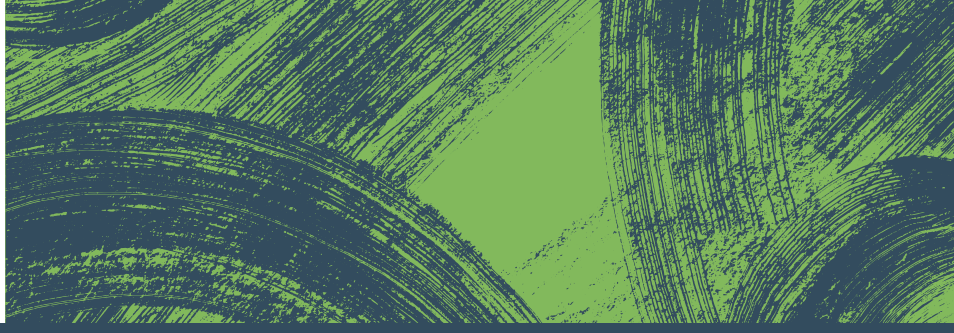




Helping Seniors Live at Home



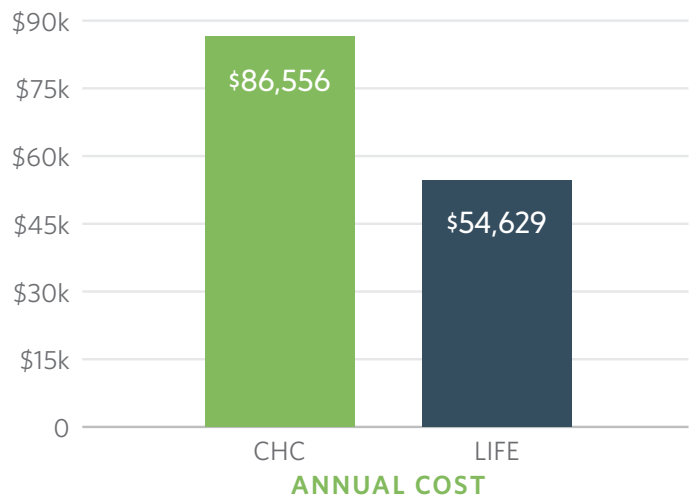
# How the LIFE Program Can Lead the Way for Healthy Aging in Pennsylvania

LIFE-NWPA is a leading rural provider of the Living Independence For the Elderly (LIFE) program in Pennsylvania, which enables those 55 and older who are nursing home eligible and often dual eligible (eligible for both Medicare and Medicaid) to live independently in their communities.

The LIFE program, known nationally as the Program of All-Inclusive Care for the Elderly (PACE), is designed to serve these complex patients and save money for taxpayers, patients, and the healthcare system.

**LIFE addresses the root causes of seniors' health problems and saves thousands of Medicaid dollars per individual, per year compared with the Community Health Choices program. By expanding LIFE, Pennsylvania could save hundreds of millions of dollars.**

**FIGURE 1 Annual Costs Per Participant**



	Cost Per Participant (Monthly)	Cost Per Participant (Annual)	Enrollment
Community Health Choices	\$7,213	\$86,556	151,928
LIFE Program	\$4,552	\$54,629	8,000
Savings with LIFE Program	\$2,661	\$31,927	
<b>Savings if LIFE Membership Doubled</b>	<b>\$21.3mm</b>	<b>\$255mm</b>	

Source: Calculations based on publicly available rates and data from Mercer.

## Pennsylvania has long been a leader in expanding the LIFE program and ensuring that residents can live independently, at home. But today, that promise is in jeopardy.

Over the last 18 months, growth of the program has stalled. LIFE providers have experienced a 2.1% decline in their total census. At the same time, neighboring states are moving forward—expanding LIFE, saving taxpayer dollars, and delivering better health outcomes for frail, elderly seniors.

To ensure that Pennsylvania remains a leader in healthy aging, LIFE providers are asking policymakers to:

### • Allow LIFE Providers to Conduct Their Own Functional Eligibility Determinations

▶ Currently, LIFE providers rely on the state to conduct Functional Eligibility Determinations (FEDs) as part of the enrollment process. This requirement often creates delays for participants, increasing the risk of a rapid decline in health or a catastrophic event. On average, it takes 34 days for a senior to enroll in the LIFE-NWPA program in Pennsylvania, compared to 23 days in our partner programs in Ohio and 22 days in Kentucky. This is, in part, because Kentucky and Ohio allow LIFE/PACE providers to complete their own medical eligibility determinations.

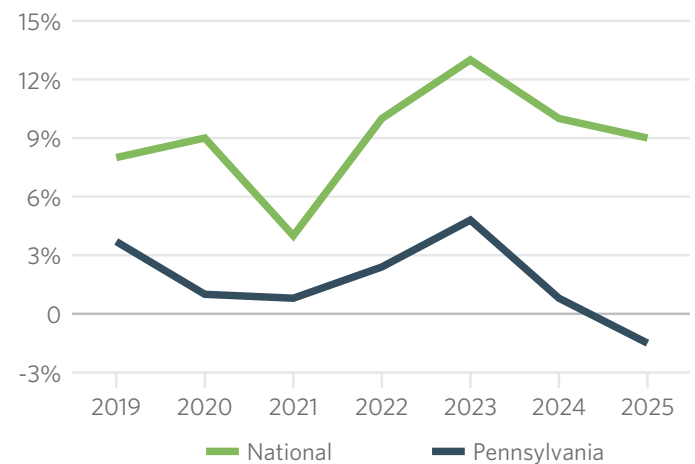
▶ To address this issue, Pennsylvania policymakers should advance reform that allows LIFE providers to conduct their own FEDs as part of the enrollment process.

