MIKIE SHERRILL
Governor

DR. DALE G. CALDWELL
Lt. Governor

State of New Jersey
DEPARTMENT OF HUMAN SERVICES
Division of Medical Assistance and Health Services
P.O. Box 712
Trenton, NJ 08625

STEPHEN CHA, MD, MHSR
Commissioner

GREGORY WOODS
Assistant Commissioner

STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE
AND HEALTH SERVICES

M.T.,

PETITIONER,

v.

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES AND UNITED HEALTHCARE,

RESPONDENTS.

ADMINISTRATIVE ACTION

ORDER OF REMAND

OAL DKT. NO. HMA 21030-25

As Assistant Commissioner for the Division of Medical Assistance and Health Services (DMAHS), I have reviewed the record in this case, including the Office of Administrative Law (OAL) case file, the documents in evidence, and the Initial Decision. Neither party filed exceptions to the Initial Decision. Procedurally, the time period for the Agency Head to render a Final Agency Decision is September 3, 2026, pursuant to

N.J.S.A. 52:14B-10, which requires the Agency Head to adopt, reject, or modify the Initial Decision within 45 days of the agency's receipt.

The issue presented here is whether United Healthcare (United) properly reduced Petitioner's private duty nursing (PDN) services from eighty-four hours per week to fifty-six hours per week based on Petitioner's medical condition and the applicable medical necessity criteria.

The purpose of private duty nursing services is to provide "individual and continuous nursing care as opposed to part-time intermittent care. N.J.A.C. 10:60-5.1(b). To be considered for private duty nursing services, an individual must "exhibit a severity of illness that requires complex skilled nursing interventions on an ongoing basis." N.J.A.C. 10:60-5.3(b). "Complex" means the degree of difficulty and/or intensity of treatment/procedures." N.J.A.C. 10:60-5.3(b)(2). "Ongoing" is defined as "the beneficiary needs skilled nursing intervention 24 hours per day/seven days per week." N.J.A.C. 10:60-5.3(b)(1). The regulations define "skilled nursing interventions" as "procedures that require the knowledge and experience of licensed nursing personnel, or a trained primary caregiver." N.J.A.C. 10:60-5.3(b)(3).

Any changes in the child's status or circumstances, including the frequency and type of interventions required, shall be noted. These changes shall be clearly identified in the reassessment summary and shall be used to support any decision to continue, reduce, or increase PDN hours." N.J.A.C. 10:60-5.5(f)(3).

Petitioner is a twelve-year-old Medicaid beneficiary diagnosed with epilepsy and developmental disorders who has received PDN services since 2015. (R-3.) Before the determination at issue, Petitioner received twelve hours of overnight PDN services each day, totaling eighty-four hours per week. Ibid. Following a comprehensive reassessment

conducted in September 2025, United determined that Petitioner's condition no longer supported the previously authorized level of services and reduced the PDN hours to eight overnight hours per day, seven days per week. (R-6.) The reduction was upheld through United's internal appeal process, and an independent external review conducted by Maximus Federal Services. (R-4, 5.) Petitioner thereafter requested a fair hearing before the OAL. (R-2.)

At the hearing, the Administrative Law Judge (ALJ) heard testimony from United's Medical Director, the registered nurse who conducted Petitioner's assessment, and Petitioner's mother. The documentary evidence included the PDN assessment, nursing records, InterQual assessment, internal appeal decision, and external review determination.

Terralon Knight (Dr. Knight), M.D., Board Certified in Family Medicine and the Medical Director for United, testified that Petitioner continues to qualify for PDN services but no longer meets the clinical criteria for twelve hours of overnight skilled care. ID at 4. Dr. Knight explained that the September 2025 comprehensive assessment, nursing records, and InterQual acuity tool showed that Petitioner does not require mechanical ventilation, does not have a tracheostomy, and has not experienced frequent, prolonged seizures requiring emergency anticonvulsant medication. Ibid. Dr. Knight further testified that Petitioner's most recent documented seizure was brief, required no intervention, and that the InterQual assessment supported up to six hours of PDN services per day. Ibid. Nevertheless, United authorized eight hours per day after considering Petitioner's school schedule and parents' work schedules. ID at 5.

Michelle Momperousse (Momperousse), R.N., who conducted Petitioner's September 2025 face-to-face comprehensive assessment, testified that she reviewed the nursing notes, consulted with Petitioner's mother and treating nurses, and evaluated

Petitioner's seizure activity, including the frequency, duration, and use of emergency medication. ID at 6. Momperousse testified that the last documented administration of rescue medication occurred in 2022 and agreed that the assessment findings supported reducing Petitioner's PDN services to eight hours per day. Ibid.

In contrast, Petitioner's mother testified that Petitioner has suffered a seizure disorder since infancy and that the condition is lifelong. ID at 6. She expressed concerns that Petitioner is vulnerable because they are non-ambulatory, require a pureed diet, and are at risk for aspiration. Ibid. However, she acknowledged that she could not remember the last time Petitioner required emergency seizure medication. Ibid.

The ALJ found that Petitioner is not dependent on mechanical ventilation, does not have a tracheostomy, does not require deep suctioning, and is fed orally with a pureed diet. ID at 6. The ALJ found that Petitioner's seizure disorder is not manifested by frequent prolonged seizures requiring emergency administration of anticonvulsant medication, and Petitioner's mother could not recall the last time Petitioner was given emergency medication for prolonged seizures. Ibid. The ALJ finally found that Petitioner requires PDN services but does not require the previously authorized eighty-four hours per week. ID at 8. The ALJ concluded that United's reduction of PDN hours from eighty-four to fifty-six is appropriate. Ibid.

After reviewing the whole record, I FIND that the record does not contain sufficient evidence to support the ALJ's conclusion affirming United's reduction of Petitioner's PDN services from eighty-four to fifty-six hours per week.

New Jersey's contract with managed care organizations (MCOs) spells out expectations for MCO reductions in ongoing services as follows: "When an adverse determination is reducing, suspending, or terminating an ongoing service, the corresponding notification letter must explain the rationale for the decision in plain

language. The explanation must include a detailed description of the changes between the member's previous condition and their current condition that justify the change in authorized hours/units. This information must be included within the notification letter itself; simply citing an assessment is not adequate." See New Jersey Managed Care Contract, Article 4.6.4.D (2025).

The record shows Petitioner had been receiving eighty-four hours of PDN services per week since 2015, and United later reduced those hours following the September 2025 assessment and InterQual evaluation. However, neither United's evidence nor the Initial Decision clearly explained what changes in Petitioner's circumstances justified reducing the services.

The record also shows that the last time Petitioner needed emergency medication for a prolonged seizure was on February 1, 2022. While not needing rescue medication after that date is potentially relevant for the September 2025 assessment, Initial Decision does not explain why the 2022 seizure history did not lead to a reduction in Petitioner's PDN hours between 2022 and 2025.

Therefore, I REMAND this matter to OAL for further findings. On remand, the ALJ should clearly explain what changes in Petitioner's condition, seizure activity or skilled nursing needs happened between the earlier approval of eighty-four hours per week and the September 2025 assessment that would support reducing the hours to fifty-six per week. The ALJ also should also further explore why the last of emergency seizure medication in February 2022 did not result in a reduction in PDN hours at that time, given that Petitioner continued to receive eighty-four hours per week until the 2025 decision, and why the current skilled nursing needs are now considered less.

THEREFORE, it is on this 3rd day of SEPTEMBER 2026,

ORDERED:

That the Initial Decision is hereby REMANDED.

Gregory Woods

Gregory Woods, Assistant Commissioner
Division of Medical Assistance and Health Services