BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL BY THE COMMISSIONER OF HEALTH AND SOCIAL SERVICES

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In the Matter of:

ΤL

OAH No. 15-0489-MDS Agency Case No.

DECISION

I. Introduction

The issue in this case is whether the State of Alaska Division of Senior and Disabilities Services (DSDS or Division) correctly assessed T L's eligibility for Medicaid Personal Care Assistant (PCA) services. The Division conducted a functional assessment on April 6, 2015 and concluded that Ms. L does not require limited assistance with any activities of daily living (ADLs).¹ The Division concluded that Ms. L *is* independent with difficulty as to six Instrumental Activities of Daily Living (IADLs).² However, because Ms. L received a support score of zero ("no support provided") as to these six IADLs, rather than a score of either three ("physical assistance was provided"), or four ("total dependence"), the Division denied Ms. L's application for PCA services.³

This decision concludes that Ms. L is, as the Division itself found, independent with difficulty as to all IADLs except telephone use and financial management. This decision further concludes that, due to logical inconsistencies in the Division's Personal Care Assistance Service Level Computation sheet, Ms. L's self-performance scores for her IADLs make her eligible to receive PCA services, regardless of her IADL support scores. Accordingly, the Division's denial of Ms. L's application for PCA services is reversed. At present, however, Ms. L is only eligible for PCA assistance with light housework and routine housework .

II. Facts

A. Ms. L's Diagnoses and Medical Problems

Ms. L is 75 years old.⁴ She lives alone in a single level apartment within a senior housing development.⁵ Her medical diagnoses include anemia, cerebrovascular disease, chronic renal insufficiency, coronary artery disease, history of coronary artery bypass graft, diabetes (uncontrolled), fatigue, hypertension, hyperlipidemia, gastroesophageal reflux disease (GERD),

¹ Ex. E.

² Ex. E.

 $^{^{3}}$ Ex. D; Ex. E28.

⁴ Ex. E3.

⁵ Ex. E3.

gout, mitrial regurgitation, and peripheral edema.⁶ She takes approximately ten prescription medications on a daily basis to keep her medical conditions in check.⁷

On March 17, April 14, and May 4, 2015 Ms. L was examined by her doctor, Dr. Z, D.O.⁸ Dr. Z's notes from these examinations state in relevant part as follows:

1. Ms. L has shortness of breath with minimal activity or extended conversation.

2. Ms. L has diabetes-related loss of sensation, and occasional burning sensation, in her feet.

3. Ms. L ambulates with the assistance of a walker.

4. Ms. L told the doctor that she can perform her ADLs independently.

On May 20, 2015 Ms. L was examined by Dr. T, M.D. of No Name Institute.⁹ Dr. T's notes from this examination state in relevant part as follows:

1. Ms. L had a stroke in 2007, five-vessel coronary artery bypass surgery and kidney stone removal in 2010, and stress-induced cardiomyopathy in 2014.

2. Ms. L currently suffers from joint pain, muscle pain, muscle weakness, generalized pain extending down her limbs, and poor balance.

3. Ms. L told the doctor that she is not able to keep up with her housekeeping because of her fatigue and shortness of breath.

At hearing, Ms. L credibly testified that she could still perform all of her activities of daily living independently and did not really need any assistance with them yet. However, she also testified that it is very difficult for her to perform all her instrumental activities of daily living (especially housework / cleaning), and that she really needs assistance with her IADLs due to fatigue and balance issues.

B. Ms. L's Functional Abilities as Determined by the Division

On April 6, 2015 Ms. L was assessed for PCA eligibility by Marianne Sullivan, R.N. of DSDS.¹⁰ Ms. Sullivan's assessment is recorded and scored on the Division's Consumer Assessment

⁶ Ex. 1 p. 1; Ex. 2 p. 1; Ex. 3; Ex. E5.

⁷ Ex. 1 p. 1; Ex. 2 p. 1.

⁸ All factual findings in this paragraph are based on Ex. 3, pages 1 - 4 unless otherwise stated.

⁹ All factual findings in this paragraph are based on Ex. 1, pages 1 - 5 and Exhibit 2, pages 1 - 5 unless otherwise stated. Exhibits 1 and 2 appear to be duplicate copies of the same exam notes.