### • Pass SB 482: Require the IEB to Connect Potential Participants Directly with LIFE Programs

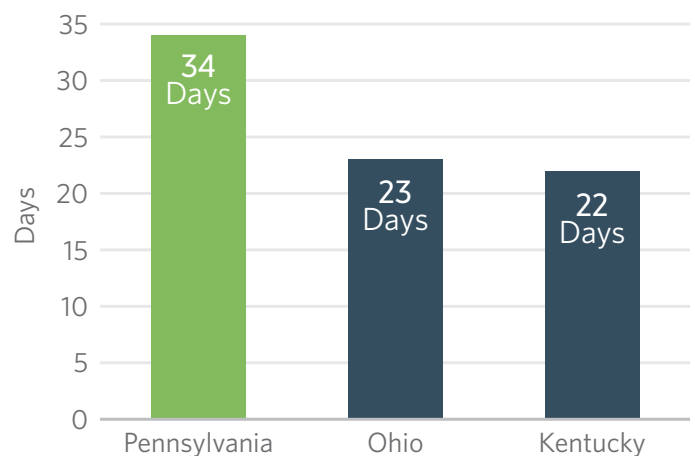
▶ By ensuring seniors and their families are properly informed about the LIFE program, [SB 482](#) will improve outcomes, generate savings for Medicare and Medicaid, and allow more Pennsylvanians to age safely and comfortably at home.

▶ The bill would require the Independent Enrollment Broker (IEB) to proactively inform eligible seniors about the LIFE program and forward relevant referral information to the corresponding LIFE provider, enabling timely follow-up and faster enrollment.

**FIGURE 2**  
LIFE Growth Lags Behind National Average



**FIGURE 3**  
Average Number of Days it Takes a Senior to Enroll in the LIFE Program





## Testimony for the Record

Submitted to the  
Pennsylvania House Aging and Older Adult Services Committee  
For the Hearing

“Informational Hearing on the LIFE Program”  
April 14, 2026  
LeadingAge

Good morning, Chairwoman Madden, Chairman Mentzer, and Members of the Committee. I’m Georgia Goodman, the Director of Medicaid Policy at LeadingAge and I’m grateful for the opportunity to join you today to talk about the LIFE program in PA, known nationally as the Program of All-Inclusive Care for the Elderly (PACE), (notably different than PA’s pharmacy PACE assistance program serving older adults).

A little background on LeadingAge: We are a national association and represent more than 5,300 nonprofit and mission-driven aging services providers serving older adults and touching millions of lives every day. From our national headquarters in Washington, DC, and in collaboration with our state partners, including LeadingAge Pennsylvania, representing members active in 50 states, the District of Columbia, and Puerto Rico, we use advocacy, education, applied research, and community-building to make America a better place to grow old. Our membership encompasses the entire continuum of aging services, including skilled nursing, assisted living, memory care, affordable housing, retirement communities, adult day programs, hospice, Programs of All-Inclusive Care for the Elderly (PACE), and home-based care. We bring together the most inventive minds in the field to lead and innovate solutions that support older adults wherever they call home.

### **Expanding Access to LIFE for Older Adults: Rural Health Transformation Program**

Pennsylvania has a robust history of supporting the LIFE program, being an early adopter of the innovative program well before most other states. The state has proposed to support the growth of LIFE to support more older adults in rural areas of the state through the newly available rural health transformation program (RHTP). These dollars, made available through the July 4, 2025, enactment of HR 1, are intended to support sustainable investment in state healthcare infrastructure to improve access to services for individuals residing in rural areas. These funds provide a unique grant opportunity for LIFE programs, which are not typically eligible for alternative payment programs under Medicare or Medicaid. Pennsylvania’s RHTP plan includes opportunities for LIFE programs to deploy technology solutions to improve access to behavioral health services and develop mobile clinics to reach deeper into rural communities’ older adult populations in the state’s northern tier.

In aligning with the goals and objectives outlined in Pennsylvania’s application for RHTP, the state could consider ways to facilitate partnerships between existing PACE programs and rural senior affordable housing and other naturally occurring aging communities. Our members across the country are exploring ways to co-

locate PACE programs in or adjacent to buildings and communities housing PACE-eligible older adults. Housing and PACE members from Boston to Los Angeles are partnering to facilitate older adult access healthcare and comprehensive long-term services and supports through thoughtful space-sharing, health fairs, and joint education on health lifestyles. More intensive partnerships bring together members prior to construction with intentionally designated space in housing member communities for PACE service delivery and participant engagement.

PACE/LIFE programs face significant limitations in their ability to market to older adults and are federally prohibited from direct marketing. Through local partnerships, education and community-building provides programs with opportunities to improve visibility and understanding of the services and community available through LIFE programs.

Additionally, the state could look for ways to support innovative opportunities for care through fostering community partnerships between LIFE programs and existing community-based services providers as alternative care sites. Many of our adult day services programs in rural areas are providing LIFE-lite services, including extensive care management, family caregiver supports, and access to preventive primary care. In rural areas, tapping into the strengths of these local providers supporting small towns allows individuals to remain in their geographic and social circles, to support improved cognitive engagement, stave off decline, and limit long transportation to distant LIFE program centers. By thinking outside the box, Pennsylvania could cultivate innovations in LIFE that take care and services beyond the traditional catchment areas of LIFE centers to meet people in their small towns, while still assuring access to the full breadth of specialist and healthcare services mandated by federal regulations governing LIFE service provision.

