ourselves to help them to pay their bills and keep them on time, they most really want that. And even with families who are economically so stressed will sometimes use some of those funds. We try to stay not the police, but an advisor, a strong advocate for our participants.

But you are right. Housing is a very -- For Allegheny County, this is a bit of a challenge at this time. Housing isn't great. Isn't available, no.

MAJORITY CHAIRMAN DAY: Representative Mentzer.

REPRESENTATIVE MENTZER: Thank you, Chairman Day. And thanks to the panelists for being here this morning.

Can you talk a little bit about the eligibility requirements, particularly as it applies to somebody that owns their home? And then, also, do you take private-pay patients and what do they pay?

MS. GAGO: Yes and yes.

The eligibility, first of all, from a standpoint, the 55, I know, Representative, I won't pronounce your name correctly --

MAJORITY CHAIRMAN DAY: That's Kosierowski.

MS. GAGO: -- mentioned, you know, the person is nursing-facility eligible, which means they're fairly dependent on what life -- adult activities of daily living. The 55 or older, these are -- The 55 to 65 you have to picture is not exactly the guy you pay golf with. This is someone who is either a chronic, muscular dystrophy or even MS, any of these longstanding disabling problems that start early on.

But 55 and older, the average age in your program is 82. So it gives you a guess about

that. I think that's probably true across.

The financial eligibility, Mark, can you remember? It's twenty --

MR. IRWIN: It's about $2100 in income and then $8,000 or less in assets. And those are the Medicaid guidelines whether it's our program or any other program.

MS. GAGO: Right.

REPRESENTATIVE MENTZER: So then, how do they handle someone who has equity in their home?

MR. IRWIN: The equity, you're allowed to continue to own your home, one home; no rentals or second homes. They don't count the home that you're living in if you're residing there. And you're allowed to have one car. They don't count that equity against you.

So it would be over $8,000 in the bank or life insurance, cash values of life insurance, and those types of things or liquid assets.

REPRESENTATIVE MENTZER: So if someone owns a home worth $250,000, that equity stays intact. It's just whether they have $8,000 in their checking?

MS. GAGO: No. It could be subjected to estate recovery after the person has passed.

REPRESENTATIVE MENTZER: Gotcha. Thank you.

MR. IRWIN: So the second part of your question, do we accept private pay? The short answer is yes.

So you also asked what they pay instead. We are required to charge them the Medicaid amount, not one dollar more or one dollar less. So if we're getting $3,750 from the state, that would be the private pay amount. So we would still get their Medicare benefit assigned to us, and they would pay the Medicaid amount instead of Medicaid (sic).

REPRESENTATIVE MENTZER: How many -- What would be the percentage of private-pay patients that you currently have, would you say?

MR. IRWIN: Nationally, it's very small. In Pennsylvania, I believe it's small as well. It's probably 2 percent.

MS. GAGO: Two percent.

MR. IRWIN: Yeah, it's very low. And I think the reason for that, if I could pose a theory is that, it is a capitated model, and most people are very -- not understanding of what that means.

As Joann said, your benefits today will

change as your needs change. So what you get today may not be what you get tomorrow when your needs change and you have a fall. And I think the private-pay consumer is a little bit uneasy in paying a capitated rate not knowing exactly what they're going to get because it's a very fluid process. The care team can change your benefits as you need them.

So, I think, in my opinion, private-pay folks are a little bit leery in paying for something when they're not exactly -- They want a list of services. I want to know that I'm getting 45 transports and 40 hours of home care, and I want that listed out. Well, that list is subject to change depending upon your needs. So, I think folks are leery about that.

MS. GAGO: Right.

MR. IRWIN: And we don't have a large private-pay portion.

MS. GAGO: Or they encounter in a nursing home, if they go there, and find out what it cost to privately pay the nursing home, they come back to us kind of quickly. This could be 8, 10, $12,000. It's not a --

MS. BOSWELL: (Whispers to Mr. Gago).

MS. GAGO: Right. So it is not a -- They have to understand -- I think Mark's idea is extremely accurate, but it's about, when they go there -- We have had private pay who are happy to pay that knowing we'll stay with their family member no matter what.

MR. IRWIN: I'm not sure if that may have caused more questions or --

REPRESENTATIVE MENTZER: Thank you. Thank you. That answered my question.

MAJORITY CHAIRMAN DAY: Thank you.

Representative Lewis DelRosso.

REPRESENTATIVE DELROSSO: Hi. Thank you, everyone, and thank you, Chairman.

My question is regarding Maximus. And I wanted to hear regarding the Triple A organizations on the ground. They're pretty effective with connecting these dots. Are we going to have a disruption in services because of this, or will we still be having the funding for this going forward? I'm concerned. I've heard some things about Maximus, which were a little more inconsistent.

MR. IRWIN: Well, we certainly appreciate the departments trying to work those kinks, that were identified earlier, out with us,

and we appreciate Maximus trying to cooperate with us.

But, as it stands today, there are delays being -- as to the process that is causing access issues for seniors, timely access issues for them to access care in their community.

The process had been working fairly well with the local Triple A's and the County Assistance Office when we were able to directly engage them in that process. Adding this additional layer has been difficult for LIFE, and I think we'll work through it, but I think the end game here is, what's best for consumers? What allows them to get through this process with less confusion and greater access.