¹⁰ Ex. E.

Tool or "CAT."¹¹ Ms. Sullivan found that Ms. L has the following abilities and limitations with regard to her activities of daily living (ADLs):¹²

<u>Functional Assessment</u>:¹³ Ms. Sullivan reported that Ms. L has a strong grip in both hands, is able to touch her hands together over her head but not behind her back, cannot stand up with her arms crossed on her chest, and cannot touch her hands to her feet while sitting. Ms. L told Ms. Sullivan that her range of motion is limited due to shoulder pain.

<u>Body Mobility</u>:¹⁴ Ms. Sullivan reported Ms. L told her that she has an adjustable bed, and that she is able to reposition herself in bed independently (scored 0/0).

<u>Transfers</u>:¹⁵ Ms. Sullivan reported that Ms. L told her that she can transfer into and out of bed by herself, transfer on and off chairs by herself, and transfer into and out of her care by herself. Ms. Sullivan reported that she observed Ms. L stand up / sit down independently, from and onto a recliner and a hard-back arm chair, during the assessment (scored 0/0).

Locomotion (walking):¹⁶ Ms. Sullivan reported that Ms. L told her that (1) she can walk independently within her residence using a cane or walker; (2) she uses a walker when she leaves her apartment to go to the senior center or her son's house; and (3) she uses a motorized cart when she goes shopping because she cannot walk that far, without assistance, due to fatigue. Ms. Sullivan reported that she observed Ms. L walk within her home by "wall-walking" (holding on to furniture and walls for support) (scored 0/0).

<u>Dressing</u>:¹⁷ Ms. Sullivan reported that Ms. L told her that, by wearing mainly pull-over-type clothes, she is able to dress herself independently, albeit with difficulty. Ms. Sullivan reported that she observed that Ms. L's range of motion was adequate to allow her to dress herself (scored 0/0).

Eating:¹⁸ Ms. Sullivan reported that Ms. L told her that she is independent with eating and drinking, has no chewing or swallowing problems, and is able to self-administer her own medications. Ms. Sullivan reported that she observed that Ms. L's grip strength, fine motor control, and range of motion were adequate to allow her to eat and drink independently (scored 0/0).

¹¹ The CAT's scoring methodology is explained in Section III, below.

¹² Exs. E6 - E13.

¹³ Ex. E6.

¹⁴ Ex. E8.

¹⁵ Ex. E8.

¹⁶ Ex. E9.

¹⁷ Ex. E10.

¹⁸ Ex. E11.

<u>Toileting</u>:¹⁹ Ms. Sullivan reported that Ms. L told her that she is able to use the toilet by herself without help. Ms. Sullivan reported that she observed Ms. L transfer independently during the assessment, indicating that she would likewise be able to transfer on and off a toilet (scored 0/0).

<u>Personal Hygiene</u>:²⁰ Ms. Sullivan reported that Ms. L told her that she can wash her face, brush her teeth and dentures, and comb her hair independently. Ms. Sullivan reported that she observed that Ms. L has good grip strength, good fine motor skills, and a range of motion in her arms sufficient to allow the performance of personal hygiene tasks (scored 0/1).

<u>Bathing</u>:²¹ Ms. Sullivan reported that Ms. L told her that (1) she does not take a bath using a tub, but rather showers instead; and (2) she is able to step into the tub, transfer on and off the shower chair, wash herself, and transfer back out of the tub independently. Ms. Sullivan reported that she observed that Ms. L has a handicap-accessible bathroom (scored 0/0).

The assessment of April 6, 2015 also scored Ms. L as follows concerning her ability to perform IADLs:²² (1) independent as to financial management and telephone use (both scored 0/0); and (2) independent with difficulty, with no support provided, as to light meal preparation, main meal preparation, light housework, routine housework, grocery shopping, and laundry (all scored 1/0).

C. Relevant Procedural History

Ms. L applied for PCA services and was assessed on April 6, 2015.²³ The Division denied her application on April 16, 2015.²⁴ Ms. L requested a hearing on April 23, 2015 to contest the Division's determination.²⁵ Ms. L's hearing was held on June 8, 2015. Ms. L participated in the hearing by phone, represented herself, and testified on her own behalf. V F, her PCA agency representative, testified by phone on Ms. L's behalf. Darcie Shaffer participated in the hearing by phone and represented the Division. Marianne Sullivan, R.N. and Phillip Martinez participated by phone and testified on behalf of the Division. The record closed at the end of the hearing.

