



ONLY THE MEDIOCRE ARE ALWAYS AT THEIR BEST
FROM OPERATIONAL TO FINANCIAL AND STRATEGIC




CONTINUUM DEVELOPMENT SERVICES HAS A UNIQUE COMBINATION OF EXPERIENCE THAT NO OTHER CONSULTING TEAM CAN MATCH - OPERATIONAL, FINANCIAL, AND STRATEGIC...



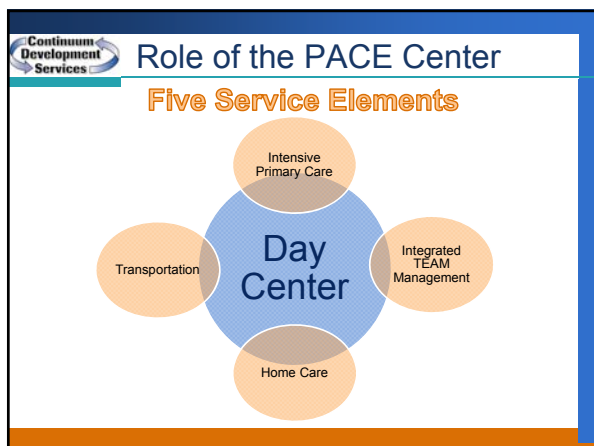
DEVELOPING AND FINANCING THE PACE CENTER
Monday, October 21, 2013






Agenda

- Role of the PACE Center
- Locating the PACE Center
- Design Considerations
- Financing
- Operating Costs
- Alternative Care Settings





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- Continuum Development Services** Role of the PACE Center
- Primary location for:
- Care coordination
 - Respite for caregivers
 - Socialization
 - Provision of services
 - Primary Care
 - Clinical
 - Rehabilitation


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- Continuum Development Services** Role of the PACE Center
- **Effective End of Life Care.** The IDT determines participants/families' values and their present/advanced directives and supports the dying process in a manner, which minimizes the desire for futile care.
 - **Voluntary Caregiver Support.** The IDT provides needed respite, education and support in the home, while regularly measuring caregiver stress and refining plans to support them.

 **Role of the PACE Center**

- **Management of Participant/Family non-compliance.** The IDT especially the social workers must establish relationships, which avoids non-emergent 911 calls to hospitals (which may not have a contract with PACE) and keeps families engaged and meeting their commitments to care for participants.

 **LOCATING THE PACE CENTER**



 **Demographic Analysis**

- **Age:** total individuals age 65 and over,
- **Medicaid eligibility:** total households age 65 and over with household income less than \$20,000, and,
- **Clinical eligibility:** an estimate of those persons age 65 and over who would self-report at least one self-care limitation and at least one mobility limitation.

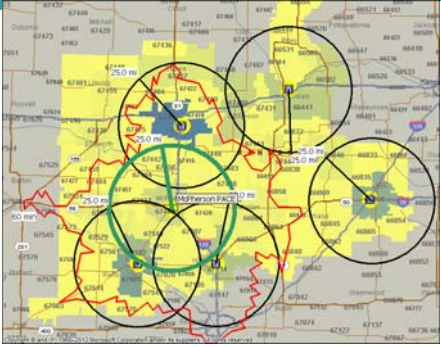
Continuum Development Services **Location Considerations**

- Are there sufficient PACE eligibles in the targeted service area?
- Is the support from area hospitals, business leaders and service providers? What level?
- What are the existing service components required by federal PACE provider regulations. What areas would need to be developed?
- Are there affordable housing residents who are potential PACE eligibles

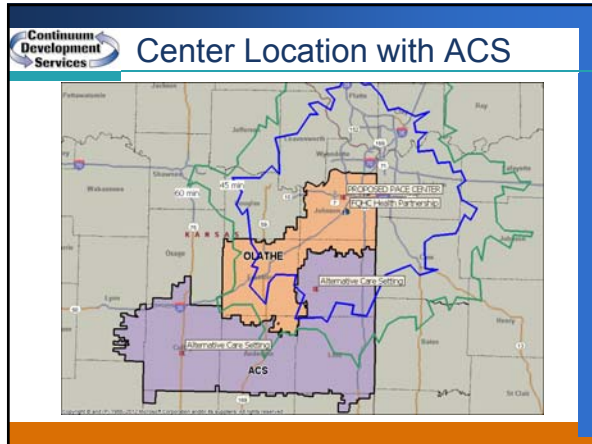
Continuum Development Services **Location Considerations**

- Are the drive times to reach the most PACE eligibles from the identified location reasonable (less than 45 minutes)?
- Are there security considerations?
- If building a new Center, is there available land at an affordable price?
- Are there suitable buildings in the target market that could be redesigned?

