

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
FOR THE DEPARTMENT OF COMMUNITY HEALTH**

P.O. Box 30763, Lansing, MI 48909
(877) 833-0870; Fax: (517) 334-9505

IN THE MATTER OF:

Docket No. 2011-30140 EDW

██████████,

Appellant.

_____ /

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.*, following the Appellant's request for a hearing.

After due notice, a telephone hearing was held ██████████. ██████████, daughter, appeared on the Appellant's behalf.

██████████, appeared on behalf of ██████████. ██████████ is the MI Choice Waiver agent for the Michigan Department of Community Health (waiver agency).

ISSUE

Did the Department properly place the Appellant on the wait list for the MI Choice Waiver program?

FINDINGS OF FACT

Based upon the competent, material, and substantial evidence on the whole record, I find as material fact:

1. The Appellant is ██████ years old, and is seeking MI Choice Waiver services. (Exhibit 1, page 4)
2. On ██████████, the waiver agency spoke with the Appellant's daughter via telephone, who answered questions on the Appellant's behalf to complete the Telephone Intake Guidelines screening. (Exhibit 1, pages 4-7)
3. The waiver agency determined that the Appellant passed the Telephone Intake Guidelines screening, except for assets that were expected to be spent down in the upcoming months, and she was placed on the wait list. (Exhibit 1, pages 4-7 and Program Manager Testimony)

4. On ██████████, the Appellant was notified that the MI Choice Waiver program was at capacity, therefore, she would be placed on the wait list. (Exhibit 1, page 3)
5. Following notification that she had been placed on a waiting list for the MI Choice program, the Appellant requested a formal, administrative hearing on ██████████.
6. The Department's waiver agency is currently at capacity and, due to lack of funds, is unable to enroll the Appellant in the MI Choice Waiver program at this time. (Program Manager Testimony)
7. On ██████████, an Imminent Risk of Nursing Facility Placement was completed for the Appellant. (Exhibit 1, pages 8-11)
8. The Appellant did not score high enough on the Imminent Risk Assessment to be eligible for diversion status on the wait list. (Exhibit 1, page 11)

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.

This Appellant is claiming services through the Department's Home and Community Based Services for Elderly and Disabled (HCBS/ED). The waiver is called MI Choice in Michigan. The program is funded through the federal Centers for Medicare and Medicaid (formerly HCFA) to the Michigan Department of Community Health (Department). Regional agencies, in this case MORC, function as the Department's administrative agency.

Waivers are intended to provide the flexibility needed to enable States to try new or different approaches to the efficient and cost-effective delivery of health care services, or to adapt their programs to the special needs of particular areas or groups of recipients. Waivers allow exceptions to State plan requirements and permit a State to implement innovative programs or activities on a time-limited basis, and subject to specific safeguards for the protection of recipients and the program. Detailed rules for waivers are set forth in subpart B of part 431, subpart A of part 440 and subpart G of part 441 of this chapter. *42 CFR 430.25(b)*

The U.S. Department of Health and Human Services, on page 5 of a letter to State Medical Directors labeled Olmstead Update Number 4 (SMDL #01-006), dated January 10, 2001, in reply to the following question responded, in part:

May a State use the program's funding appropriation to specify the total number of people eligible for an HCBS waiver?

CMS has allowed States to indicate that the total number of people to be served may be the lesser of either (a) a specific number pre-determined by the State and approved by CMS (the approved "factor C" value), or (b) a number derived from the amount of money the legislature has made available (together with corresponding Federal match). The current HCBS waiver preprint contains both options....

The waiver agency has committed all the financial resources made available through the Department's appropriations to ensure continued service to current waiver enrollees and is not assessing any additional individuals. It maintains a waiting list and contacts individuals on the list on a first come, first served basis when sufficient resources become available to serve additional individuals. It then determines how many individuals from the list it can assess, and assesses a limited number of individuals from the list to determine if they may be eligible for enrollment in the MI Choice Waiver.

The pertinent section of *Policy Bulletin 09-47* states:

The following delineates the current waiting list priority categories and their associated definitions. They are listed in descending order of priority.

Persons No Longer Eligible for Children's Special Health Care Services (CSHCS) Because of Age This category includes only persons who continue to need Private Duty Nursing care at the time coverage ended under CSHCS.

Nursing Facility Transition Participants A given number of program slots will be targeted by MDCH each year to accommodate nursing facility transfers. Nursing facility residents are a priority only until the enrollment target established by MDCH has been reached.

Current Adult Protective Services (APS) Clients When an applicant who has an active APS case requests services, priority should be given when critical needs can be addressed by MI Choice Program services. It is not expected that MI Choice Program agents seek out and elicit APS cases, but make them a priority when appropriate.

