

LIFE Program Informational Hearing  
LouAnn Shively, Vice President, Albright LIFE  
House Aging and Older Adult Services Committee

May 22, 2024

Good morning, Majority Chair Madden and Chair Mentzer. Thank you for the opportunity to speak with you and your committee about the LIFE program and the many benefits it brings to Pennsylvanians.

My name is LouAnn Shively, and I'm the Vice President of Albright LIFE. We oversee LIFE centers in Lycoming, Lancaster, Lebanon, Chester, Cumberland, and Franklin counties. Over 234 older individuals receive services in our programs in Pennsylvania.

As my colleagues have shared, the reimbursement rates for our program have not kept pace with the costs we are facing or the rates PACE programs are receiving in other states. Pennsylvania LIFE providers took a 5% rate cut in 2012, and it took us a full decade to just get back to that point in 2022. In effect, our rates have been virtually stagnant since 2008. I can't name any other business model that would be able to remain in operation for 15+ years without proportional revenue increases. And unlike some care settings, we are not able to rely on increased private pay rates to offset inadequate reimbursement, as the majority of our population is dual-eligible for both Medicaid and Medicare, and there are no out-of-pocket costs to participants.

That being said, we do, and will continue to, operate at a significant savings to the state. Even with increased funding toward our Medicaid rates, we would still provide care for a fraction of what it would cost the same participants to receive care through Community HealthChoices (CHC). In fact, LIFE is statutorily required to receive a rate less than the amount it would cost to cover a similarly situated individual under CHC. But we are currently receiving just over 50% of that amount, and this is not sustainable. Even with a needed increase to our rates, we will still continue to operate at a savings, maximizing the use of our state's Medicaid dollars.

But the benefits of LIFE don't stop there. Beyond the financial justification for our program, we offer significant benefits to our participants in their health and social outcomes. Our participant testimonials speak for themselves, and we welcome a visit from you any time to tour one of our centers and see this impact in action. Knowing the value our programs bring to older adults and their families, we need your support with public awareness of LIFE to make it more accessible to those who would benefit from participating.

We know how beneficial Pennsylvania's LIFE program truly is for seniors and their loved ones who want to remain in their homes for as long as they can. Unfortunately, we received less than 30 referrals last year. In fact, LIFE providers have previously conducted secret shopper evaluations of Pennsylvania's Independent Enrollment Broker (IEB), which is a contracted statewide entity to facilitate and streamline enrollment services, and we found that the IEB was not consistently presenting LIFE enrollment as an option. We would advise this committee and DHS to pursue strategies to raise awareness and enrollment in the LIFE program, starting with a review of our master plan on aging, titled "Aging Our Way, PA." This plan begins the conversation of finding solutions to combat a serious awareness issue. In fact, much of what that plan aims to accomplish for older Pennsylvanians is already achieved through our program, and we would be wise to strengthen this existing network by making it known as a viable option to as many older adults as possible.

You might wonder why awareness and enrollment are such a challenge for our program despite its many benefits. We speak of the financial disparity between LIFE and other programs, but there is also an access disparity. Our hands are tied due to strict PACE marketing regulations that make it difficult to compete with aggressive Medicare Advantage plans. LIFE is also presented as an "opt-out" option – when the enrollment broker does share LIFE, it presents the three CHC managed care programs, "or you can opt out" to enroll with LIFE, as if the individual is giving something up to join our program. These barriers severely limit our ability to grow and provide the many benefits of this unique care model to people who would benefit from it. Furthermore, it leads to enrollment issues that compound our financial challenges.

Increased enrollment in LIFE would also benefit the broader healthcare ecosystem in our state as other settings, particularly nursing homes, face a growing access to care crisis. Nursing homes are having to close down entire wings or buildings, or turn away hospital referrals, because of their own workforce and funding challenges. LIFE stands uniquely positioned to alleviate some of that strain by being able to serve the same population in their own homes, and at a more affordable cost to the state.

We also have the ability to grow by expanding into additional counties, as well as partnering with affordable housing communities serving older adults to reach even more Pennsylvanians who, with earlier and better-managed intervention, can delay or even avoid nursing home placement altogether. But we will continue to struggle to do this without your support, both in funding and public awareness.

I thank you for holding this session today to help us share this message and raise awareness of this incredible program. I am proud to be a part of it, and I look forward to answering any questions you may have.

