STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
FOR THE DEPARTMENT OF COMMUNITY HEALTH
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IN THE MATTER OF:

[redacted],

Docket No. 2010-45590 MCE
Case No. [redacted]

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.*, upon the Appellant's request for a hearing appealing the Department's denial of exception from Medicaid Managed Care Program enrollment.

After due notice, a hearing was held [redacted]. [redacted] represented herself. [redacted], represented the Department. [redacted], appeared as a witness for the Department.

ISSUE

Does the Appellant meet the requirements for a managed care exception?

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 [redacted] Medicaid beneficiary.

2. The Appellant is a member of the population required to enroll in a Medicaid Health Plan (MHP). She enrolled in [redacted] effective [redacted]. She thereafter switched health plans to [redacted] effective [redacted].

3. On [redacted], the Department received the Appellant's Medical Exception requests.

4. On the exception request from Rheumatologist [redacted], it is indicated she is being treated for fibromyalgia, leg numbness and small fiber neuropathy.

5. DHS 54 medical needs forms completed on behalf of the Appellant were signed by doctors who are participating doctors in health plans available to the Appellant.

6. On [redacted], the Appellant's request for a managed care exception was denied because the medical documentation did not substantiate that the Appellant is suffering a serious medical condition that requires frequent and active treatment.

7. On [redacted], the Appellant was sent notification of the denial.

8. On [redacted], the State Office of Administrative Hearings and Rules for the Department of Community Health received the Appellant's Request for Administrative Hearing.

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.

On May 30, 1997, the Department was notified of the Centers for Medicare & Medicaid Services approval of its request for a waiver of certain portions of the Social Security Act to restrict Medicaid beneficiaries' choice to obtain medical services only from specified Qualified Health Plans.

Michigan Public Act 131 of 2009 states, in relevant part:

> Sec. 1650 (3) The criteria for medical exceptions to HMO enrollment shall be based on submitted documentation that indicates a recipient has a serious medical condition, and is undergoing active treatment for that condition with a physician who does not participate in one (1) of the HMOs. If the person meets the criteria established by this subsection, the department shall grant an exception to managed care enrollment at least through the current prescribed course of treatment, subject to periodic review of continued eligibility.

MDCH Medicaid Provider Manual, Beneficiary Eligibility Section, January 1, 2010, page 30, states in relevant part:

> The intent of a medical exception is to preserve continuity of medical care for a beneficiary who is receiving active treatment for a serious medical condition from an attending physician (M.D. or D.O.) who would not be available to the beneficiary if the beneficiary was enrolled in a MHP. The medical exception may be granted on a time-limited basis necessary to complete treatment for the serious condition. The medical exception process is available only to a beneficiary who is not yet enrolled in a MHP, or who has been enrolled for less than two months. MHP enrollment would be delayed until one of the following occurs:

- the attending physician completes the current ongoing plan of medical treatment for the patient's serious medical condition, or

- the condition stabilizes and becomes chronic in nature, or

- the physician becomes available to the beneficiary through enrollment in a MHP, whichever occurs first.

If the treating physician can provide service through a MHP that the beneficiary can be enrolled in, then there is no basis for a medical exception to managed care enrollment.

MDCH Medicaid Provider Manual, Beneficiary Eligibility Section, January 1, 2010, page 30, states in relevant part:

Serious Medical Condition

Grave, complex, or life threatening

Manifests symptoms needing timely intervention to prevent complications or permanent impairment.

An acute exacerbation of a chronic condition may be considered serious for the purpose of medical exception.

Chronic Medical Condition

Relatively stable

Requires long term management

Carries little immediate risk to health

Fluctuate over time, but responds to well-known standard medical treatment protocols.

Active treatment

Active treatment is reviewed in regards to intensity of services. The beneficiary is seen regularly, (e.g., monthly or more frequently,) and the condition requires timely and ongoing assessment because of the severity of symptoms, the treatment, or both the treatment or therapy is extended over a length of time.

Attending/Treating Physician

The physician (M.D. or D.O.) may be either a primary care doctor or a specialist whose scope of practice enables the interventions necessary to treat the serious condition.

MHP Participating Physician

A physician is considered "participating" in a MHP if he or she is in the MHP provider network or is available on an out-of- network basis with one of the MHPs for which the beneficiary can be enrolled. The physician may not have a contract with the MHP but may have a referral arrangement to treat the plan's enrollees. If the physician can treat the beneficiary and receive payment from the plan, then the beneficiary would be enrolled in that plan and no medical exception would be allowed.

The request for medical exception evidences only that the Appellant has ongoing, chronic medical conditions. She is receiving standard treatment for her medical conditions. The listed diagnoses of fibromyalgia and neuropathy do not meet the criteria set forth in policy describing what constitutes a serious medical condition for the purpose of the medical exception policy. There is no documentation they are grave, life threatening or complex.

The Appellant testified she would like to remain in the care of her treating physician because she is familiar with the doctor, with whom she has treated for [redacted] years. She said she does not want to have to repeat painful and uncomfortable testing. She further asserted she had a TIA (transient ischemic attack) is [redacted]. She described this as having had a stroke. There is no documentation in evidence the Appellant suffered either a stroke or a TIA, which are not the same medical condition.

The medical conditions evidenced in the documentation provided by the Appellant's physician do not satisfy the definition of a serious medical condition, as contemplated by the medical exception policy. Additionally, the treatments undertaken by the Appellant and the medications she is taking for those medical conditions are all standard. Because the Appellant does not have a qualifying serious medical condition she does not satisfy the criteria necessary to qualify for a managed care exception.

For the reasons stated above, the request for exception from Medicaid Managed Care was properly denied.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Appellant does not meet the criteria for Medicaid Managed Care exception.

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]

Date Mailed: 10/12/2010

***** 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 mailing date of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the mailing date of the rehearing decision.