

**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:

██████████,

Appellant

\_\_\_\_\_ /

Docket No. 2011-29562 SAS

Case No. ██████████

**DECISION AND ORDER**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 upon the Appellant's request for a hearing.

After due notice, a hearing was held on ██████████. The Appellant appeared without representation. His witness was his spouse, ██████████. ██████████ represented the Department. Her witnesses were ██████████

**ISSUE**

Did the Department properly terminate the Appellant's Outpatient Methadone Treatment (OMT) program?

**FINDINGS OF FACT**

The Administrative Law Judge, base upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The Appellant is a ██████-year-old male Medicaid beneficiary. (Appellant's Exhibit #1)
2. The Appellant is afflicted with diabetes and its complications. (Appellant's Exhibit #1)
3. The Respondent is an authorizing agency for substance abuse services provided under programs administered by the Department of Community Health/Community Mental Health.
4. The Agency (██████████) provides Outpatient Methadone Treatment (OMT) to its consumers.

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5. The Appellant has been participating in the OMT program at the [REDACTED] substance abuse treatment center since [REDACTED] (See Testimony of [REDACTED])
6. The Appellant was discharged from the OMT program based on rules violations, safety and repeated positive testing for illicit drugs on [REDACTED]. His further appeal rights were contained in his advance notice of action. (Department's Exhibit A, p. 25)
7. The Appellant was then discharged from further treatment at [REDACTED] [REDACTED] the contractor for OMT services for additional rules violations, illicit opiate use, illicit benzodiazepine use, and harmful use in combination with methadone and program non compliance. (Department's Exhibit A, p. 33)
8. The Appellant alleged a painful DM complication as his rationale for continued illicit drug use. (See Testimony of Appellant and Appellant's Exhibit #1)
9. The Appellant requested an administrative hearing which was received by the Michigan Administrative Hearing System for the Department of Community Health. (Department's Exhibit A, p. 26)
10. Having routinely ignored or failed to act on numerous referrals for non-narcotic treatment for his painful DM complications and for misinforming the OMT Medical Director on several occasions as well as PCP non-compliance the Appellant, in the final months of treatment, continued to test positive for illicit drugs without prescription: opiates, cocaine and benzodiazepines. (Department's Exhibit A at page 55)
11. Appellant filed a Request for Administrative Hearing with the Michigan Administrative Hearing System for the Department of Community Health on [REDACTED]. (Appellant's Exhibit #1)

**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 Medicaid plan promulgated pursuant to Title XIX of the SSA.

Subsection 1915(b) of the SSA provides, in relevant part:

The Secretary, to the extent he finds it to be cost-effective and efficient and not inconsistent with the purposes of this title, may waive such requirements of section 1902 (other than subsection(s) 1902(a)(15), 1902(bb), and

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1902(a)(10)(A) insofar as it requires provision of the care and services described in section 1905(a)(2)(C)) as may be necessary for a State –

- (1) to implement a primary care case-management system or a specialty physician services arrangement, which restricts the provider from (or through) whom an individual (eligible for medical assistance under this title) can obtain medical care services (other than in emergency circumstances), if such restriction does not substantially impair access to such services of adequate quality where medically necessary.

Under approval from the Center for Medicare and Medicaid Services (CMS), the Department (MDCH) presently operates a Section 1915(b) Medicaid waiver referred to as the managed specialty supports and services waiver. A prepaid inpatient health plan (PIHP) contracts with MDCH to provide services under this waiver, as well as other covered services offered under the state Medicaid plan.

The MDCH/CMHSP Managed Specialty Supports and Services Contract, Sections 2.0 and 3.1 and Attachment 3.1.1, Section III(a) Access Standards-10/1/08, page 4, (i) directs a CMH to the Department's Medicaid Provider Manual (MPM) for determining coverage eligibility for Medicaid mental health and substance abuse beneficiaries.

Medicaid-covered substance abuse services and supports, including Office of Pharmacological and Alternative Therapies (OPAT)/Center for Substance Abuse Treatment (CSAT) – approved pharmacological supports may be provided to eligible beneficiaries. OPAT/CSAT-approved pharmacological supports encompass covered services for methadone and supports including: nursing services, physical examinations, monthly physician encounters, laboratory testing and TB skin tests as physician ordered. See MPM, Mental Health/Substance Abuse, §§12.1 – 12.2, April 1, 2011, pp. 62-65.

