



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

1570 Grant Street  
Denver, CO 80203

**Message to update Medical Service Board Members on Private Duty Nursing Prior Authorization Requests**

November 16, 2022

President Pump and Medical Services Board Members:

The purpose of this letter is to provide the Board with an update on the implementation of the Action Plan that was developed in response to the concerns raised about the utilization management process for the Private Duty Nursing (PDN) benefit. The Department remains deeply committed to assuring that members with complex health needs have access to medically necessary services and that we have processes in place that support that outcome. We want to acknowledge that we have heard the level of concern from parents and caretakers and understand that this process has been deeply upsetting. We are working as quickly as possible and devoting staff and resources to understanding and resolving these issues so that families have better clarity moving forward. The Department wants the Medical Services Board (MSB) to have a full understanding of the depth and breadth of our committed response to this feedback.

For reference, we would like to also share some background. The Department previously paused PDN PARs and allowed them to remain paused throughout the first two years of the pandemic. Effective November 2021, after broad communication to the public and provider agencies, the PAR process was reinstated using a phased approach. This reinstated process progressed without incident until late summer 2022 when the Department began to hear concerns from member families for whom PDN requests were not fully approved due to insufficient documentation of medical necessity, or insufficient medical need for 24/7 services. As a result of this feedback, the Department has conducted a broad review of the PDN PAR processes and provided one-on-one training with the provider agencies. Please note that the Department has worked to address this feedback in multiple ways to improve processes, and assure that members receive medically necessary care, while improving operational throughput to expedite approvals for all qualified services.

**Immediate public communication and member supports:**

- To **assure immediate approval** of requested PDN services for all requestors, the Department authorized administrative approval of requested PDN services through Dec 31, 2022. This allows time for a thorough review and targeted research and interventions to improve the PAR process for all parties.
- The Department conducted two public stakeholder engagement meetings to open dialogue with stakeholders and parents and to answer questions (11/01/2022 and 11/10/2022).
- Department staff created an FAQ document for community and member consumption that is posted to the Department website. <https://hcpf.colorado.gov/private-duty-nursing-frequently-asked-questions>
- Department staff reached out to all members known to have shared dissatisfaction with PAR determinations to inform them about immediate approvals to support care and immediately approve requested services until 12/31/22 or until a final determination is made, and to help understand what documents are required to support medical necessity determinations.



- Department staff met with community stakeholder groups Colorado Center on Law and Policy, Family Voices, Colorado Cross Disability Coalition, and the Home Health and Hospice Association of Colorado to better understand current challenges and to support the development of more comprehensive and informative letters to members.
- Department staff have attended multiple Children’s Disability Advisory Committee meetings to hear directly from parents and help answer questions.
- The Department shared an email contact for members/providers to reach the Department directly.
- Through the Department’s vendor, we have sent notices directly to all members with PDN requests since November 2021 to inform them about the broad administrative approvals currently in place.
- The Department created a new workflow to send copies of all determinations not only to the requesting provider agencies, but also to inform the member/family. This information outlines specific rationale for the determinations (e.g., no documentation received from the respective agency).
- The Department is working to revise notices sent to members and families to ensure they are clear, and that members and families understand their appeal rights and their right for a continuation of benefits.

**Accountability for high quality service delivery**

- The Department is manually conducting thorough reviews of every PDN case with less than full PDN approval since the PARs were turned back on in November 2021.
- The Department determined that approximately 75% of member complaints are associated with a very small number of nursing agencies. We immediately launched critical one-on-one retraining with clear requirements about the agency’s responsibility to submit required medical necessity documentation, physician orders for services, and a comprehensive plan of care for the member.
- The Department is currently conducting analysis of all acceptance/denial rates to identify all irregularities or variations, by the providing agency, since November 2021.
- The Department is reviewing applicable policies and regulations to evaluate them for any necessary revisions.
- The Department is more closely overseeing and managing RAE care coordination responsibilities to manage member eligibility for alternative services via waivers or other services aside from PDN.

**Referrals to appropriate/supportive services**

- It has become clear through our engagement with parents and caregivers that they may be unaware of other services to meet member needs such as intermittent nursing, Certified Nurse Aide services, or waiver programs with supportive services. For this reason, we are building a model to inform parents/caregivers of referrals to other appropriate supports if the PDN request is not fully approved.

**Strict monitoring of agency training/submissions/required training**

- The Department is instituting a process to monitor denial rates across all PDN nursing service providers to monitor for variation.
- The Department is completing a review of all PDN requests since November 2021 to include medical necessity approvals vs administrative approvals, partial, full, and technical denial rates (e.g. insufficient medical necessity details to justify 24/7 care).



- The Department has instituted an internal daily huddle with leaders to discuss all initiatives underway to improve the PDN PAR process for members, and data findings.
- The Department requires that service providers (nursing agencies) immediately attend re-training for KEPRO (HCPF Utilization Management vendor) submissions.
- The Department is posting data to promote transparency to the public regarding findings and actions.

It is a top priority of the Department to address the issues that have been identified, while meeting our federal obligations to demonstrate that all authorized services are medically necessary at the level approved. To assure full support to members, our process has been to temporarily approve all PDN PARs. Continuing the PAR process allows us to see and assess all possible issues with the processes we are using. The Department understands that families have immediate concerns about PDN care. This is why we have temporarily approved all current PDN requests. It is our understanding that there are no families currently experiencing an absence or reduction of requested PDN services. This Administrative Approval process will allow us time to conduct outreach to families, work with our providers to ensure they understand PAR documentation and continuation of benefits requirements and update our notices to ensure greater clarity.

If you have constituents with 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