# # #

# ALBRIGHT<sup>SM</sup> LIFE CENTER

Living Independence for the Elderly



## What is LIFE?

Living Independence for the Elderly (LIFE) is a Medicare and Medicaid program that helps people meet their health care needs in the community instead of going to a nursing home or other care facility. With LIFE, you have a team of health care professionals working with you and your family to make sure you get the coordinated care you need. Usually they care for a small number of people, so they really get to know you.

When you enroll in LIFE, you may be required to use a LIFE-preferred doctor.



**SCAN TO LEARN  
MORE ABOUT  
ALBRIGHT LIFE!**

## How does LIFE work?

LIFE covers all Medicare- and Medicaid-covered care and services, and other services that the LIFE team of health care professionals decides are necessary to improve and maintain your health. This

includes drugs, as well as any other medically necessary care, like doctor or health care provider visits, transportation, home care, hospital visits, and even nursing home stays when necessary. If you have Medicaid, you won't have to pay a monthly premium for the long-term care portion of the LIFE benefit. If you have Medicare but not Medicaid, you'll be charged a monthly premium to cover the long-term care portion of the LIFE benefit and a premium for Medicare drug coverage (Part D). However, in LIFE, there's never a deductible or copayment for any drug, service, or care approved by the LIFE team of health care professionals.



### **Albright LIFE Chester County**

555 Fox Chase Suite 106, Coatesville, PA 19320 | Toll-Free: 855-427-5078 | Local: (484) 378-1215 | TTY: 711

### **Albright LIFE Cumberland County** - serving all of Cumberland and Perry counties

1920 Good Hope Rd, Enola, PA 17025 | Local: (717) 728-5433 | TTY: 711

### **Albright LIFE Franklin County**

840 Fifth Avenue, Chambersburg, PA 17201 | Local: (717) 264-5433 | TTY: 711

### **Albright LIFE Lancaster County**

417 W. Frederick Street, Lancaster, PA 17603 | Toll-Free: 866-601-5433 | Local: (717) 381-4320 | TTY: 711

### **Albright LIFE Lebanon County**

113 S. Ninth Street, Lebanon, PA 17042 | Toll-Free: 855-803-2525 | Local: (717) 376-1133 | TTY: 711

### **Albright LIFE Lycoming County**

serving Lycoming and Union counties; parts of Clinton and Northumberland counties (17777)

901 Memorial Avenue, Williamsport, PA 17701 | Toll-Free: 866-907-5433 | Local: (570) 322-5433 | TTY: 711

# ALBRIGHT<sup>SM</sup> LIFE CENTER

Living Independence for the Elderly

## What Does LIFE Cover?

LIFE provides all the care and services covered by Medicare and Medicaid if authorized by your health care team. If your health care team decides you need care and services that Medicare and Medicaid doesn't cover, LIFE may still cover them.

Here are some of the services LIFE covers:

- LIFE Center primary care (including doctor and recreational therapy nursing services)
- Dentistry
- Emergency services
- Home care
- Hospital care
- Laboratory/x-ray services
- Meals
- Medical specialty services
- Nursing home care
- Nutritional counseling
- Occupational therapy
- Physical therapy

### • Prescription drugs

*If you join a LIFE program, you'll get your Part D-covered drugs and all other necessary medication from the LIFE program. You don't need to join a separate Medicare Prescription Drug Plan. If you do, you'll be disenrolled from your LIFE health and prescription drug benefits.*

- Preventive care
- Social services, including caregiver training, support groups, and respite care
- Social work counseling
- Transportation to the LIFE center for activities or medical appointments, if medically necessary and all (IDT) Interdisciplinary Team approved services.



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# ALBRIGHT<sup>SM</sup> LIFE CENTER

Living Independence for the Elderly

## Who Can Get LIFE?

You can have either Medicare or Medicaid, or both, to join LIFE. To qualify for LIFE, you must:

- Be 55 or older
- Live in the service area of a LIFE organization
- Need a nursing home-level of care (as certified by your state)
- Be able to live safely in the community with help from LIFE

You can leave a LIFE program at any time.

## What you pay for LIFE depends on your financial situation

If you have Medicaid, you won't pay a monthly premium for the long-term care portion of the LIFE benefit.

If you don't qualify for Medicaid but you have Medicare, you'll be charged these:

- A monthly premium to cover the long-term care portion of the LIFE benefit
- A premium for Medicare Part D drugs

There's no deductible or copayment for any service, or care approved by your health care team.

If you don't have Medicare or Medicaid, you can pay for LIFE privately.

## Who Can Apply?

To find out if you're eligible for a LIFE program, call one of our LIFE Centers at the phone numbers listed below or visit [AlbrightLIFE.org](http://AlbrightLIFE.org)



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# The Reviews Are In!

