

**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. 2012-13635 QHP  
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 ██████████. ██████████ appeared and testified on behalf of the Appellant. ██████████ Appeals Coordinator, ██████████ ██████████ represented ██████████. ██████████, Chief Medical Officer, testified for ██████████.

**ISSUE**

Did ██████████ properly deny the Appellant's prior authorization request for Neuropsychological Testing?

**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 a ██████████ year old Medicaid beneficiary, enrolled in ██████████ ██████████. She resides with her grandmother in their ██████████, Michigan home.
2. The Appellant attended special education classes and was able to obtain a high school diploma. She reads at an 8<sup>th</sup> grade level, performs math at a 3<sup>rd</sup> grade level. She has no history of seizures. She is in good general health and her only medication is an antidepressant.
3. The Appellant is diagnosed with Encephalopathy, probably secondary to in-utero insult from cocaine.
4. On ██████████ D.O., Neurologist, examined the Appellant and ordered a MRI of the Appellants brain to rule out any structural etiology and ordered a EEG to rule out any electrical abnormalities. Exhibit 1, pp. 12-14.

5. On ██████████, the Appellant underwent an MRI of her brain. The test result was: 'no intracranial abnormality identified.' Exhibit 1, p. 15.
6. On ██████████, the Appellant underwent an EEG. The test result was: "No lateralizing or epileptic feature in this recording." Exhibit 1, p. 16.
7. On ██████████ submitted a prior authorization request to ██████████ in which he requested an outpatient neuropsychological testing/evaluation (NPT) for the Appellant.
8. On ██████████ reviewed the Appellant's prior authorization request and concluded that it did not meet Medicaid coverage criteria.
9. On ██████████ sent the Appellant a notice in which it informed the Appellant that her prior authorization request was denied.
10. On ██████████, the Michigan Administrative Hearing System received the Appellant's request for an administrative hearing.

### **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 May 30, 1997, the Department received approval from the Health Care Financing Administration, U.S. Department of Health and Human Services, allowing Michigan to restrict Medicaid beneficiaries' choice to obtain medical services only from specified Medicaid Health Plans.

The Respondent is one of those Medicaid Health Plans.

The Covered Services that the Contractor has available for Enrollees must include, at a minimum, the Covered Services listed below. The Contractor may limit services to those which are medically necessary and appropriate, and which conform to professionally accepted standards of care. Contractors must operate consistent with all applicable Medicaid provider manuals and publications for coverages and limitations. If new services are added to the Michigan Medicaid Program, or if services are expanded, eliminated, or otherwise changed, the Contractor must implement the changes consistent with State direction in accordance with the provisions of Contract Section I-Z.

Although the Contractor must provide the full range of Covered Services listed below they may choose to provide services over and above those specified.

The services provided to Enrollees under this Contract include, but are not limited to, the following:

- Ambulance and other emergency medical transportation
- Blood lead testing in accordance with Medicaid EPSDT policy
- Certified nurse midwife services
- Certified pediatric and family nurse practitioner services
- Chiropractic services for individuals under age 21
- Diagnostic lab, x-ray and other imaging services
- Durable medical equipment and supplies
- Emergency services
- End Stage Renal Disease services
- Family Planning Services
- Health education
- Hearing & speech services,
- Hearing aids for individuals under age 21
- Home Health services
- Hospice services (if requested by the enrollee)
- Immunizations
- Inpatient and outpatient hospital services
- Intermittent or short-term restorative or rehabilitative services (in a nursing facility), up to 45 days
- Restorative or rehabilitative services (in a place of service other than a nursing facility)
- Maternal and Infant Support Services (MSS/ISS)
- Medically necessary weight reduction services
- Mental health care – maximum of 20 outpatient visits per Contract year
- Out-of-state services authorized by the Contractor
- Outreach for included services, especially, pregnancy related and well-child care
- Parenting and birthing classes
- Pharmacy services
- Podiatry services for individuals under age 21
- Practitioners' services (such as those provided by physicians, optometrists and dentists enrolled as a Medicaid Provider Type 10)

- Prosthetics & orthotics
- Therapies, (speech, language, physical, occupational)
- Transplant services
- Transportation
- Treatment for sexually transmitted disease (STD)
- Vision services
- Well child/EPSTD for persons under 21.

Article II-G. Scope of Comprehensive Benefit Package,  
contract with qualified managed health care plans  
November 6, 2007, p. 32.

