

Minnesota Department of Human Services Managed Care Contracting and Rates, and Aging and Adult Services Division

Request for Information about the Program of All-Inclusive Care for the Elderly (PACE) providers

**Date of Publication in *SWIFT***: TBD

Americans with Disabilities Act (ADA) Statement: This information is available in accessible formats for people with disabilities by calling 651-431-3612 or by using your preferred relay service. For other information on disability rights and protections, contact the agency’s Americans with Disabilities Act (ADA) coordinator.

**Minnesota’s Commitment to Diversity and Inclusion.** The State of Minnesota is committed to diversity and inclusion in its public procurement process. The goal is to ensure that those providing goods and services to the State are representative of our Minnesota communities and include businesses owned by minorities, women, veterans, and those with substantial physical disabilities. Creating broader opportunities for historically under-represented groups provides for additional options and greater competition in the marketplace, creates stronger relationships and engagement within our communities, and fosters economic development and equality.

To further this commitment, the Department of Administration operates a program for Minnesota-based small businesses owned by minorities, women, veterans, and those with substantial physical disabilities. For additional information on this program, or to determine eligibility, please call 651-296-2600 or go to [www.mmd.admin.state.mn.us/mn02001.htm](http://www.mmd.admin.state.mn.us/mn02001.htm%20or%20call%20651-296-2600).

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# KEY DATES AND SUBMISSION INSTRUCTIONS

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| **RFI posted on:** | December 23, 2024 |
| **Questions about this RFI should be submitted no later than:** | January 17, 2025 |
| **Submit questions about this RFI to:** | Chelsea Georgesen (Chelsea.georgesen@state.mn.us) |
| **Who may respond?** | All interested stakeholders are welcome to respond to this RFI. |
| **Submit your RFI response by 4:00PM on:** | February 28, 2025 |
| **Format:** | Submit an electronic copy of your RFI response to Chelsea Georgesen (Chelsea.georgesen@state.mn.us). Responses must be no longer than 25 pages including, if applicable, a cover letter and appendices. |
| **Other instructions:** | None |

# Objective of RFI:

The Minnesota Department of Human Services (DHS), Managed Care Contracting and Rates and Aging and Adult Services Division seek to identify and obtain information about the development, design, planning and competitive contracting for the Program of All-Inclusive Care for the Elderly (PACE). THIS IS NOT A REQUEST FOR PROPOSAL (RFP). DHS may or may not issue an RFP in the future that relates to this RFI.

# Background and Overview of issue:

The Program of All-Inclusive Care for the Elderly (PACE) is a Medicare and Medicaid program that provides comprehensive medical and social services to eligible people ages 55+, who require nursing home level care but would like to remain in the community. Congress first authorized a national PACE demonstration in 1986. In 1997, Congress authorized Medicare to pay for PACE services and added PACE as an optional Medicaid state plan benefit, giving joint administration and oversight of the program to CMS and states. PACE operates under a collaborative three-way relationship involving the Centers for Medicare & Medicaid Services (CMS), individual states, and PACE organizations. PACE organizations provide all Medicare-covered services and all Medicaid-covered services included in the state’s Medicaid plan at an adult day health center, as well as other services and supports deemed necessary by the PACE organization’s interdisciplinary team. For most participants, this comprehensive service package enables them to remain in the community rather than receive care in a nursing home. Financing for the program is capped using a capitated model, which allows providers to deliver all services participants need rather than only those reimbursable under Medicare and Medicaid fee-for-service plans.

In 2005, the Minnesota legislature authorized DHS to approve and implement a PACE program in Minnesota. After internal assessment and engagement with potential providers, an RFP was released in March 2011 to invite potential PACE entities to apply to participate in the program. DHS received no bidders for the RFP and PACE was not implemented in Minnesota. In recent years providers of services for older adults have been interested in implementing PACE in Minnesota and worked to advance new legislation passed in 2023 requiring an actuarial and implementation analysis. DHS contracted with Milliman for the [actuarial analysis](https://mnpals-lrl.primo.exlibrisgroup.com/permalink/01MNPALS_LRL/7nu5ds/alma9989836438904295) and BerryDunn for the implementation analysis. DHS is now interested in learning more about how to operationalize PACE in Minnesota through this RFI in order to inform additional legislation and publish a potential RFP. If, in a future legislative session, the Minnesota legislature provides authorization and administrative resources to DHS to implement PACE, DHS will use information gathered through this RFI to inform development efforts.