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The evidence in this case shows that Appellant has been in methadone treatment for ten (10) years. The Department contends that Appellant's OMT was appropriately terminated because the Appellant demonstrated continued [medical] clinical non-compliance, violation of his annually executed Recovery Lifestyle Plan as well as the contraindicated mixing of illicit [or unknown] drugs all of which presented a serious risk of injury or further medical complication or precipitation of withdrawal to the Appellant.

The Department witness testified that in part, its termination decision relied on the MDCH Office of Drug Control Policy-Treatment Policy-05 the policy allows for discharge/termination of a client for clinical noncompliance, as follows:

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2. Clinical Noncompliance – A client's failure to comply with the individualized treatment plan, despite attempts to address such noncompliance, may result in administrative discharge for clinical noncompliance. Justification for a clinical noncompliance discharge must be documented in the case file. Reasons for such discharge may include but are not limited to the following:

- Treatment goals have not been met within two (2) years of commencement of treatment...
- Repeated or continued use of one or more other drugs and/or alcohol that is prohibited by the beneficiary's treatment plan.

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Department's Exhibit B, pp. 16-22, 55

This policy is in accord with the Medicaid Provider Manual that describes criteria for service denial and terminations when the beneficiary is non-compliant:

#### **ADMISSION CRITERIA**

Outpatient services should be authorized based on the number of hours and/or types of services that are medically necessary. Reauthorization or continued treatment should take place when it has been demonstrated that the beneficiary is benefiting from treatment but additional covered services are needed for the beneficiary to be able to sustain recovery independently.

Reauthorization of services can be denied in situations where the beneficiary has:

- not been actively involved in their treatment, as evidenced by repeatedly missing appointments;
- not been participating/refusing to participate in treatment activities;
- continued use of substances and other behavior that is deemed to violate the rules and regulations of the program providing the services.

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Beneficiaries may also be terminated from treatment services based on these violations. MPM, *Supra*, p. 64

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The Department's witnesses described how the Appellant had been receiving his methadone treatment for ten (10) years. They further described that the Appellant had ignored repeated and documented referrals for non narcotic foot pain treatment<sup>1</sup> – a referenced excuse for continued illicit drug use by the Appellant.

The Department witness added that in ████████ the Appellant's random urine screens began to reference the dangerous mixing of benzodiazepines and methadone – as well as cocaine. They said that the Appellant saw a counselor and that on learning he would be subject to detoxification he was remorseful and "had learned his lesson." [See Department's Exhibit A at page 35]

The Appellant said on learning of his mother's recent passing he "...went to ████████ and bought some heroin." [Department's Exhibit A, at page 35] He added at today's hearing that he never took benzodiazepines – although he admitted to taking opiates. The Appellant explained that he thought his urine bottle was mislabeled on more than one occasion and that someone else's result was placed into his record. He could not identify the date this took place. He added that he had "a script" for his opiates – "but it was expired."

The Appellant failed to show that the proposed termination from the OMT program for non-compliance was improper. He did not present any evidence of Department error. The Appellant did not prove, by a preponderance of evidence that he complied with the requirements of his outpatient methadone treatment program. See Department's Exhibit A- throughout.

The overwhelming evidence shows that the Appellant did repeatedly test positive for illicit drugs, largely from ██████████ through ██████████. There was no evidence of a prescription for either the opiates or the benzodiazepines. There was credible evidence of cocaine use. [See Department's Exhibit A at page 55].

The Respondent provided sufficient evidence that its decision to terminate the Appellant from OMT was proper and in accordance with Department policy.

**DECISION AND ORDER**

This Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that Respondent properly terminated Appellant from OMT.

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<sup>1</sup> See Department's Exhibit A at pp. 41, 43, 44 and 46.

  
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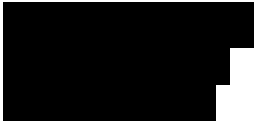
**IT IS THEREFORE ORDERED** that:

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

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Dale Malewska  
Administrative Law Judge  
for Olga Dazzo, Director  
Michigan Department of Community Health

cc:



Date Mailed: 7/18/2011

**\*\*\* 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 & 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.