

**STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
FOR THE DEPARTMENT OF COMMUNITY HEALTH**

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IN THE MATTER OF:

Docket No. 2009-13615 EDW

_____,
Appellant
_____ /

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 42 CFR 431.200 *et seq.*, following the Appellant's request for a hearing.

After due notice, a telephone hearing was held on _____. _____, the Appellant's daughter, appeared on behalf of the Appellant.

_____, appeared on behalf of the Department-contracted MI Choice waiver agency (hereafter, 'Department').

ISSUE

Did the Department properly place the Appellant on the waitlist for the MI Choice Waiver program?

FINDINGS OF FACT

Based upon the competent, material, and substantial evidence on the whole record, I find as material fact:

1. On _____, the Appellant requested MI Choice Waiver services.
2. The Appellant was notified thereafter that the MI Choice Waiver program was at capacity, thus she would not be evaluated and would be placed on the waiting list.
3. The Department's waiver agency is currently at capacity and, due to lack of funds, is unable to enroll Appellant in the MI Choice Waiver program at this time.
4. The Appellant requested a formal, administrative hearing on _____.

CONCLUSIONS OF LAW

The Medical Assistance Program is established pursuant to Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). It is administered in accordance with state statute, the Social Welfare Act, the Administrative Code, and the State Plan under Title XIX of the Social Security Act Medical Assistance Program.

This Appellant is claiming services through the Department's Home and Community Based Services for Elderly and Disabled (HCBS/ED). The waiver is called MI Choice in Michigan. The program is funded through the federal Centers for Medicare and Medicaid (formerly HCFA) to the Michigan Department of Community Health (Department). Regional agencies, in this case an Area Agency on Aging (AAA), function as the Department's administrative agency.

Waivers are intended to provide the flexibility needed to enable States to try new or different approaches to the efficient and cost-effective delivery of health care services, or to adapt their programs to the special needs of particular areas or groups of recipients. Waivers allow exceptions to State plan requirements and permit a State to implement innovative programs or activities on a time-limited basis, and subject to specific safeguards for the protection of recipients and the program. Detailed rules for waivers are set forth in subpart B of part 431, subpart A of part 440 and subpart G of part 441 of this chapter. *42 CFR 430.25(b)*

The U.S. Department of Health and Human Services, on page 5 of a letter to State Medical Directors labeled Olmstead Update Number 4 (SMDL #01-006), dated January 10, 2001, in reply to the following question responded, in part:

May a State use the program's funding appropriation to specify the total number of people eligible for an HCBS waiver?

CMS has allowed States to indicate that the total number of people to be served may be the lesser of either (a) a specific number pre-determined by the State and approved by CMS (the approved "factor C" value), or (b) a number derived from the amount of money the legislature has made available (together with corresponding Federal match). The current HCBS waiver preprint contains both options....

The waiver agency has committed all the financial resources made available through the Department's appropriations and to ensure continued service to current waiver enrollees and is not assessing any additional individuals. It maintains a waiting list and contacts

individuals on the list on a first come, first served basis when sufficient resources become available to serve additional individuals. It then determines how many individuals from the list it can assess and assesses a limited number of individuals from the list to determine if they may be eligible for enrollment in the MI Choice waiver.

The Appellant's daughter testified her mother requires extra care and she and her sister cannot afford to pay more for the extra care her mother requires. Her mother is residing in an assisted living facility and has to have her insulin administered daily because she can no longer do it for herself. She does not have the money to pay for the extra medical care this costs. She said her mother is not on Medicaid and has not been and is deserving of the extra money the waiver program could provide. She otherwise offered no legal challenge to the Department's action.

The Department's witness stated the priority categories were not met by the Appellant and she was placed on the list in chronological order according to when the telephone call requesting services was made. The Appellant was also assured that outside of the priority categories defined in policy, no others were placed ahead of the list whether on Medicaid or not on Medicaid.

DECISION AND ORDER

Based on the above findings of fact and conclusions of law, I decide the MI Choice waiver agency properly denied Appellant enrollment due to limited financial resources.


IT IS THEREFORE ORDERED that:

The Department's decision is **AFFIRMED**.

Jennifer Isiogu
Administrative Law Judge
for Janet Olszewski, Director
Michigan Department of Community Health

cc:

[REDACTED]


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Date Mailed: 4/9/2009

***** NOTICE *****

The State Office of Administrative Hearings and Rules may order a rehearing on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. The State Office of Administrative Hearings and Rules will not order a rehearing on the Department's motion where the final decision or rehearing cannot be implemented within 90 days of the filing of the original request. The Appellant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt of the rehearing decision.

[REDACTED]



