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:

[redacted],

Docket No. 14-010846 MSB [redacted] [redacted]

Appellant.
_____/

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge (ALJ) pursuant to MCL 400.9 and MCL 400.37, and upon Appellant's request for a hearing.

After due notice, an in-person hearing was held on [redacted]. Appellant appeared and testified on his own behalf. [redacted], Appellant's spouse, also testified as a witness for Appellant. [redacted], Appeals Review Officer, represented the Michigan Department of Community Health ("DCH" or "Department"). [redacted] an analyst with the Department's Customer Services Division, testified as a witness for the Department.

ISSUE

Did the Department properly deny Appellant's complaint regarding an unpaid medical bill?

FINDINGS OF FACT

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

1. In J[redacted] Appellant was a Medicaid Beneficiary with Emergency Services Only (ESO) coverage. (Respondent's Exhibit A, page 9).

2. On or before [redacted], Appellant was admitted to the emergency room at the [redacted] – [redacted], in [redacted]. (Testimony of Appellant; Testimony of [redacted]).

3. It was subsequently determined that Appellant needed to transferred to the main [redacted] I in [redacted]. (Testimony of Appellant; Testimony of [redacted]).

4. On [redacted], [redacted] transported Appellant to the hospital in [redacted]. (Respondent's Exhibit A, page 7).

5. [redacted] then submitted a claim for reimbursement to Medicaid, but it did not indicate that the provided services were emergency services and the request was therefore denied on the basis that Appellant only had coverage for emergency services. (Respondent's Exhibit A, page 10; Testimony of [redacted]

6. After the claim was denied, [redacted] billed Appellant directly. (Respondent's Exhibit A, page 7).

7. In that bill, [redacted]igan again described the services it had provided as non-emergency services. (Respondent's Exhibit A, page 7).

8. On [redacted], Appellant filed a Beneficiary Complaint with the Department regarding that unpaid bill. (Respondent's Exhibit A, pages 5-7).

9. In that complaint, Appellant asserted that, while the ambulance ride was billed as a non-emergency service, it was in fact an emergency service as Appellant had been admitted to the emergency room due to a serious medical condition and the transportation by ambulance to another hospital was both ordered by his doctors and necessary to treat that emergency. (Respondent's Exhibit A, page 6).

10. On [redacted], the Department's Problem Resolution Unit sent a letter to Appellant regarding its findings. (Respondent's Exhibit A, page 8).

11. In that letter, the Department stated that, at the time of the services at issue in this case, Appellant only had Medicaid coverage for urgent/emergency services and that the claim at issue in this case was denied because the services were not considered to be urgent or emergent by the billing provider. (Respondent's Exhibit A, page 8).

12. The letter also provided:

> The provider may not have coded the diagnosis and/or the emergent condition code correctly. You may contact them to make sure the coding is correct. If the coding was incorrect you may ask them to re-bill the Medicaid program. If the coding was correct Medicaid cannot make payment on this bill.
>
> *Respondent's Exhibit A, page 8*

13. After receiving that letter, Appellant again contacted the hospital where he had first been admitted and the ambulance company that submitted the claim. (Testimony of Appellant; Testimony of [redacted]).

14. However, while staff from the hospital again indicated that the transport was both medically necessary and an emergency service, [redacted] declined to recode its claim or resubmit the bill. (Testimony of Appellant; Testimony of [redacted]).

15. On [redacted], the Michigan Administrative Hearing System (MAHS) received the request for hearing filed in this matter. (Respondent's Exhibit A, page 3).

16. On [redacted], the matter was scheduled for a telephone hearing on [redacted]

17. On [redacted], Appellant requested an in-person hearing.

18. On [redacted], the matter was rescheduled as an in-person hearing on [redacted].

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.

All claims must be submitted in accordance with the policies, rules, and procedures as stated in the Medicaid Provider Manual (MPM). With respect to ambulance services, the MPM states in part:

> **1.3 AMBULANCE SERVICES**
>
> *MDCH recognizes different levels of medical services provided by qualified ambulance staff* according to the standards established by law and regulation through Michigan Public Act 368 of 1978 as amended. The standards established for each level of service are detailed in the Base Rate subsection of this chapter.
>
> The beneficiary's attending physician must order all nonemergency, medically necessary ambulance transportation. The ambulance provider must retain all documentation supporting the nature of the service in the

beneficiary's file regardless of the level of service provided. (Refer to the Emergency and Nonemergency subsections of this chapter for additional information.)

* * *

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.)

MPM, October 1, 2014 version
Ambulance Chapter, pages 3, 8
(Emphasis added by ALJ)

Here, the Department witness testified that Appellant submitted a Beneficiary Complaint to the Department requesting that the Department pay for a medical bill incurred on [redacted]. The Department witness also testified that, in response to the complaint, the Department reviewed the complaint and found that, based on the information received by the Department, the claim was properly denied as Appellant only had coverage for emergency services on that date and the bill submitted failed to indicate that the ambulance transport was an emergency service.

In response, Appellant and his wife testified that the services he received were emergency services as Appellant had been admitted to the emergency room due to a serious medical condition and the transportation by ambulance to another hospital was both ordered by his doctors and necessary to treat that emergency.

However, the undersigned Administrative Law Judge's jurisdiction is limited to reviewing the Department's actions and to only reviewing those actions in light of the information available at the time the Department took those actions. Here, based on the available information, the Department properly denied Appellant's complaint regarding the unpaid medical bill.

The only claim submitted to the Department in this case regarding the ambulance transportation failed to indicate that the service was an emergency service as required by policy and it therefore falls outside of the coverage Appellant had at the time. Appellant understandably disputes the determination made by [redacted], but the Department can only base its decisions on what is received and no claim has ever been submitted for covered emergency services in this case

As indicated in the response to Appellant's beneficiary complaint, to the extent [redacted] mistakenly failed to code the services it provided correctly, the claim may always be resubmitted with the correct code.[1] With respect to the decision at issue in this case, however, the Department's decision must be affirmed given what has been received and Appellant's scope of coverage on the date of service.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, finds that, the Department properly denied Appellant's complaint regarding an unpaid medical bill.

IT IS THEREFORE ORDERED THAT:

The Department's decision is **AFFIRMED**.

Steven Kibit

Steven Kibit
Administrative Law Judge
for Nick Lyon, Director
Michigan Department of Community Health

Date Signed: [redacted]

Date Mailed: [redacted]

SK/db

cc: [redacted]

[1] As indicated by the Department's witness, there may now be a timeliness issue with any resubmitted claim.

***** 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.