#### **Other Spaces for Growth: Veteran's Affairs and DOLE Act Opportunities**

In January of last year, the president signed the Elizabeth Dole Veterans Healthcare and Benefits Improvement Act. Within the new law, the LIFE program becomes an available option for eligible veterans living in LIFE service areas. Across the country, Veterans Medical Centers are developing network contracts with PACE programs to avail themselves with the comprehensive coordination of PACE program benefits to veterans.

Pennsylvania should urge VA Medical Centers to engage with local LIFE programs to understand how the LIFE program can stabilize and transform health care and supportive services for veterans. From our experience with other provider categories, like adult day services, availability of and referral for community-based services from VA Medical Centers is variable and limited beyond traditional home care. Social work and geriatric/extended care staff in VA Medical Centers are not always optimally informed about community services available to veterans in their communities. Education about LIFE programs through state-mandated training would ensure medical center staff responsible for establishing community care plans for veterans are aware of the LIFE program and can provide referrals for appropriate veterans.

#### **Efforts to Maintain LIFE Parity in Choice Counseling**

As we look across states, strong state oversight and engagement in contractor oversight benefits participants enrolled in services and providers across the care continuum. Pennsylvania has taken a strong approach to participant and provider protections in their requests for proposals for the Community HealthChoices (CHC) program. These protections include many provisions designed to protect enrollees and providers like any willing provider clauses and continuity of care and services protections for enrollees. Of course, there is always opportunity for evolution and growth, and we propose the state should continue to monitor how its contract oversight continues to fulfil goals protecting providers and participants, including choices for available care and services.

The LIFE program in Pennsylvania has survived the tumultuous transitions both to a single independent enrollment broker (IEB) and to the managed long-term services and supports program, CHC. Within this process, the state also adopted new processes and protocols for conducting the functional eligibility determination by the local Area Agencies on Aging through an LLC, AgingWell. As all programs face growing pains from their adoption, we urge ongoing attention from the contract oversight entities in the state that are responsible for drafting and procuring these services to prospectively and prescriptively include information about LIFE. Some examples would include choice counselor and assessor education on the LIFE program, reporting metrics on program enrollments and timelines, along with procedures and scripts that include LIFE at all relevant points where a contractor is interacting with a potential enrollee in any MLTSS product- LIFE or CHC.

### **Conclusion**

LIFE programs provide comprehensive and integrated services with a focus on whole-person wellbeing, inclusive of health, social-emotional wellbeing, and functional skill retention. Foundational support for LIFE programs at the state and community level is necessary to continue program and provider viability and maintain access for people in and eligible for the program. Renewing Pennsylvania's commitment to LIFE providers through education to contractors and community partners coupled with financial investment in program expansion will benefit the state, older adults, and communities served by LIFE programs.

Thank you for your time today, and your ongoing commitment to improving benefits and services for older adults in Pennsylvania.

**PALPA**



**Pennsylvania LIFE Provider Alliance**  
**Living Independence for the Elderly**

House Aging & Older Adult Services Committee

Hearing on the LIFE Program in Pennsylvania

April 14, 2026

Testimony of Mike Chirieleison

Executive Director, PA LIFE Providers Alliance (PALPA)

Good morning Chairwoman Madden, Chairman Mentzer, and members of the House Aging & Older Adult Services Committee. My name is Mike Chirieleison, and I serve as the Executive Director for the PA LIFE Providers Alliance, or PALPA. PALPA consists of eight LIFE providers currently operating in Pennsylvania and as an association we strive to represent the interests of the LIFE program and the participants it serves.

A total of nine entities operate LIFE programs in Pennsylvania, currently serving over 8,000 participants at day center sites across 54 of the Commonwealth's 67 counties. Known as PACE nationally (the Program of All-Inclusive Care for the Elderly), there are 202 PACE programs operating in 33 states and the District of Columbia, serving nearly 90,000 participants. In Pennsylvania, LIFE is the alternative program of long-term services and supports while Community HealthChoices (CHC) is the default mandatory Medicaid program for those eligible individuals.

The LIFE Program is the only fully integrated program of comprehensive care for eligible Pennsylvanians age 55 and older – where the program is both the provider and the payor of necessary services and supports – allowing for the LIFE provider to truly and fully manage the care of participants according to their unique needs through an interdisciplinary team of providers. This interdisciplinary team includes both clinical and non-clinical staff - from van drivers transporting participants to the day center to specialty therapists and doctors working in concert to keep participants healthy for as long as possible and out of costlier treatment settings in a patient-centered manner.

LIFE providers offer a comprehensive series of services which include transportation, medical care, behavioral health, dental care, rehabilitation services, meals, prescription medications, socialization, social work services, in-home care, and even personal care services like laundry, grocery shopping, and bathing. As is clear to see, and many of you have seen firsthand, this is truly an all-inclusive care model where care is delivered with an emphasis on prevention and centered on what the individual needs, rather than arbitrary care limits or cost limits.

