STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
FOR THE DEPARTMENT OF COMMUNITY HEALTH
P.O. Box 30763, Lansing, MI 48909
(877) 833-0870; Fax: (517) 334-9505

IN THE MATTER OF:

[redacted]

Appellant
_____/

Docket No. 2009-17339 TRN
Case No. [redacted]
Load No. [redacted]

DECISION AND ORDER

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

After due notice, a hearing was held on [redacted]. [redacted] (Appellant) appeared and testified on her own behalf. [redacted], represented the Department. [redacted], testified as a witness for the Department.

ISSUE

Did the Department properly determine that Appellant was not eligible to receive a Medical Transportation reimbursement effective January 2009.

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Appellant is a Medicaid beneficiary.

2. In [redacted], Appellant requested ophthalmology services through [redacted].

3. The [redacted] providers are participating providers with a Medicaid Health Plan, [redacted]

4. Effective [redacted], Appellant was enrolled in an MHP, [redacted]. (Exhibit 1, pp. 10 & 20)

5. On [redacted], the Department of Human Services (DHS) received Appellant's request for medical transportation services received in the month of [redacted]. (Exhibit 1, pp. 13-17).

6. On [redacted], DHS sent Appellant notice that she was not eligible for a medical transportation reimbursement because she was an "HMO enrollee" and her "transportation is to be provided by your HMO provider." (Exhibit 1, p. 20)

7. On [redacted], the State Office of Administrative Hearings and Rules for the Department of Community Health received Appellant's request for a hearing, protesting the denial of a DHS transportation reimbursement.

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.

Michigan's Medicaid State Plan contains provisions ensuring medical transportation to Medicaid beneficiaries. As part of its administration and operation authority granted by the federal government, DHS requires verification of medical need for medical transportation to a Medicaid provider. DHS medical transportation policy is consistent with the state plan, as outlined in the Department's *Program Administrative Manual 825, 7-1-2006, pages 1-17,* pertinent sections as follows:

> **COVERED MEDICAL TRANSPORTATION**
>
> Medical transportation is available to obtain medical evidence or receive any MA-covered service from any MA-enrolled provider, including:
>
> • Chronic and ongoing treatment
> • Prescriptions
> • Medical supplies
> • Onetime, occasional and ongoing visits for medical care
>
> ***Exception:*** Payment may be made for transportation to V.A. hospitals and hospitals, which do not charge for care (e.g., St. Jude Children's Hospital, Shriners Hospital).
>
> (Page 1)

MEDICAL TRANSPORTATION EVALUATION

Evaluate a client's request for medical transportation to maximize use of existing community resources.

• If the client, or his/his family, neighbors, friends, relatives, etc. can provide transportation, they are expected to do so, **without reimbursement**. If transportation has been provided to the client at no cost, it is reasonable to expect this to continue, except in extreme circumstances or hardship.

• Do not routinely authorize payment for medical transportation.
Explore why transportation is needed and all alternatives to payment.

• Do not authorize payment for transportation unless first requested by the client.

• Use referrals to public or nonprofit agencies who provide transportation to meet individual needs without reimbursement.

• Use free delivery services that are offered by a recipient's pharmacy.

• Use bus tickets or provide for other public transportation arrangements.

• Refer to volunteer services or use state vehicles to transport the client if payment for a personal vehicle is not feasible.

(Pages 2 and 3. Underline added)

PRIOR AUTHORIZATION

It is important that documentation include the **specific reason(s)** why the client requires special transportation. DHS must verify the type of special transportation needed. Along with a completed Medical Needs form (DHS-54A), DHS needs verification of:

- Specific reason/need for special transportation
- Specialist name and telephone number

(Pages 7 & 8)

LOCAL OFFICE PROCEDURES

DHS must assure that maximum use is made of existing community transportation resources. (Page 3)

PAYMENT AUTHORIZATION MSA-4674

Use the MSA-4674, Medical Transportation Statement, to:

• Authorize payment for routine travel expenses that do not require advance payment,

• Verify that transportation was provided.

Use an MSA-4674 to authorize payment whenever a less expensive means for medical transportation is not otherwise available. Use comparable documentation from the provider and/or transporter if the client is unable to obtain the MSA-4674 prior to a medical visit.

A separate MSA-4674 is required for each medical provider or transporter. Chronic and ongoing treatment to the **same provider** may have more than 5 multiple trips within a calendar month reflected on the MSA-4674A, Medical Transportation Statement - Chronic and Ongoing Treatment (see Reference Forms & Publications (RFF) manual).

<u>You must receive the MSA-4674 within 90 days from the date of service in order to authorize payment. Do not make payment less frequently than monthly.</u>

(Page 11. Underline added)

In this case, Appellant is protesting DHS's determination that she was not eligible for a DHS medical transportation reimbursement for the month of [redacted]. The Department witness testified that, in addition, Appellant was not eligible for a DHS medical transportation reimbursement for the month of [redacted]. The Department established that Appellant was enrolled in an MHP, [redacted], effective [redacted] and [redacted]. The Department established that effective [redacted], Appellant was a straight Medicaid beneficiary who was no longer in an MHP.

Appellant testified that she did not know that she was enrolled in an MHP. Apparently, when Appellant requested to receive services through [redacted], she was enrolled in [redacted] According to the Department witnesses, the [redacted] providers are participating providers with [redacted]

This Administrative Law Judge must uphold the Department's eligibility determination. The DHS Medical Transportation policy is clear that Department of Community Mental (DCH) authorized transportation for clients enrolled in an MHP is limited. PAM, Item 825. Health Maintenance Organizations (HMOs) are required to assure a recipient's need for transportation necessary to receive health care services. This requirement is limited to the services the HMO is required to provide, including referrals for medical services from specialists and out-of-state medical providers. PAM, Item 825. In this

case, Appellant failed to establish that the medical transportation that she requested was not a service required to be provided by her MHP. Therefore, the Department's denial must be upheld.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that Department properly determined that Appellant was not eligible for a Medical Transportation reimbursement for the months of [redacted].

IT IS THEREFORE ORDERED THAT:

The Department's decision is AFFIRMED.

Marya A. Nelson-Davis
Administrative Law Judge
for Janet Olszewski, Director
Michigan Department of Community Health

cc: [redacted]

Date Mailed: 6/18/2009

***** NOTICE *****

The SOAHR 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 SOAHR 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.