

**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.** 2012-47301 SAS  
**Case No.** [REDACTED]

[REDACTED]

**Appellant**

\_\_\_\_\_ /

**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 [REDACTED] appeared on his own behalf. [REDACTED], Director, Saginaw County Health Department, represented the Respondent, Saginaw County Substance Abuse Treatment and Prevention Services (TAPS or Department). [REDACTED], Director, [REDACTED], [REDACTED], Certified Assessment Specialist, appeared as witnesses for the Department.

**ISSUE**

Did the Respondent properly terminate Appellant's outpatient methadone treatment?

**FINDINGS OF FACT**

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

1. Appellant is a [REDACTED], Medicaid beneficiary, [REDACTED], [REDACTED]
2. On [REDACTED], Appellant began services at [REDACTED] in Saginaw, Michigan, which is a licensed Methadone provider under contract with TAPS. [REDACTED]
3. TAPS is an authorizing agency for substance abuse services provided under programs administered by the Department of Community Health/Community Mental Health.

4. TAPS contracts with ██████████ to provide outpatient methadone treatment (OMT) to TAPS enrollees.
5. Appellant has been receiving OMT through ██████████ since ██████████
6. Appellant's participation in OMT requires prohibition from the use of alcohol or drugs not included in his treatment plan. ██████████
7. Of the ██████████ Appellant underwent between ██████████  
██████████
8. Appellant has not provided a prescription for the positive drug test results.  
██████████
9. Appellant was placed on behavioral contract for his illicit drug use on ██████████  
██████████ and informed of the consequences of continued illicit drug use.  
██████████ Appellant continued to test positive for illicit drugs on ██████████  
██████████
10. On ██████████ the Appellant was given an Advance Action Notice, stating he would be terminated from the OMT program. The reason stated was: "Continued illicit substance use." The notice provided the right to request a fair hearing. ██████████
11. Appellant filed a Request for Administrative Hearing with the Michigan Administrative Hearing System for the Department of Community Health on ██████████

### **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

**Docket No. 2012-47301 SAS**  
**Hearing Decision & Order**

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 (Contract) with MDCH to provide services under this waiver, as well as other covered services offered under the state Medicaid plan.

Pursuant to the Section 1915(b) waiver, Medicaid state plan services, including substance abuse rehabilitative services, may be provided by the PIHP to beneficiaries who meet applicable coverage or eligibility criteria. *Contract FY 2009, Part II, Section 2.1.1, p 27.* Specific service and support definitions included under and associated with state plan responsibilities are set forth in the Mental Health/Substance Abuse Chapter of the Medicaid Provider Manual (MPM). *Contract FY 2009, Part II, Section 2.1.1, p 27.*

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. *MPM, Mental Health/Substance Abuse Chapter, §§ 12.1, October 1, 2010, pp 64.*

OPAT/CSAT-approved pharmacological supports encompass covered services for methadone and supports and associated laboratory services. *MPM, Mental Health/Substance Abuse Chapter, §§ 12, October 1, 2010, OPAT/CSAT subsection.* Opiate-dependent patients may be provided therapy using methadone or as an adjunct to other therapy.

The evidence in this case indicates Appellant has a long history of substance abuse. Respondent contends that Appellant's OMT was appropriately terminated because the Appellant demonstrated continued clinical non-compliance.

The Respondent testified that in part, its termination decision relied on the MDCH "Enrollment Criteria for Methadone Maintenance and Detoxification Program". The Criteria allows for discharge/termination of a client for clinical noncompliance, as follows:

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... Reasons for such discharge 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. (*Enrollment Criteria for Methadone Maintenance and Detoxification Program, 01/01/2008 revision, p 6*)

The Appellant was enrolled in the methadone maintenance treatment program at ██████████. The Respondent's representative testified that of the ██████████

██████████ The Respondent's representative also testified that Appellant could have stopped the administrative detoxification by submitting a negative drug screen after he was placed on behavioral contract on ██████████ but that he failed to do so. The evidence of record also establishes that the Department's agent issued a proper advance action notice of termination.

The methadone maintenance and detoxification program, as outlined in the Department's requirements, prohibits the use of illicit drugs not otherwise prescribed by a physician. Substantial compelling evidence submitted by the Department's agent established that the Appellant repeatedly tested positive for illicit drugs and failed to provide requested physician documentation for the illicit drugs that showed in his urine tests.

The Appellant testified that he sought treatment in ██████████ because he has had a long-term substance abuse problem. Appellant indicated that soon after he began treatment, ██████████ had to go into a nursing home and the stress from her move caused him to continue using illicit drugs. Appellant testified that he did have one drug screen on ██████████ for which he only ██████████, and that he had a prescription for the ██████████ at the time. ██████████ However, Appellant testified that his ██████████ then died and he relapsed. The Department pointed out that Appellant then had further drug screens with positive results for illicit drugs. ██████████ Given that Appellant's one alleged "clean" drug screen occurred approximately one month after the Advance Action Notice sent to Appellant it is irrelevant to the proceedings here. Even so, the Department still provided evidence that Appellant had continued drug screens showing illicit drug use after the ██████████ test.

**Docket No. 2012-47301 SAS**  
**Hearing Decision & Order**

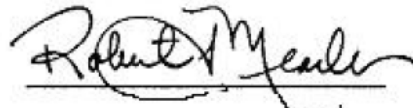
The Respondent provided sufficient evidence that its decision to terminate Appellant from OMT, including therapy, was proper and in accordance with Department policy. The Appellant did not prove, by a preponderance of evidence that he complied with his outpatient methadone treatment program. This means that the TAPS properly terminated Appellant's outpatient methadone treatment.

**DECISION AND ORDER**

This Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that Respondent properly terminated Appellant's outpatient methadone treatment program.

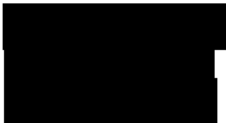
**IT IS THEREFORE ORDERED THAT:**

Respondent's decision is AFFIRMED.



**Robert J. Meade**  
Administrative Law Judge  
for Olga Dazzo, Director  
Michigan Department of Community Health

cc:



Date Mailed: 6.19.2012

**\*\*\* 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 & 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.