

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

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IN THE MATTER OF:

██████████

Appellant

_____ /

Docket No. 2010-7042 MCE

██████████

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge (ALJ) 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 ██████████. ██████████ appeared as the Appellant's representative. ██████████ appeared and testified. ██████████, Appeals Review Officer, represented the Department. ██████████, Enrollment Services Specialist, 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 ██████████ Medicaid beneficiary.
2. The Appellant resides in ██████████. He is a member of the population required to enroll in a Medicaid Health Plan (MHP).
3. On ██████████, the Michigan Department of Community Health Enrollment Services Section received a managed care exception request from the Appellant's medical provider, ██████████. (Exhibit 1, page 9)

4. On ██████████, the Appellant's request for a managed care exception was denied. The denial notice indicated he was not receiving frequent and active treatment for a serious medical condition as defined in the Department criteria. Rather, he is receiving periodic review of chronic on-going medical conditions. Additionally, the doctor planned to refer the Appellant to specialists, which can be provided or arranged through the MHP. (Exhibit 1, pages 10-11)
5. On ██████████, the State Office of Administrative Hearings and Rules for the Department of Community Health received the Appellant's Request for Administrative Hearing. (Exhibit 1, pages 7-8)

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 Health Care Financing Administration's 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 1 of the HMOs. If the person meets the criteria established by this subsection, the department shall grant an exception to mandatory 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 is 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 only available 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.

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, pages 30-31, 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

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

Active treatment

Active treatment is reviewed in regards to intensity of services when:

- 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 and/or the treatment.

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

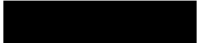
A physician is considered participating in a MHP if he is in the MHP provider network or is available on an out-of-network basis with one of the MHPs with which the beneficiary can be enrolled. The physician may not have a contract with the MHP but may have a referral arrangement to treat the plan's 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 indicates the Appellant is receiving treatment for chronic and ongoing medical conditions of lupus, affecting his joints and skin, and high blood pressure with exertional dyspnea. The request also indicates that the Appellant needs referrals to specialists in the fields of cardiology, dermatology, and rheumatology. The expected frequency of visits is listed as 2-3 months with specialists. (Exhibit 1, page 9) This is not consistent with frequent and active treatment of a serious medical condition as described in the above cited policy. The criteria states treatment must be monthly or more frequently.

Additionally, it has not been established that the needed treatment could not be provided by a MHP participating physician. While the Appellant's doctor is not a MHP participating physician, the medical exception request indicates that the specialists would be providing the treatment for the Appellant. There has been no evidence presented that the needed specialists would not be available through the MHP

The Appellant's representative/wife testified that they requested the medical exception because she and the Appellant have been under the care of ██████████ for a long time. The Appellant's representative explained that they feel ██████████ understands their circumstances and they trust him to provide treatment that is in the Appellant's best interests. The representative testified that the medical exception request and subsequent appeal of the denial were filed based on their preference for this doctor and not because they believe the Department incorrectly applied the medical exception policy to the Appellant's case.

This ALJ reviewed the evidence of record. It does not establish that the Appellant is receiving frequent and active treatment for a serious medical condition with ██████████ defined in the policy for the purposes of the medical exception process. To the contrary, the request indicates referrals to specialists are needed and they will see the Appellant for visits every 2-3 months.


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The Appellant's condition, as evidenced in the request for exception, does not meet the qualifying criteria set forth in the controlling policy. This is not to say that the Appellant does not have a medical condition requiring the attention and treatment of medical professionals. The Department must rely on what was provided on the forms submitted and make their determination within the bounds of policy. The evidence does not establish that the Appellant meets all the criteria necessary to be granted a managed care exception. The burden of proof rests with the Appellant to establish the Department's decision is incorrect. He has not met this burden.

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.

Colleen Lack
Administrative Law Judge
for Janet Olszewski, Director
Michigan Department of Community Health

cc: 

Date Mailed: 1/21/2010

***** 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.