Continuum Development Services **Center Location-Rural/ACS**



The map displays a geographical area with several locations marked by blue dots. Each location is surrounded by two concentric circles representing service areas: an inner circle for a 25.0-mile radius and an outer circle for a 50.0-mile radius. The map includes road networks, county boundaries, and a grid of coordinates. A legend in the bottom left corner identifies the symbols used for the 25.0 mi and 50.0 mi service areas.





- Potential Center Locations**
- Strip mall
 - Furniture/grocery store
 - Clinic
 - Expanding adult day care
 - First floor of HUD 202
 - Church
 - Warehouse

Continuum Development Services Potential Co-Locations

- Senior Housing Developments (Section 8; Section 202)
- Senior Centers
- Area Agencies on Aging
- Continuing Care Retirement Communities
- Federally Qualified Health Clinics

Continuum Development Services Co-Location Examples

- Center for Senior Independence, Detroit, MI—co-located with affordable assisted living in Rivertown
- Carolina SeniorCare, Lexington, NC—adjacent to Carolina Senior Living Apartments, a 30-unit supportive housing project (in progress)
- LifeCircles, Muskegon, MI—located in Tanglewood Park which houses a unique collaboration of four agencies serving seniors (LifeCircles, Senior Resources, AgeWell Services, and Call 2-1-1)

Continuum Development Services Design Example-Co-Location

LifeCircles, Muskegon, MI
Design: Progressive AE, Grand Rapids, MI

Tanglewood Park Envisioned

Final Floor plan

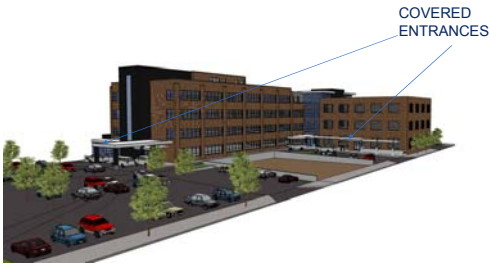
The floor plan shows a large building with several distinct areas. A central area is labeled 'LifeCircles'. To its right is an area labeled 'Senior Resources'. Above the LifeCircles area is another area labeled 'AgeWell'. Below the LifeCircles area is another area labeled 'AgeWell'. The plan also shows a '211' area. A legend at the bottom identifies the colors: LifeCircles (blue), Senior Resources (orange), AgeWell (green), and 211 (red). Logos for LifeCircles, Porter Hills, and Progressive AE are at the bottom left.

Continuum Development Services **Design Considerations**

- **GENERAL**
 - Covered entrance
 - Transportation office with view of vans arriving
 - Beveled corners in corridors
 - Adequate storage space for activities, coats, participant change of clothing
 - Technology should be built into the center
 - Allow 80 to 100 square feet per participant/day
 - Compliance with state and local licensure and code requirements

Continuum Development Services **Design Example**

Center for Senior Independence
Rivertown, Detroit, MI
Design: HOOKER | DEJONG Architects – Engineers, Muskegon, MI



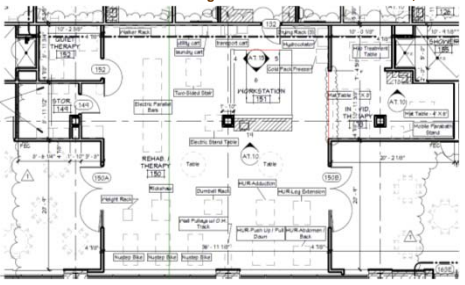
The image shows a 3D architectural rendering of a multi-story brick building with a modern design. Two blue lines point from the text 'COVERED ENTRANCES' to the covered walkways at the ground level of the building. The building is surrounded by a parking lot with several cars and some trees.