Not only is this model of care patient-centered with strong outcomes, but it also is budget friendly. For example, for every individual who receives care through the LIFE program instead of CHC, the Commonwealth saves over \$39,000 to the Medicaid program each year. Totaled across approximately 7,500 Medicaid/Medicare dually eligible participants served, the annual savings to the Medicaid program is approximately \$300 million. In fact, the LIFE program is federally required to cost less than the alternative programs in which those same or similarly-situated individuals would otherwise receive such services – which in Pennsylvania is Community HealthChoices. That cost difference, known as the “Amount that Would Otherwise be Paid” or AWOP, is calculated each year by the state’s actuary, the same actuary that calculates MCO rate ranges for the CHC program, to ensure the LIFE payment rate is lower than the amount paid for individuals enrolled in CHC. Currently, the LIFE rate is 56% of the AWOP for the SFY25-26, meaning that for every dollar the state pays for an individual enrolled in CHC, the LIFE program receives only 56 cents to provide those same services to similar individuals. Knowing that eligible individuals have two program

choices for long-term services and supports, either LIFE or CHC, as stewards of Commonwealth dollars, finding ways to support the LIFE program makes good fiscal sense.

As policy makers, there are ways that you can help encourage the growth of the LIFE program. The General Assembly helped LIFE providers reach more individuals with the 8 percent rate increase included in the FY 2024-2025 budget. This increase helped programs keep pace with growing costs but recall that they are still working with just 56 cents on every dollar that CHC receives for this same type of care and more financial flexibility is needed. More recently, you have also done great work on this earlier this session with the passage of House Bill 1894. HB 1894 would ensure that individuals receive appropriate counseling on the LIFE program during the long-term services and supports enrollment process. This would require Maximus, PA's independent enrollment broker, to have individuals sign an attestation saying that they were counseled on the LIFE program as an option during their enrollment. We believe this will help ensure that, while CHC is the "default" option for individuals, they are also hearing about the LIFE program and its benefits. But more work can be done to help streamline processes and increase convenience for individuals.

During the enrollment process, applicants are screened for both financial eligibility by the Department of Human Services' Office of Income Maintenance and clinical eligibility through Aging Well, a subsidiary of the PA Association of Area Agencies on Aging (P4A). During the clinical eligibility process, Aging Well utilizes a standardized functional eligibility determination (FED) screening tool to assess the extent to which an applicant for services requires a level of support typically provided in a nursing facility. To be eligible for the LIFE

program, a person must be deemed nursing facility clinically eligible, or NFCE. If an eligible individual selects the LIFE program, the local LIFE provider is also required to do an in-home assessment because federal regulations require the program to ensure all LIFE participants are safe to serve in the community. With legislative changes, we could streamline this process by allowing the LIFE program to utilize the same objective FED tool to assess clinical eligibility and perform the safe-to-serve assessment at the same time. This would cut down on the number of in-home visits during the enrollment process, making it easier and more convenient for the older adult and their family.

This can be done in a conflict-free manner as well. LIFE providers could perform the FED assessment at their own cost, while allowing Aging Well to review the FED results for accuracy and still be paid fully for their role in the process. PACE providers are currently doing clinical eligibility determinations in other states like California, New York, New Jersey, Kentucky, Michigan, and Virginia through a variety of processes that are approved by those states and the Centers for Medicare and Medicaid Services (CMS) and accommodated utilizing contracted vendors to state Medicaid programs with the authority to review or audit the level of care determinations performed by PACE organizations. Allowing LIFE providers in Pennsylvania to do the same would provide greater convenience for older adults and streamline processes at the same time and we would appreciate any work the General Assembly could do to give providers this ability.

Finally, to offer these comprehensive services to participants, providers need a rate structure that supports their work. Going back to SFY 2010-11, the LIFE Program capitated payment rate was 87% of what the state otherwise paid for dual eligible individuals,

compared to only 56% for the SFY 2025-26. Over that period, the amount paid by the state for individuals not served by LIFE has grown to a staggering 75%, while LIFE payments have only increased 11.5% during that same 15-year period. For this budget year, LIFE Providers are requesting a minimum payment rate for LIFE set at 60% of Community HealthChoices (CHC)-equivalent costs (AWOP). This requires approximately \$19.3 million in annualized state funding in the FY 2026–27 budget. This 4% increase would help providers offer quality, comprehensive care and potentially allow for providers to explore expansion to more parts of the Commonwealth not currently served by the LIFE program.

We certainly know the growing fiscal challenges in Pennsylvania, but supporting the LIFE program can help relieve some of those pressures. Between a more robust rate structure along with enhancements to the enrollment process like HB 1894 and streamlining the clinical eligibility process, we can work together to grow the LIFE program. Enrolling more eligible individuals in LIFE diverts state resources away from costlier programs like CHC, saving 40 cents on the dollar even with the requested minimum of 60% of AWOP. We look forward to partnering with any of you willing to work with us on these impactful initiatives and are grateful for your interest in the LIFE Program. I am happy to take any questions you may have.



**House Aging & Older Adult Services Committee  
Informational Meeting on the  
Living Independence for the Elderly (LIFE) Program  
Tuesday, April 14, 2026**

**Testimony by:  
Chuck Quinnan  
SVP and Chief Government Affairs Officer  
LeadingAge PA**

Good afternoon, Chairwoman Madden, Chairman Mentzer, and members of the House Aging and Older Adult Services Committee. My name is Chuck Quinnan, Senior Vice President and Chief Government Affairs Officer at LeadingAge PA. Thank you for the opportunity to speak on behalf of our member providers operating Pennsylvania's Living Independence for the Elderly (LIFE) program across the Commonwealth.

LeadingAge PA is comprised of more than 420 mission-driven providers of senior housing, healthcare, and community services across Pennsylvania. Our members represent the full continuum of aging services, including LIFE providers, nursing homes, personal care homes, assisted living residences, affordable senior housing, and other community-based supports.

