

**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.** 2010-13114 TRN  
**Case No.** ██████████

**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 ██████████. ██████████, wife, appeared on the Appellant's behalf. ██████████ appeared and testified. ██████████, appeals review officer, represented the Department. ██████████, eligibility specialist, appeared as a witness on behalf of the Department of Human Services (DHS).

**ISSUE**

Did the Department properly deny the Appellant's request for payment of medical transportation expenses?

**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 was a Fee for Service Medicaid recipient through ██████████, ██████████. (Testimony)
3. The Appellant's Medicaid coverage changed when he enrolled in a Health Maintenance Organization (HMO), effective ██████████. (Exhibit 1, page 7)

4. Under Department policy, HMO's are required to assure a recipient's needs for medical transportation are met. Accordingly Medicaid HMO recipients are referred to the HMO for transportation requests for covered health care services. (Exhibit 1, page 5)
5. On ██████████, the Department worker discovered the Appellant's HMO enrollment and called the Appellant's wife to discuss the resulting change in transportation reimbursement. (Testimony)
6. On ██████████, a request for medical transportation reimbursement was submitted to the local Department of Human Services office on the Appellant's behalf for medical appointments in the months of ██████████ and ██████████. (Testimony)
7. On ██████████ the Department issued a Medical Transportation Notice to the Appellant denying the request for medical transportation stating that the health plan should be contacted for mileage reimbursement. (Exhibit 1, page 4)
8. The Appellant's request for a formal administrative hearing was received by the State Office of Administrative Hearing and Rules for the Michigan Department of Community Health on ██████████. (Exhibit 1, page 3)

### **CONCLUSIONS OF LAW**

The Medicaid program was established pursuant to Title XIX of the Social Security Act (SSA) and is implemented by 42 USC 1396 *et seq.*, and Title 42 of the Code of Federal Regulations (42 CFR 430 *et seq.*). The program is administered in accordance with state statute, the Social Welfare Act (MCL 400.1 *et seq.*), various portions of Michigan's Administrative Code (1979 AC, R 400.1101 *et seq.*), and the State Plan promulgated pursuant to Title XIX of the SSA.

The medical transportation coverage under the State Medicaid Plan is stated in Bridges Administrative Manual (BAM), 825 Medical Transportation, August 1, 2008:

### **CLIENTS IN MANAGED CARE**

Health Maintenance Organizations (HMOs) are required to assure a recipient's need for transportation necessary to receive health care services is met. This requirement is limited to the services the HMO is required to provide, including referrals for medical services from:

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- Specialists.
- Out-of-state medical providers.

Refer recipients to their health care plan provider if the Level of Care code on CIMS is 07.

**No Referral to HMO**

The following services are not provided by HMOs:

- Dental.
- Substance abuse.
- Community mental health.

You must evaluate requests for medical transportation for these services. Do not refer clients to HMOs for transportation to these services.

*Bridges Administrative Manual (BAM), 825 Medical Transportation*  
Page 6 of 17, August 1, 2008 (Exhibit 1, pages 5)

In the present case, it is uncontested that the Department received, processed and approved the medical transportation reimbursement requests submitted on the Appellant's behalf for the medical appointments in the months of [REDACTED]. The Department denied the Appellant's [REDACTED], mileage reimbursement request for medical transportation in the months of [REDACTED]. The Appellant enrolled in an HMO effective [REDACTED]. The Department worker testified that the denial of medical transportation reimbursement for the months of [REDACTED] was in accordance with the above cited policy that HMO's are responsible for the medical transportation of Medicaid beneficiaries who are enrolled in the HMO. The Department worker explained that she first discovered the Appellant was enrolled in the HMO on [REDACTED], when she was processing the Appellant's [REDACTED] medical transportation reimbursement request. The Department worker stated that she called the Appellant's wife that same date and discussed medical transportation, which would now have to be provided by the HMO.

The Appellant's wife disagrees with the denial and testified that the Department failed to give her timely notice of the change to the medical transportation process once the Appellant was enrolled in the HMO. The Appellant's wife believes that the Department should still pay for the mileage reimbursement for the medical transportation in September and the first part of [REDACTED]. The Appellant's wife explained that she had been submitting the Appellant's medical transportation requests to the Department and for mileage reimbursement and was not informed there would be any changes to this process until the [REDACTED], call from the Department worker. The Appellant's wife stated that she then contacted the HMO, but they were not willing to

back date anything and would only assist with medical transportation after [REDACTED],  
[REDACTED]

The Appellant's wife acknowledged that the HMO sent information on covered benefits upon enrollment. The Appellant's wife stated she did not contact the HMO regarding medical transportation at that time because the Department worker had not told her there would be any changes. However, the Department can not routinely authorize payment for medical transportation or authorize payment for medical transportation unless first requested by the client. *Bridges Administrative Manual (BAM), 825 Medical Transportation*, page 2 of 17, August 1, 2008. Accordingly, the Department's approval of previous medical transportation reimbursement requests was not a guarantee that future mileage reimbursement requests would be approved.

Department policy in this area is clear; Medicaid beneficiaries enrolled in managed care must be referred to the HMO for medical transportation requests unless the transportation was for services not provided by the HMO (dental, substance abuse, or community mental health). The Appellant was enrolled in the HMO effective [REDACTED]. There has been no evidence presented to establish that medical transportation in [REDACTED] was for services not provided by the HMO. The Department followed applicable policy in denying the mileage reimbursement request for [REDACTED] and referring the Appellant's wife to the HMO for medical transportation needs.

### **DECISION AND ORDER**

This 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 medical transportation expenses for the months of [REDACTED].

**IT IS THEREFORE ORDERED** that:

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

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

cc: [REDACTED]

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Date Mailed: 2/19/2010

**\*\*\* 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 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.