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) 373-4147

IN THE MATTER OF:

Docket No. 2013-13990 QHP
Case No. 52709763

Appellant
______________________/

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge (ALJ) pursuant to MCL 400.9 and 42 CFR 431.200 *et seq.*, following the Appellant's request for a hearing.

After due notice, a hearing was held . , the Appellant, appeared on her own behalf. , Grievance Coordinator, represented PHP-MM Family Care, the Medicaid Health Plan ("MHP").

ISSUE

Did the MHP properly deny the Appellant's claim for services on ?

FINDINGS OF FACT

Based upon the competent, material, and substantial evidence presented, I find, as material fact:

1. The Appellant is a -year-old female Medicaid beneficiary who is currently enrolled in the Respondent MHP. (Exhibit A, p 5).

2. On , Appellant received transport from City of Lansing . (Exhibit A, p 1; Testimony).

3. On , the MHP denied the claim for ambulance services. (Exhibit A, p 1; Testimony).

4. On , the MHP received a written request from Appellant requesting coverage for the transportation she received on . (Exhibit A, p 3).

5. On [redacted], an acknowledgement letter was sent to Appellant by the MHP informing her that her request would initiate the grievance process and that Appellant would be advised of the outcome, and if there was still a denial, she would have the right to an internal hearing. (Exhibit A, p 8).

6. On [redacted], a letter was mailed to Appellant advising her that her request for coverage of the [redacted] transportation on [redacted] had been denied because it was determined that her condition was not considered emergent according to the Medicaid Provider Manual and her Certificate of Coverage (COC). The letter also invited Appellant to attend an internal hearing at the MHP on [redacted]. (Exhibit A, pp 9-11).

7. On [redacted] a hearing with the MHP's Grievance Committee occurred. Appellant attended the hearing. (Testimony).

8. On [redacted], a letter was sent to Appellant advising her that the decision to deny [redacted] transportation on [redacted] had been upheld. The letter also advised Appellant of her right to a Medicaid fair hearing. (Exhibit A, pp 63-65).

9. On [redacted], the Appellant's Request for Hearing was received by the Michigan Administrative Hearing System. (Exhibit 1).

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 [redacted], 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 (List omitted by Administrative Law Judge). *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 coverage(s) and limitations. (Emphasis added by ALJ)* 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 1-Z.

Article 1.020 Scope of [Services],
at §1.022 E (1) contract, p. 22

> The major components of the Contractor's utilization management plan must encompass, at a minimum, the following:
>
> - Written policies with review decision criteria and procedures that conform to managed health care industry standards and processes.
> - A formal utilization review committee directed by the Contractor's medical director to oversee the utilization review process.
> - Sufficient resources to regularly review the effectiveness of the utilization review process and to make changes to the process as needed.
> - An annual review and reporting of utilization review activities and outcomes/interventions from the review.
>
> The Contractor must establish and use a written prior Approval policy and procedure for utilization management purposes. The Contractor may not use such policies and procedures to avoid providing medically necessary services within the coverage(s) established under the Contract. The policy must ensure that the review criteria for authorization decisions are applied consistently and require that the reviewer consult with the requesting provider when appropriate. The policy must also require that utilization management decisions be made by a health care professional who has appropriate clinical expertise regarding the service under review.

Article 1.020 Scope of [Services],
at §1.022 E (1) contract, p. 49

As stated in the Department-MHP contract language above, a MHP, "must operate consistent with all applicable Medicaid Provider Manuals and publications for coverages and limitations."

The pertinent section of the Michigan Medicaid Provider Manual (MPM), Ambulance section states:

> **1.1 GENERAL INFORMATION**
>
> This chapter applies to Ambulance providers and Hospital-Owned Ambulance Services.
>
> The Michigan Department of Community Health (MDCH), which administers the Medicaid Program, reimburses for ambulance services as medically necessary and appropriate when:
>
> - Medical/surgical or psychiatric emergencies exist; and/or
> - No other effective and less costly mode of transportation for medical treatment can be used because of the beneficiary's medical condition
>
> **1.2 COMMON TERMS**
>
> **Emergency Medical Condition**
>
> An Emergency Medical Condition is defined as a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:
>
> - Placing the health of the individual (or, with respect to pregnant women, the health of the woman or her unborn child) in serious jeopardy,
> - Serious impairment to bodily functions, or
> - Serious dysfunction of any bodily organ or part.
>
> **2.6 EMERGENCY**
>
> Claims may be made to MDCH for emergency transports that meet the criteria specified in the definitions of BLS Emergency, ALS 1 Emergency and ALS 2 transports in this section.
>
> Claims for emergency ambulance transports must be coded with both an emergency procedure code and an appropriate ICD diagnosis code whenever the service results in transport

> to an emergency department, or assessment and treatment/stabilization determines that no further transport is necessary.
>
> Claims for emergency transports without this information will be rejected. Documentation supporting the emergency diagnosis code must be retained in the ambulance provider's records for audit purposes.
>
> To assure appropriate coverage and reimbursement for emergency ambulance services, MDCH maintains a database of diagnosis codes for emergency ambulance transport. The MDCH Ambulance Services Database is located on the MDCH website and is routinely updated. (Refer to the Directory Appendix for website information.)

Medicaid Provider Manual
Ambulance Section
, pp 1-8

The MHP representative testified that Appellant's claim for was billed with the diagnosis code of Other Abnormal Blood Chemistry (7906), which is not listed as a covered code by the Medicaid Provider Manual. As indicated above, section 2.6 of the Medicaid Provider Manual states, "Claims for emergency ambulance transports must be coded with both an emergency procedure code and an appropriate ICD-9-Cm diagnosis code whether the service results in transport to an emergency department, or assessment and treatment/stabilization determines that no further transport is necessary. Claims for emergency transports without this information will be rejected."

Appellant testified that she suffers from diabetes and obesity, along with other health conditions. Appellant indicated that following a blood test her doctor called her and told her she had to go to the hospital to see if she was anemic and needed a blood transfusion. Appellant testified that she is also on oxygen, uses a motor chair, does not have a car, cannot take the bus because of her motor chair, a cab costs too much, she has no family to help, and she could not take because you have to make an appointment 24 hours in advance. Appellant indicated that her doctor was very insistent that she get to the hospital, so she called and took an Appellant testified that upon being checked out at the hospital, she was told that she was not anemic enough to require a blood transfusion and she was sent home.

Under its contract with the Department, an MHP may devise criterion for coverage of medically necessary services, as long as those criteria do not effectively avoid providing medically necessary services. The MHP's ambulance transportation approval process is consistent with Medicaid policy and allowable under the DCH-MHP contract

provisions. The MHP's determination is upheld because the diagnosis code of Other Abnormal Blood Chemistry (7906) is not listed as a covered code by the Medicaid Provider Manual.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the MHP properly denied the Appellant's request for [redacted] transportation on [redacted].

IT IS THEREFORE ORDERED that:

The Medicaid Health Plan's decision is **AFFIRMED**.

/s/
Robert J. Meade
Administrative Law Judge
for James K. Haveman, Director
Michigan Department of Community Health

cc: [redacted]

Date Mailed: February 4, 2013

***** 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.