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. 2011-38901 ABW
Case No.

,

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 hearing was held , mother, appeared on the Appellant's behalf. , RN, BSN Department Manager represented , a County-Administered Health Plan (CHP).

ISSUE

Did the CHP properly deny coverage of an insulin pump for the Appellant?

FINDINGS OF FACT

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

1. The Appellant is enrolled in the Adult Benefit Waiver (ABW) program.
2. The Appellant sought coverage for an insulin pump.
3. For ABW recipients, durable medical equipment items are not covered except for glucose monitors. *Medicaid Provider Manual, Adult Benefits Waiver, April 1, 2011, Page 5.* (Exhibit 1, page 2)
4. The CHP denied the Appellant's request for an insulin pump.

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 January 16, 2004, the federal Department of Health and Human Services, Centers for Medicare and Medicaid Services, approved the Adult Benefit Waiver to permit the state to use state funds and funds authorized under Title XXI of the Social Security Act to provide coverage to uninsured adults who were not otherwise eligible for Medicaid or Medicare. The new program utilizes the Medicaid provider network and County-Administered Health Plans (CHPs) as managed care providers.

The Department's policy with regard to the Adult Benefits Waiver is found in the Medicaid Provider Manual:

> **SECTION 1 - GENERAL INFORMATION**
>
> This chapter applies to all providers.
>
> The Adult Benefits Waiver (ABW) provides health care benefits for Michigan's childless adult residents (age 19 through 64) with an annual income at or below 35 percent of the Federal Poverty Level (FPL). Covered services and maximum copayments for beneficiaries in this eligibility category are detailed in the following sections. Unless noted in Medicaid provider-specific chapters, service coverage and authorization requirements for the fee-for-service (FFS) beneficiaries enrolled in the ABW program mirror those required for Medicaid. Only those providers enrolled to provide services through the Michigan Medicaid Program may provide services for FFS ABW beneficiaries.
>
> The Michigan Department of Human Services (MDHS) may also refer to the ABW as the Adult Medical Program.
>
> **SECTION 1.1 - COUNTY ADMINISTERED HEALTH PLANS**
>
> ABW beneficiaries enrolled in County-Administered Health Plans (CHPs) are subject to the requirements of the respective CHP. In those counties operating nonprofit CHPs, all covered services for ABW beneficiaries must be provided through the health plan. CHPs administering the ABW program are required to provide the services noted in the Coverage and Limitations Section of this chapter to ensure that benefits are consistent for all ABW beneficiaries across the FFS and CHP programs.

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SECTION 2 – COVERAGE AND LIMITATIONS

The table below outlines beneficiary coverage under ABW. Special instructions for CHP beneficiaries are noted when applicable.

Service	Coverage
Ambulance	Limited to emergency ground ambulance transport to the hospital Emergency Department (ED).
Case Management	Noncovered
Chiropractor	Noncovered
Dental	Noncovered.
Emergency Department	Covered per current Medicaid policy. For CHPs, PA may be required for nonemergency services provided in the Emergency Department.
Eyeglasses	Non-covered
Family Planning	Covered. Services may be provided through referral to local Title X designated Family Planning Program.
Hearing Aids	Noncovered
Home Health	Noncovered
Home Help (personal care)	Noncovered
Hospice	Noncovered
Inpatient Hospital	Noncovered
Lab & X-Ray	Covered if ordered by an MD, DO, or NP for diagnostic and treatment purposes. PA may be required by the CHP.
Medical Supplies/Durable Medical Equipment (DME)	***Limited coverage.*** • ***Medical supplies are covered except for the following noncovered categories: gradient surgical garments, formulas and feeding supplies, and supplies related to any noncovered DME item.*** • ***DME items are noncovered except for glucose monitors.*** (Emphasis added by ALJ)
Mental Health Services	Covered: Services must be provided through the PIHP/CMHSP. (Refer to the Mental Health/Substance Abuse Coverage section of this chapter.)
Nursing Facility	Noncovered
Optometrist	Noncovered
Outpatient Hospital (Nonemergency	Covered: Diagnostic and treatment services and diabetes education services. PA may be required

Department)	for some services. A $3 copayment for professional services is required. * Noncovered: Therapies, labor room and partial hospitalization.
Pharmacy	Covered: • Products included on the Michigan Pharmaceutical Products List (except enteral formulas) that are prescribed by an MD, DO, NP or oral-maxillofacial surgeon. PA may be required. Products must be billed to MDCH or CHP, as appropriate. • Psychotropic medications are provided under the FFS benefit. (Refer to the MDCH Pharmacy Benefits Manager (PBM) website for a list of psychotropic drug classes to be billed to MDCH. Refer to the Directory Appendix for website information.) The list of drugs covered under the carveout is updated as necessary. Drugs are added and deleted on a regular basis so it is imperative that the provider review this website frequently. Noncovered: Injectable drugs used in clinics or physician offices. Copayment: $1 per prescription
Physician **Nurse Practitioner (NP)** **Oral-Maxillofacial Surgeon** **Medical Clinic**	The following services are covered per current Medicaid policy: • Annual physical exams (including a pelvic and breast exam, and pap test). Women who qualify for screening/services under the Breast and Cervical Cancer Program administered by the LHD may be referred to that program for services as appropriate. • Diagnostic and treatment services. May refer to LHD for TB, STD, or HIV-related services, as available.

* Professional services requiring a copayment are defined by the following Evaluation and Management (E&M) procedure codes. 92002-92014, 99201-99205, 99211-99215, 99241-99245, 99341-99345, 99347-99350, 99385-99387, 99395-99397. No copayment may be charged for family planning or pregnancy related services.

Version Date: April 1, 2011
Medicaid Provider Manual; Adult Benefits Waiver
Pages 4-5

The Appellant's mother credibly testified that the Appellant's doctor said the Appellant needs the insulin pump for his diabetes. She is concerned for he son's health. The Appellant's mother further stated that the Appellant also has Celiac disease and now has to go for a heart stress test.

The CHP representative established that it implemented the ABW program consistent with Department Medicaid policy. The CHP representative testified and submitted evidence that the denial of the requested insulin pump was consistent with the Department's Medicaid policy, which explicitly excludes coverage of durable medical equipment except for glucose monitors. (Exhibit 1, page 2) The CHP's denial must be upheld.

DECISION AND ORDER

Based on the above findings of fact and conclusions of law, I must find that the CPH properly denied the Appellant's request for an insulin pump.

IT IS THEREFORE ORDERED that:

The County Health Plan's decision is AFFIRMED.

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

cc:

Date Mailed: 9/2/2011

***** NOTICE *****

The Michigan Administrative Hearing System for the Department of Community Health 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 for the Department of Community Health 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.