



**COLORADO**  
Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

May 12, 2023

President Pump and Medical Services Board Members

**RE: Private Duty Nursing (PDN) Prior Authorization Requests (PAR) Updates**

Dear President Pump and Medical Services Board Members:

The purpose of this letter is to provide the Board with a summary of the Action Plan and work completed in response to the concerns raised about the utilization management process for the Private Duty Nursing (PDN) benefit. The administrative approval process has ended and all PDN PAR processes have resumed.

Please find outlined below, a summary of the issues identified, and work done to date on this program:

- **Stakeholders raised concerns about the notices that were sent when services were being denied.**
  - HCPF revised the notice to inform members of partial denials and full denials for medically necessary PDN services.
    - Drafts of these notices were reviewed with the Attorney General's Office, involved stakeholders, advocacy organizations, and members through the Member Experience Advisory Council (MEAC).
    - HCPF, at the recommendation of stakeholders, also created notices of PDN approval to increase transparency and communication. Approval notices that were sent in March received the same review process as partial and full denial notices.
- **Stakeholders raised concerns about denials of services.**
  - In reviewing the denials, HCPF identified a need for additional training and technical assistance for agencies that provide PDN services.
    - HCPF, working with Kepro, the Department's third-party fee for service utilization management vendor, outreached and worked

directly with 23 agencies responsible for submitting PDN PARs to Kepro. HCPF provided agencies with training on the submission of appropriate supporting documentation for private duty nursing requests.

- Because of this training, PDN providers began resubmitting PARs and supporting documentation in alignment with HCPF's training.
- o HCPF provided training to our Regional Accountable Entity (RAE) management and care coordination staff to ensure members are appropriately supported.
  - Most importantly, RAEs were trained how to support members to access alternative services or appeal after receiving a PDN denial.
- o HCPF is working on a case-by-case basis to ensure individuals receive the appropriate level of benefit which includes alternative services if the member does not qualify for PDN services.
- **Stakeholders requested transparency and engagement**
  - o HCPF has hosted webinars, created PDN FAQs, and presented at key forums. The Department continues to post updates related to PDN on the external facing [website](#).

### Moving Forward:

After administratively approving all PDN PARs since October 2022 to address concerns, **on May 1, the normal PDN PAR process resumed.**

- Throughout the month of March and April, members received decision letters, including approval and denial notices
  - o If a member received a denial notice, their **services continued for 15 calendar days after the end of the administrative approval.**
  - o If a member decides to appeal the denial, services will remain in place during the appeal.
- Kepro is reviewing all PDN requests within the contractually required 10 business days.
  - o If Kepro determines all or a portion of the requested hours are not medically necessary, members receive an outline of the denial and their appeal rights.
  - o Providers also receive a notification from Kepro.
- For a small group of individuals, the administrative program approval was extended through April 30, 2023.
  - o Their case reviews resulted in a partial denial and a “programmatic approval.”

- This means for some members the clinical information provided did not demonstrate the medical necessity of the hours requested. Some of the hours that were determined to not meet medical necessity were programmatically approved by the Department because they had been previously reviewed for medical necessity and approved as part of the utilization management process.
- These members received partial denial notices because there were additional hours beyond what was previously approved (and would fall under the “programmatic approval”) that was determined not to be medically necessary.
- Because some member’s hours were approved in part (through a programmatic approval) and denied in part, we sought an additional 30 days to ensure we crafted communications that are as clear as possible.

## **DATA**

The board has requested the Department provide an update on all current data in relation to PDN approvals and denials.

- Since November 2021, 948 members have had prior authorizations requests submitted for PDN services. Of those members, 86.5% had a full approval, 7.7% had a full denial, and 8.8% had a partial denial at some point during that time. Members can have multiple outcomes if they have had multiple cases since November 2021.
- This data is fluid. Denials may be due to not meeting medical necessity or for technical reasons. Providers continue to submit new requests or additional information that may change the outcome of these determinations.
- The Department has added this information to the [PDN website](#) and will update this information monthly.

### **Relevant Communications:**

[Informational Memo to Members, Families, and Advocates](#)

[Informational Memo to Providers](#)

If you have questions, or are aware of constituents with outstanding questions, please have them contact our staff at [homehealth@state.co.us](mailto:homehealth@state.co.us).

Sincerely,

**Adela Flores-Brennan**

Adela Flores-Brennan  
Medicaid Director

**Bonnie Silva**

Bonnie Silva  
Director, Office of Community Living