**Hear from our associates, family members and participants!**

LIFE (Living Independence for the Elderly) is a Medicare/Medicaid program that helps people with complex medical needs remain at home instead of going to a nursing home or other care facility.

*"I knew I needed more to do; I was getting depressed being alone. The family atmosphere in the center makes this a special place. The staff know what to look for and how to help; I've gained strength so I can do more than I could before, and they've provided a few tools to use at home that help me get along better."*

- Nancy Clay, LIFE participant  
November 2022

*The care has been great ... everything is right on-site. If you need to call, they'll get you somebody or somebody calls back right away. They've come to the house. It's been a very good experience."*

- Andrea Weachter,  
LIFE participant family member  
February 2023

see reverse for more reviews! 

*"The people here are very nice, they're sociable. We all get along like family. I can't wait to get up in the morning and come here...I love everything about this place...the doctors, the therapists, and the food!"*

- Helen Giovannini, LIFE participant  
February 2023

*"There's a lot of interaction here at Albright and I know Mom looks forward to coming here. There's a lot of activities to keep her mind going."*

- Stephanie Giovannini,  
LIFE participant family member  
February 2023

*"This is a wonderful place for seniors! Within the center we have primary care, physical therapists, occupational therapists, social workers, home care, and nurses. And we are available 24/7."*

- Susan Miller,  
Albright LIFE Nurse Practitioner  
February 2023

*"The care navigation and approach here is very unique. It's individualized compared to a physician's office. We understand [the needs of our participants'] because we discuss them daily during our interdisciplinary team meetings...so we can deliver the services that are best appropriate for them."*

- Greg DeSarro,  
Albright LIFE Executive Director  
February 2023

*"I'm able to communicate with whomever I need to about changes I'm seeing in the participants' health or function, so we can address any issues quickly. If I find out that they need something particular at home, if they're having trouble with their stairs at home...I can go right to their house and see how they do on their stairs. It's a lot more functional for the participants."*

- Karen Gallo,  
Albright LIFE Physical Therapist  
February 2023

Watch our video to see how LIFE works at **AlbrightLIFE.org** and learn more about services, eligibility, and financial coverage.

## LIFE CENTER LOCATIONS

CHESTER COUNTY | CUMBERLAND COUNTY | FRANKLIN COUNTY  
LANCASTER COUNTY | LEBANON COUNTY | LYCOMING COUNTY



Minimum  
**\$8.9M**  
 Plus Inflation

Investment Needed in FY 2024-25 State Budget to Support LIFE Providers in Navigating a Significant Funding-Cost Gap

## At a Standstill

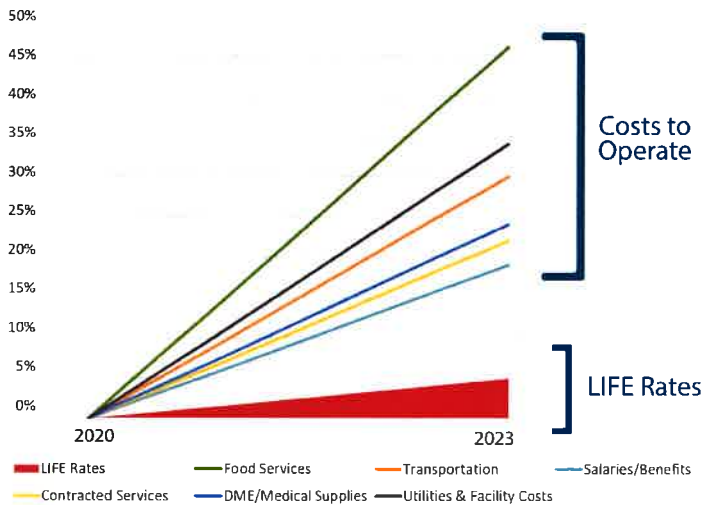
Pennsylvania's Living Independence for the Elderly (LIFE) programs, known nationally as PACE, serve more than 8,000 older adults by providing them with comprehensive health and support services as an alternative managed care option to the Community HealthChoices (CHC) program. LIFE programs include therapies/rehabilitation, socializing, physician and specialist services, personal care assistance, meals and nutrition, transportation, and more. That said, **these valuable programs are at risk after not having a meaningful rate increase for more than a decade.**

## Net Rate Increase

2008 to 2023  
 was only  
**2.8%**

### Median Increases Comparing FY2020 to FY2023 for LIFE Program

#### Expenses vs. LIFE Rates



“Expenses have increased double digits since COVID due to inflation, cost of general goods, and services. Increase in labor, member health care costs, pharmacy, transportation, and medical supplies also contributed to increase in expenses.”

