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:

[redacted]

Docket No. 2011-8066 TRN
Case No. 29629449

Appellant
/

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 [redacted]. [redacted] appeared on her own behalf. [redacted] represented the Department. [redacted] for the Department of Human Services, and [redacted] appeared as witnesses on behalf of the Department of Human Services (DHS).

ISSUE

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

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 [redacted] Medicaid beneficiary.

2. She was approved for Medicaid through an ALJ Decision and Order In [redacted].

3. The Medicaid approval was retroactive, with benefits to begin in [redacted]. (uncontested testimony from Appellant).

4. The Appellant requested transportation expenses reimbursement for Medicaid covered Medical appointments dating from [redacted]

[redacted] and another appointment on [redacted].

5. The Appellant's request for medical transportation reimbursement was made verbally to her eligibility specialist in [redacted], within days of being notified via ALJ decision, that she had been approved for retroactive and ongoing Medicaid benefits.

6. The Department's worker printed a Medical transportation request form and sent it to the Appellant upon her request.

7. The Appellant completed the form containing dates for Medical transportation services from [redacted] and one date in [redacted]. She thereafter returned it to the DHS office on [redacted].

8. The DHS returned the form to the Appellant because it lacked the medical provider's signature.

9. The Appellant obtained the Medical provider's signature on the form and returned it to the DHS office and second time on [redacted].

10. The DHS processed the request for Medical transportation reimbursement approving only for the appointment in [redacted]. A denial notice was sent to the Appellant for the remaining appointment dates.

11. The DHS cites transportation policy stating requests for medical transportation reimbursement must be received within 90 days of the date of transport as reason for denial.

12. The Department worker and program manager stipulated at hearing the Appellant was granted retroactive Medicaid eligibility for all times pertinent to the request for transportation expense reimbursement.

13. The Appellant appealed the denial. Her hearing request was received [redacted].

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, January 1, 2010:

> **COVERED MEDICAL TRANSPORTATION**
>
> Medical transportation is available to obtain medical evidence or receive any MA-covered service from any MA-enrolled provider, including:
>
> - Chronic and ongoing treatment.
> - Prescriptions.
> - Medical supplies.
> - Onetime, occasional and ongoing visits for medical care.
>
> **MEDICAL TRANSPORTATION NOT COVERED**
>
> Do not authorize payment for the following:
>
> - Transportation for noncovered services (such as AA meetings, medically unsupervised weight reduction, trips to pharmacies for reasons other than obtaining MA-covered items).
> - Reimbursement for transportation for episodic medical services and pharmacy visits that has already been provided.
> - Transportation costs for long-term care (LTC) residents. LTC facilities are expected to provide transportation for services outside their facilities.
> - Transportation costs to meet a client's personal choice of provider for routine medical care outside the community when comparable care is available locally. Encourage clients to obtain medical care in their own community unless referred elsewhere by their local physician.
> - DCH authorized transportation for clients enrolled in managed care is limited. See **CLIENTS IN MANAGED CARE.**
>
> **Payment Authorization**
> **MSA-4674**
>
> Use the MSA-4674, Medical Transportation Statement, to:

- Authorize payment for routine travel expenses that do not require advance payment,
- Verify that transportation was provided.

Use an MSA-4674 to authorize payment whenever a less expensive means for medical transportation is not otherwise available. Use comparable documentation from the provider and/or transporter if the client is unable to obtain the MSA-4674 prior to a medical visit.

A separate MSA-4674 is required for each medical provider or transporter. Chronic and ongoing treatment to the **same provider** may have more than 5 multiple trips within a calendar month reflected on the MSA-4674-A, Medical Transportation Statement - Chronic and Ongoing Treatment; (see Reference Forms & Publications (RFF) manual).

You must receive the MSA-4674 within 90 days from the date of service in order to authorize payment. Do not make payment less frequently than monthly.

Exception: An MSA-4674 is not required for volunteer services drivers if an DHS-4681, Volunteer Transportation Request/Authorization, is submitted for payment to the local office fiscal unit.

The client and medical provider(s) (or their staff) must sign the form.

The transporter must sign if payment is to be issued to the transporter, except for mass transit transporters.

DHS-1291 Use the DHS-1291, Local Payment Authorization, for advanced payment for long-distance travel expenses. Attach an DHS-223 to the DHS-1291 to document expenses; see **Expense Documentation**.

Bridges Administrative Manual (BAM), 825 Medical Transportation
Pages 2 and 12 of 17, January 1, 2010

Despite having a transportation policy 17 pages in length, the Department does not explicitly address how to process requests for Medical transportation in cases where Medicaid benefits are approved retroactively. In this case it is undisputed the Appellant was not notified she was eligible for Medicaid until the ALJ Decision and Order was issued to her in [redacted]. It granted retroactive Medicaid coverage for all dates

pertinent to her request for reimbursement of medical transportation expenses according to both the worker and program supervisor at the hearing. Because she was not active Medicaid at the time she incurred her medical transportation expenses, she could not have made a claim for reimbursement of them within 90 days of incurring them. She was, however, in the process of establishing eligibility for Medicaid by pursuing her appeal. Importantly and materially in this instance, she was granted retroactive Medicaid benefits. The transportation service is a covered service and there is no exclusion of this particular benefit in evidence. Also importantly, the beneficiary could present her medical bills for Medicaid covered services to the Department for coverage in accordance with the ALJ determination that she be granted retroactive Medicaid coverage. The medical services she obtained during the retroactive coverage period are authorized for payment through an exception process developed by the Department, so long as they are Medicaid covered services. It makes no sense that the transportation services required to obtain the Medicaid covered medical appointments are not also reimbursable using the same exception. Reliance upon a 90 day policy rule in this instance makes no sense because the Appellant could not have made her request for transportation reimbursement within 90 days of incurring the expense because she not notified of Medicaid eligibility for that time period until long after 90 days had passed. She did make her request for transportation services very promptly and returned the form very timely. She acted to secure her benefits as quickly as she could under the circumstances. Medicaid policy does not support denial of transportation services for people who have been granted retroactive Medicaid benefits. There is policy allowing the Department to implement payment and eligibility in accordance with ALJ decisions. It is proper to do so in this case.

DECISION AND ORDER

This Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department improperly denied the Appellant's request for medical transportation.

IT IS THEREFORE ORDERED that:

> The Department's decision is REVERSED. The Department is ordered to process the Appellant's request for Medical transportation expense reimbursement.

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Jennifer Isiogu
Administrative Law Judge
for Olga Dazzo, Director
Michigan Department of Community Health

[redacted]
Docket No. 2011-8066 TRN
Decision and Order

cc: [redacted]

Date Mailed: 1/21/2011

***** 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.