The LIFE program, which is nationally recognized as the Program of All-Inclusive Care for the Elderly (PACE), is an alternative to Community HealthChoices (CHC) and enables older adults who are eligible for skilled nursing care to remain in their own homes and communities while having their physical, medical, social, and behavioral health needs met through a coordinated, interdisciplinary care model.

At its core, LIFE ensures older adults receive the right care, at the right time, in the right setting. Research consistently shows that this model is associated with lower hospitalization rates, shorter hospital stays, reduced caregiver burden, and enhanced quality of life.

And importantly, LIFE is not just clinically effective, it is fiscally responsible.

For every individual who receives care through LIFE instead of CHC, the state Medicaid budget saves over \$39,000 each year. Across approximately 7,500 dual-eligible individuals currently enrolled in LIFE, that translates into roughly \$300 million in annual Medicaid savings for the Commonwealth.

In many ways, LIFE reflects exactly where healthcare policy is heading nationally.

As policymakers increasingly prioritize value-based care, care coordination, and reduced utilization, LIFE has already been delivering on those goals for decades through prevention-focused, coordinated, whole-person care that improves outcomes while lowering costs.

However, despite the program's demonstrated value, LIFE payment rates have failed to keep pace with rising operational costs.

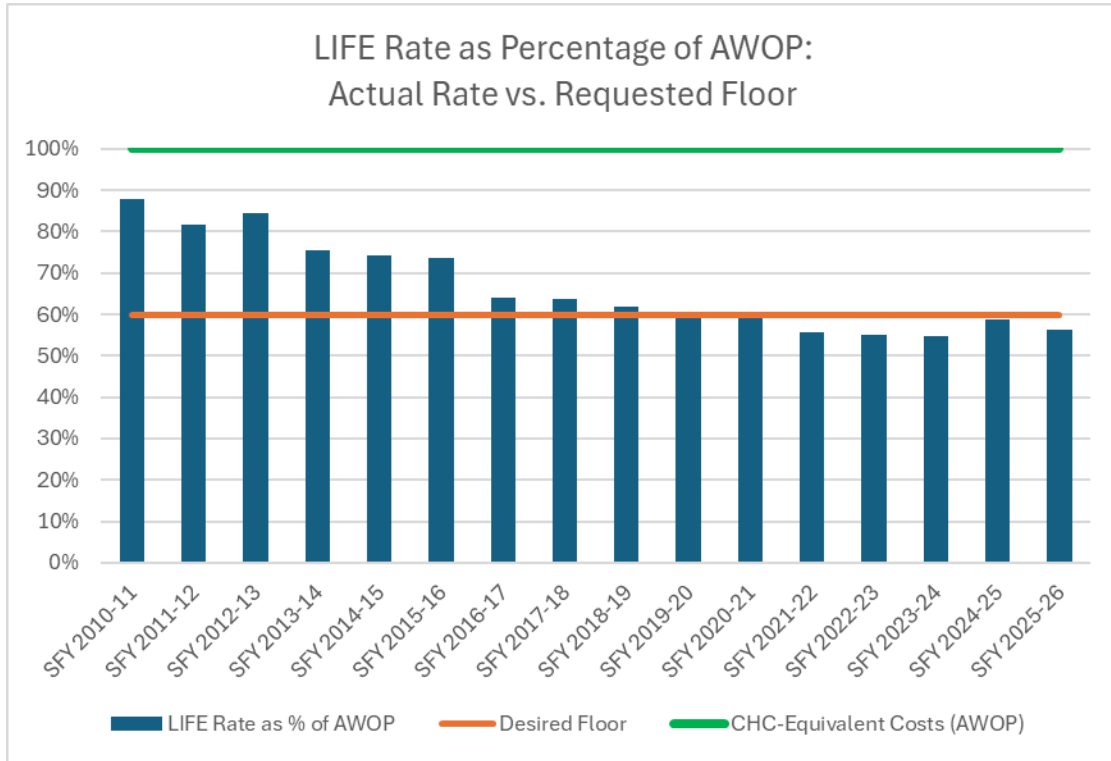
### **Tying LIFE Payment Rates to a Minimum 60% of AWOP**

The Amount that Would Otherwise be Paid, or AWOP, reflects rising CHC care costs, but LIFE providers face these same increasing expenses without a commensurate rate increase, creating a significant and growing financial gap.

The AWOP factors in costs associated with behavioral health services, pharmacy expenses, nursing home rates, transportation, workforce pressures, and other operational needs, resulting in an actuarially calculated per member per month value that reflects what it would cost to care for similarly situated individuals if they were enrolled in CHC instead of LIFE. In 2010, LIFE rates as a percentage of AWOP were nearly 90 percent.

Currently, Pennsylvania sets LIFE rates at whatever they were the prior year, with no direct correlation to the AWOP and no meaningful consideration of increased provider costs. Due to not receiving any funding increase in last year's budget, current LIFE Medicaid payment rates represent the equivalent of just 56.4 percent of AWOP. We are grateful that the Pennsylvania General Assembly appropriated a \$15 million increase in the FY 2024-25 budget, because LIFE rates would have eroded to just 52% by this year, but consistent investments are needed moving forward.

To help stabilize the program and ensure long-term sustainability, LeadingAge PA respectfully requests that the Commonwealth tie LIFE payment rates going forward to a minimum floor of 60 percent of AWOP.



This investment would require approximately \$19.3 million in annualized state funding in the FY 2026-27 budget and would preserve at least a 40 percent savings to the state while bringing greater predictability and sustainability to the LIFE funding structure.