Chronological Order By Date Services Were Requested

This category includes potential participants who do not meet any of the above priority categories and those for whom prioritizing information is not known.

Updates

Below are the two waiting list priority categories that have been updated. The updated categories will also be available on the MDCH website at

www.michigan.gov/medicaidproviders

>> Prior Authorization

>> The Medicaid Nursing Facility Level of Care Determination

>> MI Choice Eligibility and Admission Process.

Nursing Facility Transition Participants

Nursing facility residents who face barriers that exceed the capacity of the nursing facility routine discharge planning process qualify for this priority status. Qualified persons who desire to transition to the community are eligible to receive assistance with supports coordination, transition activities, and transition costs.

Current Adult Protective Services (APS) Clients and Diversion Applicants

When an applicant who has an active APS case requests services, priority is given when critical needs can be addressed by MI Choice Waiver services. It is not expected that MI Choice Waiver agents solicit APS cases, but priority should be given when appropriate.

An applicant is eligible for diversion status if they are living in the community or are being released from an acute care setting and are found to be at imminent risk of nursing facility admission. Imminent risk of placement in a nursing facility is determined using the Imminent Risk Assessment, an evaluation approved by MDCH. Supports coordinators administer the evaluation in person, and final approval of a diversion request is made by MDCH.

*Medical Services Administration Policy Bulletin 09-47,
November 2009, pages 1-2 of 3.*

The waiver agency has established a waiting list due to the limited resources it has to provide services. Based on the information provided during the [REDACTED], Telephone Intake Guidelines screening, it appeared that the Appellant would probably be eligible for

the MI Choice Waiver program once she spent down assets over the upcoming months. The Appellant was therefore placed on the wait list for the MI Choice Waiver program at that time. Furthermore, the waiver agency conducted an Imminent Risk Assessment on [REDACTED]. Persons with a total score of 8 or more may qualify for diversion status. The Appellant had a total score of 7. (Exhibit 1, page 11) Based upon the outcome of the assessment, it was determined that the Appellant's priority on the wait list could not be moved up at that time. (Exhibit 1, pages 1-11)

The Appellant's daughter testified that information about the Appellant on the waiver agency exhibits was not accurate. On the Telephone Intake Guidelines, for Door 3, the Appellant's daughter testified that the Appellant has had ongoing visits with several physicians as well as order changes. While it is important that the waiver agency has accurate information regarding the Appellant, the waiver agency has already placed the Appellant on the wait list for the face to face assessment based on other information provided for the Telephone Intake Guidelines.

The Appellant's daughter also disagreed with the scoring of two questions on the Imminent Risk Assessment. Regarding item 4, the Appellant's daughter testified that the Appellant sometimes uses a walker and wheelchair. The Appellant uses the wheelchair to go to other buildings for activities because it is so far. (Daughter Testimony) On the Imminent Risk Assessment, the waiver agency noted that the Appellant uses a wheelchair for the doctor. (Exhibit 1, page 9) The evidence indicates the Appellant uses the wheelchair when she goes out for appointments or to get to other buildings. However, a point would only be scored for item 4 if a wheelchair was used to move around indoors or if activity did not occur. (Exhibit 1, page 9) Regarding item 9, the Appellant's daughter testified that the Appellant makes some decisions, but some of her decisions are scary or dangerous. For example the Appellant decided to cook a roast in the crock pot and left the crock out. The waiver agency did mark that the Appellant made decisions, even if she had difficulty, or decisions were poor and required supervision. (Exhibit 1, page 10) However, this is not sufficient to score a point for item 9. A point can only be scored for item 9 if the person rarely or never made a decision in the past three days. (Exhibit 1, page 10)

The Appellant did not score at least 8 points on the Imminent Risk Assessment to be considered for diversion status on the wait list. The MI Choice Waiver agency provided sufficient evidence that it implemented the MI Choice waiting list procedure in the manner in which CMS has approved and in accordance to Department policy; therefore, its actions were proper. While she remains on the wait list, the Appellant can always contact the waiver agency if her circumstances change such that she may have become eligible for diversion status.

DECISION AND ORDER

Based on the above findings of fact and conclusions of law, I find the MI Choice Waiver agency properly denied the Appellant enrollment and placed her on the waiting list due to limited financial resources.

[REDACTED]
Docket No. 2011-30140 EDW
Decision and Order

IT IS THEREFORE ORDERED that:

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

Colleen Lack
Administrative Law Judge
for Olga Dazzo, Director
Michigan Department of Community Health

cc:

[REDACTED]

Date Mailed: 7/13/2011

***** NOTICE *****

The Michigan Administrative Hearing System 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 Michigan Administrative Hearing System 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.