I think that's what's really the driving force here; making sure that we are meeting the consumers, as we know that population is growing and they are confused as they grow older. So, it's important that we work with whatever solutions are available to make sure they can access care on a timely basis.

MS. GAGO: I do think the department is trying to address each and every single e-mail that could be, I don't know how many, numerous e-mails

coming from our program to the state to tell them about the mishap on a fax, or the information not being accurate, or some aspect of this that's not gone smoothly. So, they're trying. It's not as easy -- I'm sure it isn't easy.

MS. BOSWELL: And I think one of the other biggest hurdles, again, is collecting financial documents, right? Once they hand in those financial documents, the County Assistance Office will check the box of what's not there and what's still needed. Again, it's delaying the process. With the LIFE program taking ownership of that, we go back over and over and over again. We'll help you log onto your bank. We will help you get a ride to the bank to go to the lobby. We'll sit there and help you call the life insurance policy to get the cash value. We will take the time to get it done because it's a lot.

And particularly, again, you think about our seniors, a great deal of them still have four or five bank accounts. As we had talked about earlier, sometimes they don't even remember they have the bank accounts, let alone have four or five or six different life insurance policies. You have to contact them all and get the cash value.

And then, lastly, if a bank account is closed, you still need to go back and get the statement of that five-year time frame and show that it's closed. So, it's a lot.

So again, Maximus, it's early. They're assisting, but it's a lot of details. It doesn't take much for the ball to kind of get dropped or step between the cracks. I'll say respectfully, unwillingly, but it happens. It's a lot to do.

MS. GAGO: I just want to add one more thing, and that is, with our history, and some of them many, two decades of hand holding someone through the process to answer the questions, to fill out the forms, to get the various and sundry pieces of paper they have to find, it absolutely for our population is required.

It isn't a telephone call. You can't -- It will not happen. Their rule is, if they call three times, then the case is closed. Well, that won't work. It may be 10 times.

MR. IRWIN: It's hard to substitute those phone calls for the face-to-face interaction that was available prior.

REPRESENTATIVE DELROSSO: And this is our -- this is our aging population in our state, I

think that we should be considering that.

MAJORITY CHAIRMAN DAY: Thank you for that question and the answers.

With that, I'd like to go to Chairman Samuelson for another question.

MINORITY CHAIRMAN SAMUELSON: Yes.

I had -- Representative Shusterman was here but had to go to another meeting. But she wanted to ask about care for folks who have signs of dementia, whether the LIFE programs -- Many of your folks have dementia, or how are you equipped to handle that?

MS. GAGO: Well, our staff is something in the order of 52 percent of our participants have some memory issue or something.

MINORITY CHAIRMAN SAMUELSON: Okay.

MS. GAGO: We absolutely handle that. Many of the LIFE programs try various ways to do this. But we definitely -- we'll work with the family, work with the individual. Learned a lot of ways, Representative Samuelson, that have worked over the years to keep people in their homes. Your familiarity with your surrounding in your apartment that you've lived in or your home that you lived in, don't change it. If you change it, now you've

got trouble.

So, keep them there; keep them acquainted and oriented to that. And then, you know, keep them healthy. You know, medicine and food and exercise, and all the things you need to do to stay healthy. Yes, we absolutely have many, many people with various forms of dementia that are in our program actively.

MS. BOSWELL: Inside the center we do have memory care rooms that specialize just for those seniors who need low stimulation; not a lot of back and forth. They're losing their way. They're very consistent with caregivers as well. We tailor their care plan to that as well, and we use a lot of long-term memory activities. Again, things that's easy for them to do.

Again, you get on the van. You have that same driver talking to you, back when you used to work, whatever their work history is. So again, those are a lot of the details. But things that are meaningful for those people that have memory care issues.

MAJORITY CHAIRMAN DAY: Thank you very much. That is our final question.

And I just wanted to close by saying, I

thought it was important to have a hearing like this. And I really appreciate your time and everybody's time that is involved with this.

To me, the LIFE program allows seniors to stay in their home. It provides comprehensive services, and it costs less. I don't know why we wouldn't want to support a program like this and why we wouldn't want to encourage it more.

You talked about making sure that people don't fall through the cracks, and that's really incumbent on everybody on this Committee to make sure we take care of our seniors; the people who, you know, took care of us, raised us, educated us, and got us ready for the next -- to take over. And now it's time to take care of them. And I really appreciate your LIFE'S work.

I sincerely thank you for being here this morning to participate as testifiers. And this is a very important discussion.

And with that, I'm gonna adjourn this meeting. The meeting is now adjourned. Thank you.

* * * *

C E R T I F I C A T E

I, Karen J. Meister, Reporter, Notary Public, duly commissioned and qualified in and for the County of York, Commonwealth of Pennsylvania, hereby certify that the foregoing is a true and accurate transcript, to the best of my ability, of a public hearing taken from a videotape recording and reduced to computer printout under my supervision.

This certification does not apply to any reproduction of the same by any means unless under my direct control and/or supervision.

Karen J. Meister
Reporter, Notary Public