¹⁹ Ex. E11.

²⁰ Ex. E12.

²¹ Ex. E13.

²² Ex. E28. ²³ Ex. D1 I

Ex. D1, Ex. E. The exact date that Ms. L's application was submitted to DSDS is not in the record.

²⁴ Ex. D.

²⁵ Ex. C.

III. Discussion

A. The PCA Program - Overview

The Medicaid program provides personal care assistant (PCA) services to eligible persons; "[t]he purpose of personal care services is to provide to a recipient *physical assistance* with activities of daily living (ADL), *physical assistance* with instrumental activities of daily living (IADL), and other services based on the *physical condition* of the recipient²⁶ [Emphasis added]. Accordingly, "[t]he department will not authorize personal care services for a recipient if the assessment shows that the recipient only needs assistance with supervision, cueing, and setup in order to independently perform an ADL or IADL."²⁷

B. Alaska's PCA Program - Use of the Consumer Assessment Tool (CAT)

The Department of Health and Social Services (DHSS) conducts an assessment for PCA services using the Consumer Assessment Tool or "CAT."²⁸ The goal of the assessment process is to determine the level of physical assistance that an applicant or recipient requires in order to perform their activities of daily living (ADLs) and instrumental activities of daily living (IADLs).²⁹ The CAT seeks to make the assessment process more objective by standardizing the evaluation of the applicant or recipient's functional impairments.³⁰

The ADLs scored by the CAT are body mobility, transfers (non-mechanical), transfers (mechanical), locomotion (in room), locomotion (between levels), locomotion (to access apartment or living quarters), dressing, eating, toilet use, personal hygiene, and bathing.³¹ In addition, the CAT scores five other ADL-like activities which are not technically ADLs. These are medications, vital signs/glucose levels, dressings/bandages/oxygen, sterile wound care, and documentation.

The CAT numerical scoring system for ADLs has two components. The first component is the *self-performance score*. These scores rate how capable a person is of performing a particular ADL. The relevant scores are **0** (the person is independent and requires no help or oversight); **1** (the

²⁶ 7 AAC 125.010(a).

²⁷ 7 AAC 125.020(e). This regulation defines "cueing" as "daily verbal or physical guidance provided to a recipient that serves as a signal to the recipient that the recipient needs to perform an activity;" "setup" as "arranging items for use or getting items ready for use so that the recipient can independently perform an ADL or IADL;" and "supervision" as "observing and giving direction, as needed, so that the recipient can independently perform an ADL or IADL." *Id.*

²⁸ 7 AAC 125.020(b). The CAT has been adopted into DHSS regulations by reference. *See* 7 AAC 160.900(d)(6).

²⁹ See 7 AAC 125.010(a).

³⁰ Ex. E.

³¹ *See* Division of Senior and Disability Services' *Personal Care Assistance Service Level Computation* (accessed online at http://www.hss.state.ak.us/dsds/pca/documents/PCA%20Service%20Computation.pdf) (accessed July 1, 2015); *see also* Ex. E.

person requires supervision); **2** (the person requires limited assistance³²); **3** (the person requires extensive assistance³³); and **4** (the person is totally dependent)³⁴.

The second component of the CAT scoring system for ADLs is the *support score*. These scores rate the degree of assistance that a person requires for a particular ADL. The relevant scores are 0 (no setup or physical help required); 1 (only setup help required); 2 (one person physical assist required); and 3 (two or more person physical assist required).

The CAT also scores certain activities known as "instrumental activities of daily living" (IADLs).³⁵ These are light meal preparation, main meal preparation, light housekeeping, routine housekeeping, laundry, and grocery shopping. Finally, the CAT scores one other IADL-like activity which is not technically an IADL (oxygen maintenance).