In the past two budget cycles, **nursing homes have received necessary funding investments** to help them work toward new state staffing mandates. However, **LIFE programs have not received a corresponding increase** to help cover their rising costs, despite the fact that about 11% of LIFE participants require nursing home care to meet their needs, and LIFE programs must pay nursing providers for that care.

Plus, the average rate for PACE programs in neighboring states is **24% higher** than Pennsylvania's current rate.

## Impacts on Pennsylvania Communities



LIFE Programs benefit the state by providing **more than 3,000 full-time jobs to 54 counties, resulting in nearly a quarter of a billion dollars in salaries and benefits** for interdisciplinary medical professionals who care for older adults in these areas.

As for older Pennsylvanians, many who wish to age gracefully within the familiar embrace of their homes and communities are able to do so through LIFE.

## Priorities

**According to providers, with increased funding they would prioritize:**

1. Increasing wages, overtime, and benefits for retaining current staff
2. Elevating starting wages and bonuses to attract more staff to fill open positions
3. Expanding the program to reach more seniors



## Time to Act

Investing in this critical program not only reaffirms Pennsylvania's position as a leader in aging services models across the country but also ensures that we have a wide range of care options available for older adults in the state. Without a meaningful rate increase, several providers have indicated that the most likely consequence will be closure and/or consolidation of LIFE program sites.

The LIFE program offers older adults another option for care and can help reduce access issues across the healthcare aging service ecosystem. This investment will **provide a more stable financial foundation for LIFE providers** to continue serving the most vulnerable older adults in the state.

# PENNSYLVANIA'S LIFE PROGRAM

9 LIFE PROVIDERS - ACROSS 54 COUNTIES - OPERATING 53 LIFE CENTERS - SERVING 8,200 SENIORS



## WHAT IS LIFE?

It is a Pennsylvania program that provides comprehensive health and support services to seniors who wish to continue living independently in the community.

## WHO IS ELIGIBLE?

### Clinical Eligibility:

- Individual Age 55+
- Individual is Nursing Facility Clinically Eligible
- Individual can reside safely at home in community

### Financial Eligibility:

- Individual has Medicare & Medicaid Benefits
- Individual has Medicaid Only Benefits
- Individual is able to pay privately

## LIFE PARTICIPANTS HAVE ACCESS TO:

### THERAPIES & REHABILITATION



### SOCIALIZING



### PHYSICIAN & SPECIALISTS



### PERSONAL CARE SERVICES



### DAY CENTERS



### MEALS & NUTRITION SERVICES



### TRANSPORTATION



### PRESCRIPTION COVERAGE & MEDICATION MANAGEMENT



### ACUTE CARE SERVICES



For more information visit: [www.palifeprograms.org](http://www.palifeprograms.org)



Pennsylvania Living Independence for the Elderly  
Presented by the  
Pennsylvania LIFE Provider Alliance





PALPA



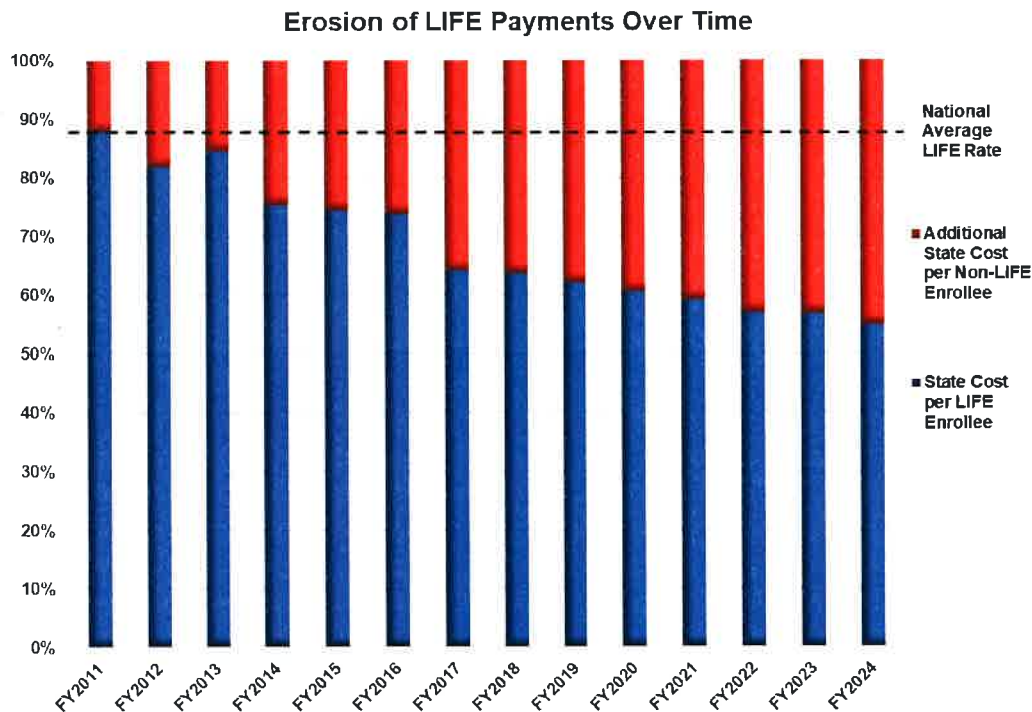
Pennsylvania LIFE Provider Alliance  
Living Independence for the Elderly