The MDCH-MHP contract language allows a health plan such as ██████████ to limit services to those that are medically necessary and consistent with Medicaid policy. ██████████ Utilization Guidelines for NPT are as follows:

MHM covers NPT as medically necessary when there has been either (1) a significant recent (less than six months) mental status change not due to a metabolic disorder that has not responded to treatment; or (2) a significant recent (less than six months) behavioral change, memory loss or organic brain injury and any of the following:

- A. Traumatic Brain Injury
- B. Stroke
- C. Cerebral anoxia or hypoxic episode.
- D. Central nervous system (CNS) infection and HIV encephalopathy
- E. Neoplasms or vascular injury of the CNS
- F. Neurodegenerative disorders
- G. Demyelinating disease
- H. Extrapyrmidal disease
- I. Exposure to intrathecal agents or cranial radiation known to be associated with cerebral dysfunction and other neurotoxic exposures
- J. Epilepsy

Exhibit 1, pp. 7-8

The undisputed evidence shows that on ██████████, the Appellant's physician submitted a prior authorization request to ██████████ for NPT. On ██████████ sent the Appellant a written notice which indicated that the Appellant's prior authorization request was denied because the request did not meet ██████████ NPT coverage criteria. The Appellant is a ██████ year old female who is diagnosed with encephalopathy due to intrautero contact with cocaine. The Appellant attended special education classes and was able to obtain a high school diploma. She reads at an 8<sup>th</sup> grade level, performs math at a 3<sup>rd</sup> grade level. She has no history of seizures. She is

in good general health and her only medication is an antidepressant. Exhibit 1, pp. 12-13.

██████████ testified for ██████████ that the evidence provided to ██████████ shows that the Appellant is in good overall health with no evidence of the following: traumatic brain injury, stroke, cerebral anoxia or hypoxic episode, central nervous system (CNS) infection and HIV encephalopathy, neoplasm's or vascular injury of the CNS, neurodegenerative disorders, demyelinating disease, extrapyramidal disease, exposure to intrathecal agents or cranial radiation know to be associated with cerebral dysfunction and other neurotoxin exposures or Epilepsy. ██████████ testified that on ██████████ ██████████ the Appellant's physician, ██████████ examined the Appellant and recommended a MRI and EEG. Subsequent testing shows that the Appellant's brain has no structural etiology or abnormality in electrical functions. No seizure activity was found. ██████████ testified that the Appellant's cognitive deficits are due to permanent damages to the Appellant's brain caused by the Appellant's mother's ingestion of cocaine. ██████████ testified that the Appellant's prior authorization request for NPT was denied because the medical evidence submitted to ██████████ did not document a significant recent (less than six months) mental status change due to a metabolic disorder that has not responded to treatment or, significant recent (less than 6 months) behavioral change, memory loss or organic brain injury. ██████████ testified that NPT would further define the Appellant's cognitive limitations and allow for the development of a plan to maximize the Appellant's cognitive function but would not ameliorate the damage to the Appellant's brain. Finally, ██████████ testified that NPT is only a covered benefit when it is medically necessary due to a recent medical change in the Appellant's brain.

The Appellant's grandmother, ██████████, testified that the Appellant was able to complete high school but only through special education classes. She states that the Appellant is an adult but prefers socializing with children rather than adults. ██████████ testified that she believes that the Appellant's cognitive functioning would be improved if the cause of the Appellant's limited cognitive function was known and a treatment plan was developed to address the deficits identified. ██████████ testified that she understands that the Appellant is limited due to her mother's use of cocaine during her pregnancy but feels that the Appellant is too young to cease all efforts to improve the Appellant's functioning. ██████████ testified that she believes that NPT would provide a better understanding of what the Appellant can and cannot do going forward.

I find based on the evidence submitted that ██████████ properly denied the Appellant's prior authorization request for NPT because the medical documentation submitted does not show that the Appellant meets the ██████████ NPT coverage criteria. No medical evidence was submitted which shows that the Appellant has, within the last 6 months, had any significant change in her mental functioning, including behavioral change, memory loss, or organic brain injury. Therefore, NPT is not a Medicaid covered benefit at this time.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that [REDACTED] properly denied the Appellant's prior authorization request.

**IT IS THEREFORE ORDERED** that:

The [REDACTED] decision is AFFIRMED.

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Martin D. Snider  
Administrative Law Judge  
for Olga Dazzo, Director  
Michigan Department of Community Health

cc: [REDACTED]

Date Mailed: 1/27/2012

**\*\*\* 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. 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.