Continuum Development Services **Specific Design Considerations**

- **Service Decisions**
 - Kitchen
 - Pharmacy
 - Dementia Day Room
- **Therapy/Rehab Gym**
 - Create an easily accessible exercise area
 - Balance between private and open spaces

Continuum Development Services Design Example-Rehab

Carolina SeniorCare, Lexington, NC
Design: TFF Architects and Planners, Greensboro, NC

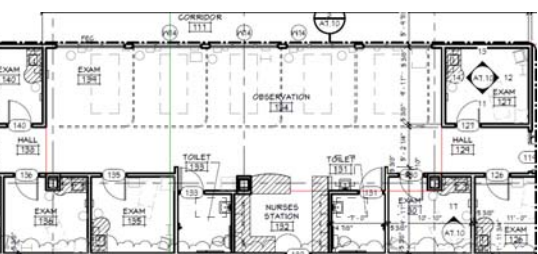


Continuum Development Services Specific Design Considerations

- Clinic
 - Observation beds and private exam rooms
 - Triage area outside clinic to avoid interruptions to work flow and discourage walk-ins
 - Routine physician space outside the main clinic space

Continuum Development Services Design Example-Clinic

Center for Senior Independence
Rivertown, Detroit, MI
Design: HOOKER | DEJONG Architects – Engineers, Muskegon, MI



Continuum Development Services


Design Trends

- Less institutional
- Larger more open rehab and clinic
- Smaller day center areas
- Use of super-sites in dense markets
- Use of alternative care settings to expand capacity without major capital expenditures

Continuum Development Services

Design Innovation


Carolina SeniorCare, Lexington, NC
Design: TFF Architects and Planners, Greensboro, NC



Architectural site plan for Carolina SeniorCare, Lexington, NC. The plan shows a complex of buildings color-coded in yellow, green, blue, and purple. It includes a legend, a north arrow, and a scale bar. The site is surrounded by landscaping and parking areas.

Continuum Development Services

FINANCING THE CENTER



Icon depicting a house, a percentage sign, and a dollar sign, symbolizing financing or investment.

Continuum Development Services **Financing the Center**

- Lease, buy, or build?
- Organizations will build out PACE Center to specifications with a guaranteed long term lease
- A few banks have been giving short term loans for start-up costs and leasehold improvements
- Start-ups are not likely to get bond financing due to lack of material collateral

Continuum Development Services **Capital Considerations**

Component	Expense
Adult Day Center	
Build	\$4M to \$15M*
Purchase	\$1M to \$3M*
Lease	\$3 to \$30 per SF/year*
Capital Improvements	\$900K to \$2.3M (\$60-\$150/SF)*
Vans	\$45 to \$50K each
Start-up Costs	\$500K to \$1M
Operating Losses	\$500K to \$4M
Cash Reserves	\$500K

*Range due to relationship between building condition and capital requirements

Continuum Development Services

OPERATING COSTS




Continuum Development Services **Operating Costs**

Illustrative Costs (PMM) included in Day Center


Area	Cost PMM
Transportation	\$300 to \$500
Nursing	\$150 to \$250
Nutrition	\$ 75 to \$150
Social Services	\$ 75 to \$150
Recreational	\$ 50 to \$ 75
Restorative	\$200 to \$300
Center Support	\$250 to \$300

Continuum Development Services **ALTERNATIVE CARE SETTINGS**




Continuum Development Services **Alternative Care Settings**


- Alternative care settings are allowed when a limited number of services may be provided
- CMS must be notified in writing of any ACS arrangements
- <http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/pace111c07.pdf>

 **Alternative Care Settings**


- **CenterLight Healthcare**—largest PACE in country with 11 Centers and 6 ACS in New York City. The ACS provide on-site socialization, social services, personal care, therapeutic recreation and meals.
- **Independent Living for Seniors, Rochester, New York**—main center in Rochester with two ACS in Abraham Lincoln Apartments and Charlotte Harbortown Homes (Section 8 and mixed use housing)

 **Alternative Care Settings**

- **Senior CommUnity Care**—operates two PACE Centers in Montrose and Eckert, CO with an ACS in Paonia (population 1,600). The ACS is open 2 days per week with a physician on-site one-half day per week.
- **TriHealth SeniorLink**—operates three locations in Cincinnati, the main Center PACE in Cincinnati with ACS on Court Street and in Park Eden, (part of the Cincinnati Metropolitan Housing Authority).

 **Alternative Care Centers**

- ACS, through the use of special waivers, offer the opportunity to serve rural populations where:
 - Senior population are more likely to be poor, have less formal education and be in poorer health than their urban counterparts
 - Rural seniors have higher rates of nursing home utilization
 - Limited transportation options and longer travel times to healthcare options
 - Rural areas have a shortage of healthcare providers
- ACS are less capital intensive than the traditional Day Center

 **Questions**

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