

## Exhibit 3: Most State Medicaid Plans Impose Some Limits on Private Duty Nursing (PDN)

State	Hours	Family Situation	Medical Device	Medical Need	Reimbursement
Arizona			Ventilator dependent	More than 2 hours of skilled nursing care at a time	
Arkansas			Ventilator or tracheostomy dependent	Require constant supervision, visual assessment, and monitoring	For ventilator dependent, cost must not exceed the cost for acute inpatient hospital care
Colorado	Up to 16 hours/day		Technology dependent		
Delaware	Up to 8 hours/day				
Indiana			Ventilator dependent		
Maine					Recipients must meet a specified level of care
Massachusetts	Up to 16 hours/day			More than 2 hours of skilled nursing care at a time	Must be least costly form of comparable care available in community and no more costly than institution
Minnesota					Different reimbursement for complex and regular PDN
Nebraska					Per diem reimbursement cannot exceed average cost of care in a nursing facility
Nevada			Technology dependent		
New Hampshire		PDN cannot provide all the care that a recipient requires to live at home		More than 2 hours of skilled nursing care at a time	
New York					Services provided by licensed practical nurses unless demonstrate need for registered nurses
<b>North Carolina</b>	<b>NO LIMIT ON PRIVATE DUTY NURSING BENEFIT</b>				
North Dakota	No limit on private duty nursing benefit				
Ohio	Up to 12 hours/day			At least 4 continuous hours/day of skilled nursing care	Different rules for on-going maintenance and post-hospital PDN
Tennessee		Must have trained, competent, and willing caregiver	Ventilator or tracheostomy dependent	At least 8 hours/day of skilled nursing care	Reimbursed up to the cost of nursing home care
Utah			Ventilator dependent		
Vermont	Not provided 24 hours a day	Must have trained primary and backup caregivers with ability to take on care responsibilities in anticipation of decreased level of supportive nursing	Technology dependent		Not reimbursed if requested to accommodate caregiver employment, illness, or absence
Washington		Families must assume a portion of care	Technology dependent	At least 4 continuous hours/day of skilled nursing care	
Wisconsin				At least 8 hours/day of skilled nursing care	

Source: Program Evaluation Division based on state Medicaid plan policies and personal communication.

## Exhibit 7: Cost-Containment Mechanisms for Private Duty Nursing (PDN) for Adults—A Snapshot Based on Calendar Year 2007

Cost-Containment Mechanism	Number of 2007 PDN Recipients Still Covered Under the Mechanism	Number of 2007 PDN Recipients Not Covered Due to the Mechanism	Potential Cost Savings <sup>i</sup> Due to the Mechanism			DMA Proposes the Mechanism in the Revised PDN Policy (see Finding 2)	Number of the 20 States Covering PDN Under State Medicaid Plans with a Similar Mechanism
			North Carolina Share (36%)	Federal Share (64%)	Total		
16-hour a day limit on service <sup>ii</sup>	155	0	\$ 394,885	\$ 702,018	\$ 1,096,904	✓	2
Recipients must have a trained caregiver available <sup>iii</sup>	135	20	1,833,762	3,260,022	5,093,784	✓	4
Medical Device							
Acuity tool used for approval and renewal of service	151	4	131,472	233,728	365,199	✓	0
Recipients must be technology dependent	151	4	131,472	233,728	365,199		4
Recipients must be tracheostomy or ventilator dependent	144	11	286,822	509,906	796,728		2
Recipients must be ventilator dependent	89	55	3,477,348	6,181,952	9,659,300		3
Recipients must require more care than is available from a visiting nurse or routinely provided by an institution	These changes are programmatic and will affect every recipient of the private duty nursing service. They clarify the criteria for determining medical necessity for the service and for the number of hours approved. In order to directly attribute cost savings to these mechanisms, the Division of Medical Assistance would have had to reevaluate each recipient's medical necessity for the service using these new criteria. Reevaluation of medical necessity would have taken a substantial amount of time.					✓	20 <sup>iv</sup>
There is no equally effective and more conservative or less costly treatment available						✓	4
Recipients must require multiple, interrelated nursing assessments						✓	0
Recipients must require hourly nursing assessments and interventions every two to three hours						✓	0 <sup>v</sup>

Notes:

<sup>i</sup> The potential cost savings are based on the reimbursement rate for private duty nursing services during Calendar Year 2007. Because the reimbursement rate for private duty nursing has increased from \$9.43 per 15 minutes in Calendar Year 2007 to \$9.74 per 15 minutes effective September 1, 2008, future cost savings could be greater than those shown above.

<sup>ii</sup> For the 16-hour limit, the potential cost savings assume recipients currently receiving over 16 hours of care would choose to drop down to 16 hours of care rather than terminate the service.

<sup>iii</sup> For the caregiver requirement, the potential cost savings are not offset by the nursing facility costs that might have been incurred had private duty nursing not been provided to the 20 recipients without a willing caregiver.

<sup>iv</sup> All 20 states, including North Carolina, implicitly stipulate that recipients must require more care than is available from a visiting nurse or routinely provided by an institution because this requirement is part of the CMS definition of private duty nursing.

<sup>v</sup> North Carolina would be the only state requiring that recipients must need hourly nursing assessments and interventions every two to three hours. However, three other states have similar requirements that recipients must need more than two hours of skilled nursing care at a time.

Source: Program Evaluation Division based on Division of Medical Assistance claims data and Private Duty Nursing Team data.