# Information Requested:

In your response, please provide answers to one or more, or all, of the questions listed below. You may also provide additional information that you think will be helpful to DHS for program development, design, planning, and RFP design. To the extent possible, responses to the questions below should incorporate research evidence and/or specific examples.

1. For providers interested in developing a PACE program, please describe your organization, including the following:
   1. Name of your organization
   2. What is your organization’s mission, vision and values?
   3. Which license(s) do you currently have in Minnesota, or plan to have in order to deliver PACE? What ability do you have to meet any additional state-specific licensure requirements?
   4. Where are you located and which service area(s) do you serve, either within Minnesota or in other states?
   5. How many individuals do you anticipate serving annually through a PACE program in Minnesota?
   6. Describe your experience in providing long term services and supports to specific populations, such as people with complex or chronic conditions, cultural groups or geographies.
   7. Which organization(s) do you currently partner with, or anticipate partnering with, to deliver services in Minnesota?
   8. What is your organization’s corporate status and ownership structure, and what will be the corporate status and ownership structure of the PACE organization in Minnesota?
2. For interested providers, what services is your organization currently providing, and how do you envision providing PACE services?
3. How long after receiving an award notification following responses to an RFP do interested providers anticipate being fully operational? Please address the following:
   1. Administrative readiness, including managing enrollments, disenrollments, capitation payments, contracting, quality reporting, and claims processing.
   2. Fiscal readiness, including solvency, reserves, start-up and initial cash flow, and capital needs.
4. What experience do interested providers have in providing long term services and supports (LTSS), in Minnesota or elsewhere? Does your organization currently operate a PACE program, and if so, please provide details such as location, population served and how long you’ve been operational.
5. What are some factors DHS should consider in building a robust quality monitoring and oversight structure for PACE?
6. What factors should DHS consider regarding limiting the number of PACE providers or geographic areas offered a contract under an initial RFP?
7. What impact would your PACE organization have on reducing inequities in accessing long term services and supports?
8. What staffing ratios do you recommend DHS use for PACE organizations, and what types of providers should be required?
9. Please provide feedback on how the proposed rates in the [Milliman actuarial study](https://www.lrl.mn.gov/docs/2024/mandated/240417.pdf) would impact your ability to operate a PACE program in Minnesota.
10. What challenges do you anticipate in establishing PACE in Minnesota?

# Requesting Additional Information or Demonstration:

Responders may be asked to provide additional information or in-person demonstrations. No responder will be *required* to provide additional information or demonstrations. DHS, however, is unlikely to ask every Responder to provide further information or demonstrations.

# Disclaimer:

1. By responding to the RFI, Responder acknowledges that it has read, understands, and agrees with all content in section F.
2. Responses to the RFI will not be returned to the Responder.
3. This RFI is being issued to obtain information only and is not intended to result in contracts with any Responder. This RFI, and responses to it, does not in any way obligate DHS to issue an RFP, award a contract or complete any project, including this one. DHS reserves the right to cancel this RFI if it is considered to be in its best interest.
4. Responders are solely responsible for all costs and expenses associated with the preparation and submission of a response to this RFI.
5. Responding to this RFI is completely voluntary. Responders will not be excluded from eligibility to participate in any potential future related requests for proposals (RFPs) based on a Responder’s decision to respond to this RFI or the content of its response(s) to this RFI. Additionally, responses to this RFI will not provide any advantage to any Responder in any potential future Requests for Proposal, if any occur.
6. All responses to this RFI are public, according to Minnesota Statutes § 13.03, subd. 1, unless otherwise defined by Minnesota Statutes, section 13.37 as “Trade Secrets.” Responses should not contain any information that is trade secret or proprietary in nature.

But if a Responder submits information that it believes to be trade secret/confidential

materials, at the time the response is submitted the Responder must clearly mark every page of

trade secret materials in its response with the words “Trade Secret” or “Confidential,” and must

justify the trade secret designation for each item in its Response *(be specific, do not make*

*general statements of confidentiality. Include reference to specific facts, licenses, trademarks,*

*etc., and any relevant statutes or other law, such as how the data meets the requirements of*

*Minn. Stat. §13.37, subd. 1(b)).* Any decision by the State to disclose information designated by

the Responder as trade secret/confidential will be made consistent with the Minnesota

Government Data Practices Act, ch. 13, and other relevant laws and regulations. If the Responder submits information that the State deems unable to be disclosed the Responder shall submit a redacted version of the response to the State.

1. As applied by DHS to this RFI, a statement by a responder that submitted data is copyrighted or otherwise protected does not prevent public access to the data contained in the response.
2. DHS may use any or all information in a response for any purpose.