The CAT scores IADLs slightly differently than ADLs.³⁶ The *self-performance scores for IADLs* are **0** (independent either with or without assistive devices - no help provided); **1** (independent with difficulty; the person performed the task, but did so with difficulty or took a great amount of time to do it); **2** (assistance / done with help - the person was somewhat involved in the activity, but help in the form of supervision, reminders, or physical assistance was provided); and **3** (dependent / done by others - the person is not involved at all with the activity and the activity is fully performed by another person).

The *support scores* for IADLs are also slightly different than the support scores for ADLs.³⁷ The relevant support scores for IADLs are **0** (no support provided); **1** (supervision / cueing provided); **2** (set-up help); **3** (physical assistance provided); and **4** (total dependence - the person was not involved at all when the activity was performed).

If a person receives self-performance scores of 2, 3, or 4 <u>and</u> support scores of 2, 3, or 4 as to *any one* ADL, then the person is eligible to receive PCA services.³⁸

³² Pursuant to 7 AAC 125.020(a)(1), limited assistance with an ADL "means a recipient, who is highly involved in the activity, receives direct physical help from another individual in the form of guided maneuvering of limbs, including help with weight-bearing when needed."

³³ Pursuant to 7 AAC 125.020(a)(2), extensive assistance with an ADL "means that the recipient is able to perform part of the activity, but periodically requires direct physical help from another individual for weight-bearing support or full performance of the activity."

³⁴ Pursuant to 7 AAC 125.020(a)(3), dependent as to an ADL, or dependent as to an IADL, "means the recipient cannot perform any part of the activity, but must rely entirely upon another individual to perform the activity." ³⁵ Ex. E28.

 $^{^{36}}$ Id.

³⁷ *Id.*

³⁸ 7 AAC 125.020. The CAT PCA scoring matrix at page 31 of the CAT attempts to restrict the ADLs through which one may qualify for PCA services to transfers, locomotion, eating, toilet use, dressing, and bathing. This is contrary to the express terms of the regulation, which indicates that a person can qualify to receive PCA services by receiving a score of 2/2 or better as to "any" ADL. Accordingly, the limitation stated in the CAT may not be valid.

An applicant or recipient can also qualify for PCA services by being independent with difficulty as to at least one IADL, by needing assistance with at least one IADL, or by being dependent as to at least one IADL (*i.e.* by having self-performance scores of 2, 3, or 4), *and* by requiring physical assistance for support or being totally dependent for support (*i.e.* by having support scores of 3 or 4).³⁹ This is the avenue through which Ms. L asserts her eligibility to receive PCA services in this case.⁴⁰

C. Applicable Burden of Proof and Standard of Review

Pursuant to applicable state and federal regulations, Ms. L, as the applicant, bears the *burden* of proof in this case.⁴¹ The *standard of review* in a Medicaid "Fair Hearing" proceeding, as to both the law and the facts, is *de novo* review.⁴²

D. Is Ms. L Eligible for PCA Assistance with her Instrumental Activities of Daily Living?

The Division found, though its assessment, that Ms. L is independent with difficulty as to all IADLs except for telephone use and financial management, as to which she is fully independent.⁴³ Originally, in her pre-hearing brief, Ms. L asserted that she requires limited assistance with the IADLs of light housework and routine housework.⁴⁴ At the beginning of the hearing, Ms. L confirmed that the only issue to be resolved is her ability to perform housework. When Ms. L testified, she stated that, although it is very difficult for her due to perform her housework / cleaning due to fatigue and balance problems, she has thus far, "with difficulty," managed to perform these tasks. Thus, by the end of the hearing, there was no factual dispute as to Ms. L's ability level as to housework: the Division found that she was independent with difficulty as to housework, and Ms. L agreed that she is independent with difficulty as to housework. Instead, the issue raised in this case is the purely legal issue of whether, under the PCA regulations, a person who is independent with difficulty (*i.e.* has a self-performance score of one), but who requires no supervision or set-up

 $^{^{39}}$ See Ex. E-31 and 7 AAC 125.020(a). The minimum standard applicable to IADLs, "independent with difficulty," is defined by 7 AAC 125.020(a)(4) as a situation in which "the recipient can perform the activity without the help of another individual, but does so with difficulty or takes a great amount of time to perform it."

