DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Blvd.
Baltimore, Maryland 21244

TO: All PACE organizations
State Administering Agencies
CMS Regional and Central Office PACE team

DATE: February 2006

RE: Clarification Notice RE: Alternative Care Settings

DEFINITIONS:

PACE Center: A facility operated by a PACE organization, specifically described as follows in the PACE regulation:
§460.72(a)(2): The PACE center must include sufficient suitable space and equipment to provide primary medical care and suitable space for team meetings, treatment, therapeutic recreation, restorative therapies, socialization, personal care, and dining.
§460.98(c): At a minimum, the following services must be furnished at each PACE center: Primary care, including physician and nursing services; social services; restorative therapies, including physical therapy and occupational therapy; personal care and supportive services; nutritional services; nutritional counseling; recreational therapy; meals.

Alternative Care Setting:
A physical facility, other than the participant's place of residence, where PACE participants receive any of the required services as defined in 460.98(c).*

If the PACE organization has questions about any of the arrangements for the center services, they should contact their CMS Team Lead for clarification.

POLICY:

- All participants must be assigned to an Interdisciplinary Team at the PACE center.
- All PACE organizations must notify CMS in writing (U.S. mail or email) of any new arrangements being proposed whereby participants will receive services in an alternative care setting. The notification minimally must describe what services will be offered, how the services will be provided, the number of participants receiving services in this setting, the location of the new setting, the staffing at the proposed new location, transportation arrangement to the new setting, Interdisciplinary team members involved, PACE Organization oversight of care provided at the new setting, and participant communication (both written and oral) considerations.

PROCEDURE:
PACE Organizations must notify the CMS Central Office team leader prior to opening or contracting with a provider to use an alternative care setting. CMS reserves the right to ask questions regarding these arrangements.

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[*] CMS understands that some participants receive, for example, rehabilitation services or specialist care outside of the PACE center. Also, some participants attend a contracted adult day care facility due to cultural or health needs that the PACE center is unable to meet. We do not consider the locations where these services are provided alternative care settings.