



FOR IMMEDIATE RELEASE

Contact: Jenny Atchley
osa.media@coleg.gov

October 16, 2023

Audit Finds that Members Do Not Always Receive Accurate, Complete, or Understandable Communications from Medicaid Program

DENVER—A new performance audit by the Office of the State Auditor (OSA) released today shows that correspondence sent to Medicaid members needs to be more accurate, understandable, informative, and clear. The audit found that 72 of 80 sampled letters sent to Medicaid members had one or more problems, such as duplicated information, contradictory and confusing messages, unclear guidance, and complicated sentences and word choice. For example, the audit found that during January and February 2023, one family received 48 Medicaid letters with a total of 460 pages. In another instance, auditors found that during this same 2-month period, another family received a 57-page Medicaid letter that repeated the same message 63 times.

Medicaid is a federal-state program that provides health care coverage and services to low-income families. Medicaid is administered federally by the Centers for Medicaid and Medicare Services (CMS) under Title XIX of the Federal Social Security Act, and within Colorado, by the Department of Health Care Policy & Financing (Department). The State's Medicaid program is named Health First Colorado.

As of July 2023, the Department reported that there were about 1.7 million Coloradans enrolled in Medicaid.

The audit also identified accuracy problems in the sampled letters, such as listed deadline dates that did not comply with State Medicaid requirements, inconsistent response timeframes listed for the same type of information requests, and Spanish-language translations that were unclear due to tone and word choice.

“Unclear, inaccurate, and incomplete correspondence can create frustration and confusion for Medicaid members and ultimately lead to barriers with accessing health care, wasted resources, and potential legal issues for the Department,” said Kate Shiroff, Audit Manager.

The Department and its vendors send multiple types of letters to Medicaid members from different information systems. In January and February 2023, the Department sent more than 400,000 letters to members each month out of the Colorado Benefits Management System (CBMS) related to eligibility for Medicaid programs. The Department’s vendors also sent more than 24,000 prior authorization approval and denial letters to members each month.

Previous work conducted in 2016 by a communications contractor working for the Department and in 2020 by an OSA contractor identified many of the same issues found in this audit. These problems persist because the Department has not fully implemented previous recommendations to change its monitoring functions, work processes, guidance to workers, and system design.

The audit, which was required by state law, makes eight recommendations for improvements.

The full report is available @ www.colorado.gov/auditor.

About the Office of the State Auditor

Under the direction of the State Auditor, the OSA’s nonpartisan, professional staff promote government accountability by conducting independent performance, financial, and IT audits and evaluations of state agencies, departments, and institutions of higher education; conducting independent evaluations of the State’s tax expenditures (e.g., credits, exemptions, deductions); tracking about 4,000 Colorado local governments for compliance with the Local Government Audit Law; and operating a statewide fraud reporting hotline.

###