⁴⁰ 7 AAC 125.020. The CAT PCA scoring matrix at page 31 of the CAT attempts to restrict the IADLs through which one may qualify for PCA services to light meal preparation, main meal preparation, light housework, routine housework, grocery shopping, and laundry. This is contrary to the express terms of the regulation, which indicates that a person can qualify for PCA services by receiving a score of 1/3 or better as to "any" IADL. Accordingly, the limitation stated in the CAT may not be valid.

⁴¹ 42 CFR § 435.930, 7 AAC 49.135.

⁴² See 42 CFR 431.244; Albert S. v. Dept. of Health and Mental Hygiene, 891 A.2d 402 (2006); Maryland Dept. of Health and Mental Hygiene v. Brown, 935 A.2d 1128 (Md. App. 2007); In re Parker, 969 A.2d 322 (N.H. 2009); Murphy v. Curtis, 930 N.E.2d 1228 (Ind. App. 2010).

⁴³ Ex. E28.

Ex. 4 p. 2.

assistance (*i.e.* has a support score of zero), is eligible for Medicaid payment for PCA assistance with IADLs.

Pursuant to Alaska PCA regulation 7 AAC 125.020(a)(4), a person is eligible to receive PCA services if they are (at minimum) "independent with difficulty for at least one IADL." The regulation states that "independent with difficulty" means "the recipient can perform the activity without the help of another individual, but does so with difficulty or takes a great amount of time to perform it." Thus, the PCA regulation, on its face, authorizes PCA services when the applicant's *self-performance score is one* ("independent with difficulty') *or higher*. The regulation itself provides no minimum *support score* requirement, although subsection (e) of the regulation states that '[t]he department will not authorize personal care services for a recipient if the assessment shows that the recipient only needs assistance with supervision, cueing, and setup in order to independently perform an ADL or IADL."

Based on the above, had the Division made its determination based solely on 7 AAC 125.020, it would necessarily have found Ms. L eligible for PCA services: she is independent with difficulty as to housework, and receives no supervision, cueing, or set-up.

The Division's nurse-assessor, Marianne Sullivan, R.N., found that Ms. L is independent with difficulty as to light meal preparation, main meal preparation, light housework, routine housework, grocery shopping, and laundry.⁴⁵ The reason Ms. Sullivan did not find Ms. L to be eligible for PCA services is that, although Ms. Sullivan assigned Ms. L a *self-performance score* of one (independent with difficulty), she assigned Ms. L a *support score* of zero (no support provided).

The concept of the support score is not founded in the Division's regulations. Rather, it is a creation of the CAT.⁴⁶ The concept that a specific support score is necessary to qualify for PCA time for assistance with IADLs is found neither in 7 AAC 125.020 or the CAT. Instead, the idea that one must have a support score of three or four in order to qualify for PCA assistance with IADLs is solely a creation of the Division's "Personal Care Assistance Service Level Computation" sheet (hereafter "computation sheet").⁴⁷ The computation sheet provides PCA time for IADLs when the applicant / recipient can only perform the IADL "with difficulty." However, in order for a

⁴⁵ Ex. E28.

⁴⁶ The January 29, 2009 version of the Division's Consumer Assessment Tool is adopted by reference at 7 AAC 160.900(d)(6). However, the version of the CAT used by the Division in this case (and all other current cases) is undated, and the Division has no published, dated version of the 2009 CAT available on its website. Accordingly, *the version of the CAT employed by the Division in this case may not be the version adopted by regulation*.

⁴⁷ The March 20, 2012 version of the Division's Personal Care Assistance Service Level Computation sheet is adopted by reference at 7 AAC 160.900(d)(29). A copy of the Division's Personal Care Assistance Service Level Computation sheet can be found at Exs. B44 - B46.

person to qualify for PCA time when they can only perform an IADL "with difficulty," the computation sheet *also* requires a support score of three ("physical assistance was provided"), or four ("total dependence - the person was not involved at all when the activity was performed").