### **Improving Awareness and Enrollment**

In addition to reimbursement reform, continued efforts are needed to improve awareness and access to the program. The Long-Term Care Council, through *Aging Our Way, PA*, has committed to launching a public awareness campaign to expand the availability and use of the LIFE program as an alternative option to more costly service utilization, such as personal assistance, nursing facilities, and hospital stays. We are grateful for this commitment and look forward to supporting its implementation.

However, the lack of awareness surrounding LIFE remains a significant obstacle and we need a multifaceted approach. Eligible older adults and families cannot utilize a program they do not know exists. We also appreciate the introduction and passage by this chamber of House Bill 1984, sponsored by Chairwoman Maureen Madden and Chairman Steven Mentzer. This

bill aims to enhance transparency and accountability in the enrollment process, ensuring that individuals are better informed about the full range of care options available to them.

Furthermore, we encourage the Commonwealth to examine barriers that unnecessarily restrict access to LIFE services, including the need to implement solutions that would allow LIFE to serve more seniors in additional settings such as personal care homes. We also must create more efficient enrollment processes so that older adults have better and more timely access to care and supports when they need it.

As Pennsylvania's older adult population continues to grow, we must ensure our policies support innovative, cost-effective, community-based care models that preserve independence, improve outcomes, and responsibly steward taxpayer dollars. The LIFE program is a critical component of Pennsylvania's aging services ecosystem, and like every part of that continuum, it helps support and stabilize the broader network of care. We cannot allow this proven and valuable program to weaken due to inaction.

Thank you once again for the opportunity to testify today. We are eager to collaborate with the Pennsylvania General Assembly in our ongoing efforts to support LIFE providers and ensure that our older adults can access this valuable option that they truly deserve.



Pennsylvania  
**Department of Human Services**

House Aging and Older Adult Services Committee

Informational Meeting: LIFE Program

April 14, 2026

Chair Madden, Chair Mentzer, and members of the House Aging and Older Adult Services Committee, thank you for allowing the Department of Human Services (Department or DHS) to provide testimony about the Living Independence for the Elderly (LIFE) Program. I am Juliet Marsala and I serve as the Deputy Secretary for the Office of Long-Term Living (OLTL) for DHS. I would like to thank you for the opportunity to testify today regarding the Department's LIFE Program, which is overseen by OLTL. The LIFE Program, known nationally as the Program of All-Inclusive Care for the Elderly (PACE), was established by CMS as a permanent entity within the Medicare program and enables states to provide PACE services to Medicaid beneficiaries as a state plan option. Operationally, the PACE program is unique as a three-way partnership between the Federal government, the State, and the PACE organization<sup>1</sup>. PACE is a managed care program allowing older Pennsylvanians to live independently in the community.

DHS is committed to providing more opportunity and supports that allow aging Pennsylvanians and people with disabilities to live in their community – allowing older Pennsylvanians to age in place and providing greater independence and choice that people deserve. LIFE is an option for adults with disabilities to live independently in the community while receiving services that meet their health, social and personal needs. The LIFE Program is the alternative option to the Community HealthChoices (CHC) program. LIFE is designed for individuals age 55 and older, assessed as eligible for a nursing facility level of care, who live in a LIFE service area, and can be safely served in the community by the LIFE Provider.

Pennsylvania has a long and proud history of providing LIFE. In 1998, Pennsylvania became one of the first states in the nation to offer LIFE Programs and we have been a leader ever

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<sup>1</sup> <https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-E/part-460>

since. According to the National PACE Association's latest PACE in the States report<sup>2</sup> population data, Pennsylvania has the highest per capita program enrollment in the nation. There are 200 PACE programs nationwide and 9% of those programs are in Pennsylvania. Pennsylvania has 18 providers operating 57 centers across 54 counties in Pennsylvania. Pennsylvania is also a national leader in the number of operating centers. We serve approximately 9% of the nation's enrollment with over 8,000 Pennsylvanians served last year. Pennsylvania was also the first state to implement the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) survey, which is a standardized survey tool developed by the Agency for Healthcare Research and Quality and Centers for Medicare & Medicaid Services (CMS) to measure consumer experiences of LIFE provider organizations. We are very proud to be a national program leader.

### **Program Description and Services**

The LIFE Program is unique in its three-way partnership between CMS, the State, and the LIFE Provider Organizations (LIFE-POs). CMS depends on DHS as the single point of contact on all state-related requirements. Unlike fee-for-service health care programs, LIFE-POs have a capitated payment system in the form of per member per month (PMPM) rates. Funding for LIFE-POs comes from four main funding sources: Medicare Parts A&B, Medicare Part D, Medicaid and Private Pay. CMS sets the Medicare Parts A, B, and D rates and the State sets the Medicaid rates in accordance with CMS guidelines and funds allocated by the General Assembly<sup>3</sup>. The majority of Pennsylvanians enrolled in a LIFE program are dually eligible for both Medicare and Medicaid services, so LIFE-POs payments are a bundle of the Medicare Parts A, B, D and Medicaid.

