



**For Immediate Release:** Thursday, September 28, 2006  
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### **CMS AWARDS \$7.5 MILLION IN GRANTS TO EXPAND PACE PROGRAM IN RURAL AREAS**

The Centers for Medicare & Medicaid Services (CMS) today announced the award of \$7.5 million to organizations developing Programs of All-Inclusive Care for the Elderly (PACE) in rural service areas. This grant program was initiated through the Deficit Reduction Act of 2005 (DRA) and follows the New Freedom Initiative to develop and provide additional care options in the community while providing more efficient and coordinated care through Medicare and Medicaid.

“PACE programs have been shown to help Medicare beneficiaries with chronic care needs get comprehensive health care in one location.” said Mark B. McClellan, M.D., Ph.D. “By supporting the expansion of these programs for beneficiaries who live in rural areas, we expect to see comprehensive service delivery models evolve that will work well in rural communities.

PACE programs provide patient-centered and coordinated care to frail elderly individuals living in the community, including people with both Medicare and Medicaid. The PACE program has served beneficiaries in a number of urban areas, and is now broadening care options in rural America. Care typically includes social and medical services primarily in an adult day health center, supplemented by in-home and referral services in accordance with the participant’s needs.

The new Rural PACE Provider Grant Program will provide funds to support the coordination of comprehensive care for some of the most vulnerable Medicare and Medicaid beneficiaries living in rural areas within thirteen states across the country. Each site will receive \$500,000 to establish a PACE program in their area. CMS awarded the maximum number of grants authorized by the DRA to expand patient-based care to a greater number of people with Medicare and Medicaid who live in rural areas.

Awardees include:

<b><u>State</u></b>	<b><u>Awardee</u></b>
Arkansas	AllCare of Arkansas
Colorado	VOANS PACE
<b>Hawaii</b>	<b>Hale Makua</b>
Iowa	Hospice of Siouxland
Montana	Billings Clinic Foundation
New York	Community Care of Western New York
North Carolina	Piedmont Health Services
North Dakota	Northland Healthcare Alliance
Pennsylvania	Geisinger Health System Foundation
Pennsylvania	Lutheran Social Services of South Central Pennsylvania
South Carolina	The Methodist Oak
Vermont	PACE Vermont
Virginia	Appalachian Agency for Senior Citizens
Virginia	Mountain Empire Older Citizens
West Virginia	CAMC Health Ed and Research Institute

The funding is available through September 30, 2008, and will be provided to the grantees who meet the requirements to become a qualified PACE program. Throughout the development process for each of the sites, the awardees will maintain communication with CMS and provide quarterly reports of their progress to establish the program in their area.

PACE is a capitated benefit authorized by the Balanced Budget Act of 1997 that provides comprehensive care for acute and long-term care services as well as integrated Medicare and Medicaid financing. Participants in the PACE program must be at least 55 years old, live in the PACE service area and be certified as eligible for nursing home care by the appropriate State agency.