The computation sheet's requirement that a person have a support score of three or four in order to obtain PCA time for help with IADLs makes sense when the person's self-performance score is either two (assistance provided) or three (fully dependent). However, the requirement is completely nonsensical when the applicant / recipient's self-performance score (as here) is one (independent with difficulty). A CAT score of 1/3, in the context of an IADL, would mean that the person is "independent with difficulty," but that "physical assistance was provided." Thus, the support score would be completely at odds with the self-performance score, since a person who is "independent with difficulty," by definition, receives no physical assistance. Likewise, a CAT score of 1/4, in the context on an IADL, would mean that the person is "independent." Here again, the support score would be completely at odds with the self-performance score, because a person who is "independent with difficulty" is, by definition, not "totally dependent."

Courts have stated that the Social Security Act, of which the Medicaid Act is a part, is a remedial act which should be broadly and liberally construed to carry out Congress' intent to provide medical expense coverage for all qualifying individuals.⁴⁸ As stated in *Perli v. Schweiker*, 543 F. Supp. 394, 397 - 398 (D.C.N.Y. 1982), the objectives of the Social Security Act "should not be frustrated by arcane language employed by the agency charged with responsibility to achieve those objectives . . . where an instrument contains an ambiguity, [the ambiguity] is to be resolved against the draftsman of the language employed - here, the Secretary."⁴⁹

In my view, the only way to interpret the Division's computation sheet in harmony with 7 AAC 125.020(a)(4) is to find that the computation sheet's requirement of a support code of three or four can be applied only to those PCA eligibility and time computations, involving a need for assistance with IADLs, where the recipient requires either physical assistance, or where the recipient is totally dependent on the caregiver. The scoring sheet's logically faulty scoring

See Conklin v. Celebrezze, 319 F.2d 569 (7th Cir. 1963); Gold v. Secretary, 463 F.2d 38, 41 (2d Cir. 1972);
Herbst v. Finch, 473 F.2d 771, 775 (2d Cir. 1972); Cutler v. Weinberger, 516 F.2d 1282, 1285 (2d Cir. 1975);
Rosenberg v. Richardson, 538 F.2d 487, 490 (2d Cir. 1976); Haberman v. Finch, 418 F.2d 664, 666 (2d Cir. 1979);
Perli v. Schweiker, 543 F. Supp. 394, 397 - 398 (D.C.N.Y. 1982); Steinberg v. Schweiker, 549 F. Supp. 114 (D.C.N.Y. 1982); Mayburg v. Secretary, 740 F.2d 100, 103 (1st Cir. 1984).

⁴⁹ In this case, the Division is the "draftsman" of the "instrument" (i.e. the computation sheet). Given the ambiguity caused by the computation sheet's above-referenced logical inconsistency, Congress' intent would best be implemented in this case by finding Ms. L eligible for PCA assistance with housekeeping.

mechanism for IADLs simply cannot be interpreted in such a way as to negate the clear language of 7 AAC 125.020(a)(4), which expressly authorizes PCA services for persons who are "independent with difficulty" as to their IADLs.

Accordingly, Ms. L is qualified to receive PCA assistance with all IADLs except telephone use and financial management. However, because Ms. L stated at hearing that she is currently seeking only PCA assistance with housework, this decision only authorizes PCA assistance with light and routine housework.

IV. Conclusion

Ms. L is independent with difficulty as to all IADLs except telephone use and financial management. Due to logical inconsistencies in the Division's Personal Care Assistance Service Level Computation sheet, Ms. L's self-performance scores for her IADLs make her eligible to receive PCA services, regardless of her IADL support scores. Accordingly, the Division's denial of Ms. L's application for PCA services is reversed. At present, however, Ms. L is only eligible for PCA assistance with light housework and routine housework.⁵⁰

DATED this 6th day of July, 2015.

By: Signed

Jay Durych Administrative Law Judge

Adoption

The undersigned, by delegation from of the Commissioner of Health and Social Services, adopts this Decision, under the authority of AS 44.64.060(e)(1), as the final administrative determination in this matter.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 23rd day of July, 2015.

By: <u>Signed</u> Name: Jared C. Kosin, J.D., M.B.A. Title: Executive Director Agency: Office of Rate Review, DHSS

[This document has been modified to conform to the technical standards for publication.]

⁵⁰ This decision does not calculate the number of hours per week of PCA services which Ms. L is eligible to receive. If Ms. L disagrees with the Division's calculation of the specific number of hours of PCA services for which she is eligible, she may request a new hearing on that limited issue.