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<sup>2</sup> [National PACE Association PACE in the States Report, February 2026](#)

<sup>3</sup> <https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/pace-med-cap-rat-set-guid.pdf>

LIFE provides fully integrated managed long-term care, acute care, behavioral health, and home and community-based supports. The model is based on the interdisciplinary team working with the participant and family to develop a care plan tailored to meet their needs. Some of the services provided under LIFE include adult day services, dental care, lab and x-ray services, optometry services and eyeglasses, podiatry, pharmaceuticals, personal care, medical and non-medical transportation, as well as recreational and socialization activities, social services, durable medical equipment, behavioral health services, emergency care and meals. It really is the most integrated long-term care program we offer for those who meet the eligibility requirements. As federally required, the LIFE Program must provide all needed medical and supportive services where Medicare and Medicaid benefit limitations and conditions relating to amount, duration, scope of services, deductibles, copayments, coinsurance, or other cost-sharing do not apply.

DHS is committed to ensuring the LIFE Program is presented to all eligible individuals as a valuable option for Pennsylvanians. DHS has worked with the LIFE-POs and their representative associations, Pennsylvania LIFE Provider Alliance (PALPA) and LeadingAge PA, to create DHS informational material that includes a thorough description of the LIFE Program and presents the LIFE Program as an alternative long-term care enrollment option for all individuals who are eligible regardless if they are newly seeking services or are already enrolled in an existing program like Community HealthChoices. DHS and the CHC managed care organizations are required to inform all eligible individuals about LIFE on an annual basis.

### **Enrollment in LIFE**

In May 2021, DHS began statewide implementation of streamlining LIFE Program enrollments through its partnership with the Independent Enrollment Broker (IEB). The IEB is responsible for providing educational information and unbiased choice counseling about CHC and

the LIFE Program to potential participants. If an applicant is interested in the LIFE Program, the IEB sends the applicant's information to the appropriate LIFE provider for follow-up. Since its statewide enrollment implementation, the IEB has generated an increase in new referrals to the Pennsylvania LIFE-POs, amounting to a 6% increase in the LIFE-POs' enrollment growth.

Enrollment into the LIFE Program includes an in-home visit assessment with the IEB to provide choice counseling, a functional eligibility determination assessment completed by the Independent Assessment Entity, Aging Well, PA, along with a physician's certification to determine clinical eligibility if an active determination is not on file. The financial eligibility determination is made by the County Assistance Office; a safe to serve assessment is completed by the LIFE Provider; and a signed enrollment agreement is established between the applicant and LIFE-PO. These processes are in place in accordance with federal requirements for our managed care programs. The LIFE enrollment process is important to ensuring program integrity and meeting conflict-free provisions of [42 CFR 438.810](#).

Since the implementation of CHC, DHS annually mails a LIFE flyer to those CHC participants otherwise eligible for the LIFE Program, informing them about the program and their ability to switch to the program if they so choose. DHS closely monitors the education and enrollment of individuals for the LIFE Program through Act 40 of 2018, which requires the Department to issue a report at the end of each quarter that tracks the enrollment of eligible individuals in long-term care service programs, including managed care organizations and LIFE Programs by county. Additionally, as required by Act 54 of 2022, the Department has been issuing a report at the end of each quarter that tracks LIFE Program outreach, communications, and trainings.

In 2024, the LIFE Program had a 1.8% increase in their total census. While 2025 showed LIFE Program growth to be stagnant, DHS has seen an increase in disenrollments from the LIFE

Program over the last five years. Some of the top disenrollment reasons provided by participants include admission to a nursing facility, despite it being a covered service in the LIFE Program; choosing another Medicaid program or Medicare plan; choosing another Medicaid provider; and dissatisfaction with the program.

<b>Annual Rate of Enrollment Growth vs Disenrollment Growth*</b>					
<b>Census Growth</b>	<b>Year</b>	<b>Enrollments</b>	<b>% Increase</b>	<b>Disenrollments**</b>	<b>% Increase</b>
	<b>2021</b>	1953		851	
2.77%	<b>2022</b>	2280	16.74%	1188	39.60%
4.93%	<b>2023</b>	2362	3.59%	1256	5.72%
-0.82%	<b>2024</b>	2379	0.72%	1353	7.72%
-0.76%	<b>2025</b>	2227	-6.38%	1343	-0.74%
*Generated using LIFE Provider Reporting **Disenrollments do not include deaths					

One concern we often hear is that applicants wish to stay with their primary care provider or current network of providers, which is much easier to do within CHC’s provider networks vs. the LIFE Program’s interdisciplinary team model and smaller contracted provider networks. Another challenge is federal regulation that limits enrollment window to the first of the following month and requires applicants to be “safe to serve in the community” which requires the LIFE-POs to deny enrollment into their programs if the LIFE-PO determines they cannot meet the individual’s needs safely in their home, ultimately redirecting those individuals into CHC.

**Investment in LIFE**

DHS remains committed to working with its LIFE-POs and CMS on the development of innovative approaches that would allow us to offer LIFE Program services statewide. Over the past several years, DHS has been working to expand LIFE Program services across the Commonwealth.

To date, LIFE services are being provided in 54 counties in Pennsylvania and 60 out of the 67 counties in the Commonwealth are assigned to a LIFE-PO. DHS is able to offer the LIFE Program to over 90% of PA's LIFE-eligible population in its current 54 county service area.

In September 2025, DHS issued a notice of solicitation in the Pennsylvania Bulletin to expand the LIFE Program to serve the remaining 12 unawarded counties, which at the time, included Adams, Bradford, Carbon, Centre, Huntingdon, Monroe, Pike, Potter, Sullivan, Susquehanna, Tioga and Wayne Counties.

