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**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. 2012-43125 HHR
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 ██████████. ██████████, the Appellant, failed to appear. The Department was represented by ██████████, Appeals Review Officer. ██████████, Adult Services Worker ("ASW") and ██████████, Program Manager, appeared as witnesses for the Department.

ISSUE

Did the Department properly pursue recoupment against the Appellant for Home Help Services for payments for the time period of ██████████, through ██████████?

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 provided Home Help Services to a Medicaid beneficiary, Rodney Miller.
2. On ██████████, the Department issued warrant number ██████████ for \$ ██████████ for ██████████ Home Help Services for the month of ██████████. (Exhibit 1, page 6 and ASW Testimony)
3. On ██████████, the Department issued warrant number ██████████ for \$ ██████████ for ██████████ Home Help Services for the month of ██████████. (Exhibit 1, page 6 and ASW Testimony)
4. On ██████████, ██████████ left a voice mail indicating he did not have any need for Home Help Services and the September check should be voided because the Appellant did not work for him during those months.

(Exhibit 1, page 10)

5. On [REDACTED], the ASW met with the Program Manager, who had spoken with [REDACTED]. [REDACTED] reported to the Program Manager that he has been in Adult foster Care (AFC) since August and the Appellant had cashed two checks that should not have been hers. (Exhibit 1, page 10)
6. On [REDACTED], the ASW issued a letter indicating there had been an overpayment of \$ [REDACTED] for the time period of [REDACTED], to [REDACTED], specifically for warrants issued on [REDACTED] and [REDACTED]. The letter indicated the reason for the overpayment was Home Help Services were not provided. (Exhibit 1, pages 6-7, ASW Testimony)
7. On [REDACTED], the Department of Community Health issued a certified letter to the Appellant requesting repayment of \$ [REDACTED] to the Home Help Program. (Exhibit 1, page 8)
8. On [REDACTED], the Department of Community Health issued a Final Notice to the Appellant requesting repayment of \$ [REDACTED] to the Home Help Program. (Exhibit 1, page 9)
9. On [REDACTED], the Appellant's hearing request was received by the Michigan Administrative Hearing System. (Exhibit 1, pages 4-6)

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.

Home Help Services (HHS) are provided to enable functionally limited individuals to live independently and receive care in the least restrictive, preferred settings. These activities must be certified by a health professional and may be provided by individuals or by private or public agencies.

Adult Services Manual (ASM) 165, 11-1-2011, addresses the issue of recoupment:

GENERAL POLICY

The department is responsible for correctly determining accurate payment for services. When payments are made in an amount

greater than allowed under department policy, an overpayment occurs.

When an overpayment is discovered, corrective actions must be taken to prevent further overpayment and to recoup the overpayment amount. The normal ten business day notice period must be provided for any negative action to a client's services payment. An entry must be made in the case narrative documenting:

- The overpayment.
- The cause of the overpayment.
- Action(s) taken to prevent further overpayment.
- Action(s) taken to initiate the recoupment of the overpayment.

FACTORS FOR OVERPAYMENTS

Four factors may generate overpayments:

- Client errors.
- Provider errors.
- Administrative errors.
- Department upheld at an administrative hearing.

Appropriate action must be taken when any of these factors occur.

Provider Errors

Service providers are responsible for correct billing procedures. Providers must only bill for services that have been authorized by the adult services specialist **and** that the provider has already delivered to the client.

Note: Applicable for home help agency providers and cases with multiple individual providers where hours may vary from month to month.

Providers are responsible for refunding overpayments resulting from an inaccurate submission of hours. Failure to bill correctly or refund an overpayment is a provider error.

Example: Provider error occurs when the provider bills for, and receives payment for services that were not authorized by the specialist or for services which were never provided to the client.

On [REDACTED] and [REDACTED], the Department issued warrants totaling \$ [REDACTED] for [REDACTED] Home Help Services for the months of [REDACTED] and [REDACTED]. (Exhibit 1, page 6 and ASW Testimony)

The Department's policy specifically addresses recoupment of payment for services that were not provided. The Department's evidence documents that [REDACTED] twice reported payments were issued for Home Help Services he did to not receive. On [REDACTED], [REDACTED] left a voicemail indicating he did not have any need for Home Help Services and the September check should be voided because the Appellant did not work for him during those months. On [REDACTED], the ASW met with the Program Manager, who had spoken with [REDACTED]. [REDACTED] reported to the Program Manager that he has been in Adult Foster Care (AFC) since August and the Appellant had cashed two checks that should not have been hers. (Exhibit 1, page 10)

The Appellant did not appear for [REDACTED] telephone hearing proceedings to contest the recoupment.

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly sought recoupment from the Appellant/Provider of the payments for Home Help Services for the months of [REDACTED] and [REDACTED], totaling \$ [REDACTED].

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly pursued recoupment against the Appellant Home Help Provider.

IT IS THEREFORE ORDERED that:

The Department's decision in seeking recoupment is AFFIRMED. The overpayment amount is \$ [REDACTED].

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Colleen Lack
Administrative Law Judge
for James K. Haveman, Director
Michigan Department of Community Health

[REDACTED]
Docket No. 2012-43125 HHR
Decision and Order

cc:



Date Mailed: 9/13/2012

***** 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. 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.