



## COLORADO DEPARTMENT OF HEALTH CARE POLICY & FINANCING

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John W. Hickenlooper, Governor • Susan E. Birch MBA, BSN, RN, Executive Director

TO: Home Health Stakeholders  
FROM: Colorado Medicaid Home Health Team  
RE: Home Health/PAT Communication  
DATE: 8 May 2014

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This letter follows up on specific questions from the Department's March Home Health meeting, as well as the collective feedback document from multiple advocates and home health agencies received by the Department on March 21<sup>st</sup>.

Topics in this letter include:

- Pediatric Acuity Assessment Tool (PAT) Testing
- Standardized Notification Form
- ColoradoPAR Mechanisms for Requesting Additional Consideration
- ColoradoPAR Peer to Peer Review Process
- Maintenance of Service Levels While a PAT Appeal is Pending
- EPSDT Personal Care Services and the Personal Care Assessment Tool (PCAT)
- Legally Responsible Adult Question

### 1. PAT Testing History

The Department's Policy and Data units tested and re-tested the validity of the points scoring system associated with the Pediatric Acuity Assessment Tool in both virtual and real-world environments. The tool in use today is the product of thoughtful design. Listed below are the steps that comprised the PAT testing process:

- The original PAT was beta-tested by running 113 clients from 16 Home Health Agencies through the tool internally.
  - Medicaid Data department then analyzed the results for statistical outliers.
- Point values were correlated to these results as a starting point to reflect:
  - Specific services were driving care;
  - How long clients had been receiving care;
  - Relationship between skilled and unskilled hours needed

- The Data department analyzed the same client cases again using the correlated points as well as client examples with unusually complex combinations of diagnoses to further test validity of the data.
  - HHAs reported that specific modifiers did not accurately reflect actual needs. This was also reported by Colorado PAR, the Department's utilization management vendor. Point values for those areas were adjusted for additional weighting.
  - The client cases and examples were re-analyzed by the Data department and again compared to actual needs.
  - This is the version we are using now.
  
- The Department has contracted with a psychometrician to evaluate statistical validity and reliability of the tool. While she has not made her formal report yet, her initial review validated the process used and its accuracy in reflecting actual need.

## 2. Standardized Notification Form

In the collective feedback document prepared by advocates and home health agencies (provided to the Department on 3/21/2014), improvements were suggested to the standardized notification letter, which is used to communicate to clients the results of Prior authorization Requests (PARs). The purpose of this notification is to ensure client understanding of the PAT and/or Personal Care Assessment Tool (PCAT) results. The Department has asked this group for a template of their suggested language changes and will work to improve the letter's usefulness and readability.

## 3. ColoradoPAR Mechanisms for Requesting Additional Consideration

The Department has built multiple mechanisms for requesting additional consideration into the Pediatric Acuity Assessment Tool. Through these, families have options to challenge assessments that they feel are inaccurate. These mechanisms include:

- Box 8 on the tool, where the child's unique and complex needs should be fully described
- Peer-to-Peer Process – discussed in detail below (item #4), where the child's physician can speak directly to a physician at ColoradoPAR
- Reconsideration Process – where the child's case is sent for review by an independent physician

Please note, the mechanisms described above have been created by the Department to protect clients. They are conducted by Colorado PAR, and the Department does not participate, nor does it seek repayment from

clients on loss of appeal.

- The final mechanism is an appeal to the Office of Administrative Courts. Should clients appeal a decision, they have options and should discuss each with their Home health agency:
  - Clients may choose to accept the reduction in hours pending the outcome of their appeal
  - Clients may request that their home health agency maintain their level of service (refer to item #5 below for further information).

The mechanisms described above have been created by the Department to assist clients who experience reductions they believe are incorrect in their service hours. Under no circumstances should clients be made to feel that using these mechanisms may lead to a further reduction in hours.

#### 4. ColoradoPAR Peer to Peer Review Process

When a client or home health agency requests a Peer to Peer Review, it is the responsibility of the home health agency to call the client's physician immediately to make them aware that:

- This process has been initiated; and
- To expect a call from ColoradoPAR to discuss the client's case within 10 business days following the request

#### 5. Maintenance of Service Levels While Appeal Is Pending

Colorado Medicaid Legal Counsel has written the following statement defining the responsibilities of the home health agency in maintaining service levels when an appeal is pending. ***Please note that the agency is not financially responsible for client-requested maintenance of services:***

“Under circumstances where the state has reduced service levels for a client, Providers are required to maintain services at the higher level before the reduction, whenever two things occur: 1) the client has appealed the reduction in service AND 2) when the client or the client's representative elects to continue benefits. That election creates a financial obligation on the CLIENT if the client loses the appeal. The financial responsibility of the client to pay back the additional benefits paid by the state DOES NOT fall upon the provider. The state must pay the provider for the additional services requested by the client during the appeal. The provider is entitled to retain those payments after the client loses the appeal. Medicaid does not actively seek repayment from the client. However, if a county chooses to seek

reimbursement, the client is responsible for back-payment. Neither the state nor the county can seek reimbursement from the provider when the two conditions above have been satisfied.”

6. EPSDT Personal Care Services

Children who are receiving reduced hours due to the PAT determination and who need personal care services are eligible to request those services through their home health agency. Until Personal Care is approved as a Colorado Medicaid benefit, clients should work through their home health agency to make this request.

7. Legally Responsible Adult

Question from March meeting: Does the legally responsible adult need to be present while personal care services are being performed? Answer: This is not required in rule, so would be determined by the comfort level of the provider and the legally responsible person.