

**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. 2013-49538 PA**  
**Case No. [REDACTED]**

[REDACTED],

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 on [REDACTED]. [REDACTED] represented the Appellant. [REDACTED], Appeals Review Officer, represented the Department. Her witness was [REDACTED], Medicaid [PRD] unit.

**ISSUE**

Did the Department properly deny Appellant's request for prior authorization (PA) of a Rifton activity chair and accessories?

**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 [REDACTED] year-old Medicaid-SSI beneficiary. (Appellant's Exhibit #1)
2. The Appellant is afflicted with infantile cerebral palsy, NOS, seizures, blindness speech and hearing impairment. (Appellant's Exhibit #1 and Department's Exhibit A, pp. 5 and 11)
3. The Appellant's representative [mother] is his legal guardian. (Appellant's Exhibit #1)
4. The Appellant has need for a replacement of his Snug Seat Wombat purchased in [REDACTED] from an unknown vendor. (Department's Exhibit A, p. 11)
5. On [REDACTED], the Department received the request for the Rifton activity chair with accessories. (Department's Exhibit A, pp. 2, 11 and 12)

6. That information was reviewed by the PRD and denied on ██████████ as the Appellant exceeded the age requirement for such pediatric products. (Department's Exhibit A, pp. 9 and 10)
7. The Department representative said the PA was denied chiefly because of his age and lack of medical necessity. (Department's Exhibit A, pp. 24, 31)
8. The Appellant's representative said that the Appellant, "...is smaller than most Americans owing to his Asian ancestry." She urged reconsideration based on that fact. (See Testimony)
9. The instant request for hearing was received by the Michigan Administrative Hearing System (MAHS) for the Department of Community Health on ██████████. (Appellant's 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.

It is axiomatic that the Medicaid program exists to ensure that medically necessary services and equipment are made available to those who would not otherwise have the resources to purchase them. It is also fundamental that Medicaid is payor of last resort and always covers the least costly alternative that meets the beneficiary's medical need.

The Medicaid Provider Manual (MPM) provides, in pertinent part, as follows:

#### **[ ] MEDICAL NECESSITY**

Medical devices are covered if they are the most cost-effective treatment available and meet the Standards of Coverage stated in the Coverage Conditions and Requirements Section of this chapter. The medical record must contain sufficient documentation of the beneficiary's medical condition to substantiate the necessity for the type and quantity of items ordered and for the frequency of use or replacement. The information should include the beneficiary's diagnosis, medical condition, and other pertinent information including, but not limited to, duration of the condition, clinical course, prognosis, nature and extent of functional limitations, other therapeutic interventions and results, and past experience with related items. Neither a physician's order nor a certificate of medical necessity by itself provides sufficient documentation of

medical necessity, even though it is signed by the treating physician.

Information in the medical record must support the item's medical necessity and substantiate that the medical device needed is the most appropriate economic alternative that meets MDCH standards of coverage.

Medical equipment may be determined to be medically necessary when all of the following apply:

- The service/device meets applicable federal and state laws, rules, regulations, and MDCH promulgated policies.
- It is medically appropriate and necessary to treat a specific medical diagnosis, medical condition, or functional need, and is an integral part of the nursing facility daily plan of care or is required for the community residential setting.
- The function of the service/device:
  - meets accepted medical standards;
  - practices guidelines related to type, frequency, and duration of treatment; and
  - is within scope of current medical practice.
- It is inappropriate to use a nonmedical item.
- It is the most cost effective treatment available.
- The service/device is ordered by the treating physician, and clinical documentation from the medical record supports the medical necessity for the request (as described above) and substantiates the physician's order.
- The service/device meets the standards of coverage published by MDCH.
- It meets the definition of Durable Medical Equipment (DME), as defined in the Program Overview section of this chapter.
- Its use meets FDA and manufacturer indications.

Medicaid will not authorize coverage of items because the item(s) is the most recent advancement in technology when the beneficiary's current equipment can meet the beneficiary's basic medical/functional needs.

MPM, Medical Supplier, §1.5, July 1, 2013, pages 4, 5.

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**[ ] Age Limitations**

Coverage may be different based on the beneficiary's age. For specifics of HCPCS codes and age parameters, refer to the Coverage Conditions and Requirements Section of this chapter and the MDCH Medical Supplier/DME Prosthetics and Orthotics Database on the MDCH website [Covered item for ages 00 through 20 – the Appellant is 22-years old]

*Supra page 4*

In the present case, the Appellant's representative explained that the Appellant's existing device has fallen into hazardous disrepair – to such an extent that it cannot be salvaged. She added that owing to her son's diminutive stature – a pediatric device is more suitable to his needs.<sup>1</sup> She said that the wheels were falling off the present unit – which was more than █████ years old.

The Department's witness said that on review the request was denied for lack of medical necessity and largely because the Appellant had aged-out of the pediatric products – so based on Medicaid policy his PA was denied.

On review, the Appellant, [at age █████], failed to preponderate his burden of proof to establish that the Department improperly denied his request for a Rifton activity chair with accessories. The Department correctly observed the Appellant's age and lack of medical necessity.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly denied the Appellant's request for wheelchair accessories.

**IT IS THEREFORE ORDERED** that:

The Department decision is AFFIRMED.

/s/

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Dale Malewska  
Administrative Law Judge  
for James K. Haveman, Director  
Michigan Department of Community Health

██████████  
<sup>1</sup> She said he was █████ feet tall and weighed █████ pounds.

**Docket No. 2013-49538 PA**  
**Decision & Order**

cc:

Date Signed: October 16, 2013

Date Mailed: October 16, 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.