## Fiscal Year 2024-25 Budget Request

LIFE programs respectfully request the General Assembly to dedicate \$9.4 million to increase LIFE payment rates by 5.5% overall to help address cost growth and regional/national variation in payment rates

### LIFE Programs Generate Savings to the State compared to CHC Enrollees

- DHS's own actuaries calculate what it would otherwise have to pay for services to LIFE-eligible individuals enrolled in Community HealthChoices (CHC) and Behavioral HealthChoices, and then DHS pays LIFE programs a prescribed fraction of that rate – **less than 55% of what it pays for CHC enrollees**.
- The cost savings PA Medicaid mandates from LIFE programs have consistently grown since the program's inception – and from roughly 12% to 45% over the past decade!
- **The more LIFE enrollment grows, the less the state spends overall for eligible senior care (compared to CHC enrollees).**
- LIFE programs cannot continue to provide quality care and grow their programs without some relief.



PALPA, the Pennsylvania LIFE Provider Alliance, is the association that represents 7 LIFE providers throughout the state. For further information about LIFE, PALPA, and its budget request, please contact Mike Chirieleison at 717-234-6970 or [mike@debrunner.us](mailto:mike@debrunner.us).

## The Cost of Services We Provide is Up, But Our Medicaid Payments Aren't

	PA LIFE Rate	National Average LIFE Rate	Amount Below National Average	Regional Average LIFE Rate	Amount Below Regional Average
Dual-Eligible	\$3,944	\$4,487	(\$543)	\$5,112	(\$1,168)
Medicaid Only	\$5,205	\$7,371	(\$2,166)	\$7,311	(\$2,106)

Note: Regional rate includes New Jersey, Maryland, Delaware, and New York

- LIFE's monthly payment rates are **\$2,166 LOWER** than the national average rate for Medicaid enrollees (\$5,205 vs. \$7,371), and **\$543 LOWER** than the national average rate for those enrollees eligible for both Medicaid and Medicare (\$3,944 vs \$4,487). The payment **gap** is even **greater** at a **regional** level.
- The healthcare industry is under pressure from high inflation, rising wages and other costs. Over the last fiscal year alone, LIFE programs generally reported cost increases of about 30% for food services, 13% for transportation, and 15% for staff salaries and benefits.
- The state budget increased Medicaid payments to nursing homes by 17% and 1.8% over the past two years. LIFE programs must also pay for nursing home stays and have seen an 11% increase in these costs, yet the state's payments to LIFE programs that must cover these additional expenses have not increased in kind.

## Not Just Savings! LIFE is a Better Option for Many Older Pennsylvanians

- LIFE utilizes a comprehensive, person-centered approach aimed at keeping every participant in their home, living independently.
- LIFE day centers act as a community hub for participants, to receive regular medical checkups, physical and occupational therapy, nutritious meals, and social interaction in an inclusive environment.
- LIFE programs bring the equivalent of almost 3,000 full-time jobs to 54 counties across the commonwealth – **a quarter of a billion dollars in salaries and benefits.**

### About LIFE and PALPA

Pennsylvania's Living Independence for the Elderly (LIFE) program provides a comprehensive array of health and support services to qualified seniors who face health challenges that threaten their continued ability to live independently in the community. LIFE provides a comprehensive, coordinated, hands-on approach to the delivery of physical and behavioral health care services and the home and community-based supports its participants need to continue to live independently in the community.

**We Respectfully Request \$9.4 Million to Fund a 5.5% rate increase.**