

**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:

██████████

Appellant

_____ /

Docket No. 2009-28760 TRN
Case No. ██████████

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, upon the Appellant's request for a hearing.

After due notice, a hearing was held on ██████████. ██████████ (Appellant) appeared and testified on his own behalf. ██████████, Appeals Review Officer, represented the Michigan Department of Community Health (Department). Appearing as a witness on behalf of the Department was ██████████, Medical Transportation Coordinator for the Department of Human Services (DHS).

ISSUE

Did the Department properly deny the Appellant's request for reimbursement for medical transportation?

FINDINGS OF FACT

Based upon the competent, material, and substantial evidence presented, I find, as material fact:

1. Appellant is a Medicaid recipient.
2. On ██████████, DHS received a Medical Transportation Statements, MSA-4674, for out-of-state travel on ██████████, and ██████████ (Exhibit 1, pp. 8-10)
3. According to the MSA-4674s, Appellant went to see a medical provider in ██████████ on the aforementioned dates. (Exhibit 1, pp. 8-10)

4. On ██████████, DHS received a completed Medical Needs form from Appellant's medical doctor which indicates that: Appellant has a chronic ongoing illness and needs to be seen by a medical doctor 4-6 times a year; and someone needs to accompany Appellant to his medical appointments due to his inability to drive after an injection. (Exhibit 1, p. 7)
5. On ██████████, the ██████████ in Coordinator received a letter from DCH which states that Appellant authorization request for out-of-state travel to a medical provider in ██████████ ██████████ could not be approved. (Exhibit 1, p. 6)
6. On ██████████, DHS sent Appellant a Medical Transportation Notice, informing him that his out-of-state medical transportation reimbursement request was denied because he did not get prior authorization for the out-of-state travel. (Exhibit 1, p. 5).
7. On ██████████, the State Office of Administrative Hearings and Rules received Appellant's hearing request, protesting the denial of his request for an out-of-state medical 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.

The Medical Transportation coverage under the State Medicaid Plan is addressed in the DHS Program Administrative Manual 825. That policy provides the Medicaid coverage requirements for medical transportation. The Department of Human Services is responsible for decisions regarding Medicaid funded medical transportation. The DHS Program Administrative Manual 825 provides in pertinent part:

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).

With regard to timely application for reimbursement, PAM 825 provides, in pertinent part, as follows:

PRIOR AUTHORIZATION

All prior authorization requests must be submitted before the service is provided and payment is made. Exceptions will only be granted for emergency situations or when extenuating circumstances exist and are clearly documented.

No exceptions will be made for requests submitted one month or more after the service is provided.

The following transportation expenses require prior authorization from DCH:

All outstate travel that is non-borderland (see PAM 402).

Overnight stays if within 50 miles from recipient's home (one way).

Overnight stays beyond 5 days (14 days for U of M MOTT Children's Pediatric Hospital).

Overnight stays or travel outside the normal service delivery area if expenses for two or more family members are included.

Special allowance when two or more attendants are medically necessary.

Mileage and food costs for daily long-distance trips.

Methadone treatment that extends beyond 18 months (DCH/ CMH).

It is important that documentation include the **specific reason(s)** why the client requires special transportation. Attach the following to the DHS-54A:

- Client name
- Case number
- Recipient ID number
- Client address
- Effective travel date
- Destination
- Diagnosis
- Specific reason/need for special transportation
- Specialist name and telephone number

Prior authorization may be requested for up to 6 months in cases where prolonged treatment requires multiple transports.

For all prior authorizations, send or FAX (517) 335-0075 a memo to:

Michigan Department of Community Health
Office of Prior Authorization
Attention: Medical Transportation
PO Box 30037
Lansing, MI 48909

The memo must include the following information (see special instructions above when requesting prior authorization for special transportation):

- Client name and recipient ID
- Diagnosis
- Reason for requested travel expense
- Effective travel dates (begin and termination)
- Travel origin and destination
- Copy of DHS-54A (see “**Verification Sources**”)

Although it is best to FAX or send a memo, local offices can contact the Office of Prior Authorization at (517) 335-5059. The Office of Prior Authorization will respond to the local/district office with a memo.

***PAM 825; MEDICAL TRANSPORTATION
PROGRAM ADMINISTRATIVE MANUAL STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
PPB 2006-010
7-1-2006***

DENIAL OF REIMBURSEMENT FOR TRANSPORTATION

Use a DHS-301, Client Notice (Medical Transportation Denial), to notify a client that medical transportation is denied (see RFF). The notice contains:

- The action being taken.
- The reason(s) for the denial.
- PAM 825 as the legal base.
- The individual’s right to request a hearing.

***PAM 825; MEDICAL TRANSPORTATION
PROGRAM ADMINISTRATIVE MANUAL STATE OF MICHIGAN
DEPARTMENT OF HUMAN SERVICES
PPB 2006-010
7-1-2006***

In this case, Appellant requested an out-of-state medical transportation reimbursement for his travel to see a medical provider in [REDACTED] on [REDACTED], and [REDACTED]. [REDACTED] is a non-borderland area. (See PAM 402). The Department properly denied Appellant's request. Appellant was required to obtain prior authorization prior to his out-of-state travel, but failed to obtain it. In addition, the Department is required to verify the need for travel expenses that require prior authorization. Verification sources include a completed Medical Needs form, Medical Examination Report or similar documentation completed and signed by an M.D., D.O. or D.D.S. or their staff. (See PAM, Item 825, p. 15) The Department did not receive a completed Medical Needs form, verifying the need for out-of-state transportation until [REDACTED] more than one month after the medical services were provided in [REDACTED]. Policy states clearly that: "No exceptions will be made for requests submitted one month or more after the service is provided." Appellant testified that he was never told that he needed prior authorization for a medical transportation reimbursement to [REDACTED]. However, the only exception to the prior authorization policy for medical transportation reimbursement is if there was an emergency or other extenuating circumstance that prevented the client from getting prior authorization. Appellant failed to establish that he meets this exception. 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 the Department properly denied the Appellant's request for reimbursement for medical transportation expenses.

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: 9/8/2009

***** 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.