On October 10, 2025, DHS assigned the Centre, Carbon, Monroe, and Pike County LIFE service areas to LIFE Northwestern PA (NWPA), and Adams County to Albright LIFE, allowing readiness and implementation activities to begin effective immediately. The awards were based on the evaluation of interest received in response to the September 13, 2025, published notice [55 Pa.B. 6643]. The expansion of LIFE NWPA and Albright LIFE into these counties offers the most comprehensive approach to serving those adults and advancing the LIFE Program in Pennsylvania. Next steps for the eight remaining unassigned and inactive counties remain under consideration.

In recent fiscal years, the LIFE Program providers received a 2% appropriation increase effective July 1, 2021; a 1% appropriation increase effective July 1, 2023; and another 1% increase effective January 2025 to support enrollment growth. DHS has been working with the LIFE-POs to evaluate the rate setting process for the LIFE Program providers. DHS is aware of a request to evaluate the LIFE rate-setting methodology to make it more aligned with the rate-setting methodology in CHC. Particularly, the CHC rates must be actuarially sound and include an evaluation of encounter data from the CHC-MCOs. Currently, DHS does not receive Medicaid encounters on the long-term services and supports (LTSS) services provided by the LIFE Programs. As required at [42 CFR 460.92](#) the PACE benefit package must include all Medicaid-covered

services, as specified in the state's approved Medicaid State Plan. Given that the entire LIFE population is clinically eligible for nursing facility-based care (NFCE), like those enrolled in CHC, LTSS are a crucial component of program costs. This lack of comparable data precludes OLTL from setting LIFE capitation rates in the same manner as CHC capitation rates. Therefore, receiving Medicaid encounter data is essential to moving toward an alternative rate setting process and allowing DHS to gain a more comprehensive accounting of the services that LIFE participants receive and program funds are utilized.

In response to this request DHS has been working diligently in collaboration with the LIFE-POs to lay the foundation for a LIFE Program specific rate setting process, which requires the standardization and validation of both financial and encounter data. The collection of Medicare encounter data is now in full production. The submission and review of standardized financial reporting is underway, but upon initial analysis, DHS is finding under-reporting of service utilization. The final and most integral step is the collection of Medicaid encounter data, and the kick-off for this initiative was held by DHS in May 2024. In July 2025, DHS began receiving test submissions from most LIFE Providers, and in its commitment to work collaboratively with the LIFE Providers on this initiative, DHS allowed for a pause in submissions to give providers more time to build and/or enhance their data systems to better accommodate automated submissions. DHS plans to resume collecting submissions in August 2026.

To support LIFE-POs' progress toward submitting Medicaid encounter data, in October 2024, DHS developed and announced a funding opportunity under an approved American Rescue Plan Act (ARPA) home and community-based services spending plan that provided funds to LIFE-POs to strengthen services provided under the LIFE Program. The purpose of the funding opportunity was to implement quality improvement projects by LIFE-POs that are focused on

supplementing activities in a manner that improves and strengthens the quality of services provided. Sixteen of the 18 LIFE-POs applied for and received a total of \$4.5 million in funds which were required to be spent by September 30, 2025. DHS continues to partner with the LIFE-POs to develop a final Medicaid encounter data dictionary and allow time for the LIFE-POs to make system changes for their data submissions.

### **New Investments in LIFE**

Pennsylvania's Rural Health Transformation Plan (RHTP) includes propelling the LIFE Program model into some of our most rural counties. This expansion in northeastern Pennsylvania advances our goal to increase access to fully-integrated care for individuals who are dually eligible for Medicare and Medicaid. The RHTP also includes a technology-forward expansion of integrated behavioral health services and telehealth-enabled care at existing LIFE centers across Pennsylvania. This initiative is designed to bridge care gaps for rural seniors by delivering whole-person, wrap-around services that address both physical and mental health needs.

Additionally, in the last few months, DHS has begun collaborating with the Pennsylvania Department of Aging (PDA) to ensure information and education on the LIFE Program is provided to individuals who contact the PA Link for assistance. This is part of a broader effort under PDA's Aging Our Way plan. PA Link is a part of a nationwide effort to help people with disabilities and older adults who need help with activities of daily living find information and connect to support and services in their community through Aging and Disability Resource Centers.

Finally, by learning from other states' successes in PACE/LIFE, DHS is evaluating allowing multiple LIFE-POs to operate in shared service areas as a strategy to further strengthen and expand the LIFE Program networks and increase program enrollment. Currently, Pennsylvanians contemplating LIFE Programs do not have a choice of LIFE-POs given there is only one LIFE

provider operating in any given service area by zip codes. In comparison, Pennsylvanians enrolled in CHC currently choose from among three Medicaid MCOs and dually eligible participants can choose between twelve Medicare options in addition to their CHC-MCO selection.

## **Conclusion**

As evidenced throughout this testimony, DHS recognizes the value and benefit of the model of care delivered by the LIFE Program and is committed to leading the program forward and expanding access to its services to all eligible Pennsylvanians. DHS performs ongoing monitoring of the LIFE-POs in tandem with CMS and has more recently increased its onsite auditing activities for early improvement detection and opportunities to the betterment of the program.

DHS holds quarterly meetings with all LIFE-POs and their associations which provides an open forum for discussion about program issues, questions, concerns, updates, and serves as a vehicle for collaboration on joint initiatives.

DHS continues to look at all opportunities to further develop, expand, and move the needle with its LIFE Program from our continual work with the providers to further streamlining the enrollment process along with the IEB and CAOs; to being the first state to implementing the HCBS CAHPS survey to our LIFE participants. DHS is committed to continuing its work on all of the LIFE Program initiatives presented here today and looks forward to future opportunities for program quality improvement.