

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:

██████████,

Appellant

Docket No. 14-008262 MHP
Case No.

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 ██████████. ██████████ (Appellant's Mother) appeared and offered testimony on behalf of the Appellant. ██████████, Manager of Medicaid Unit, appeared and testified on behalf of ██████████, the Medicaid Health Plan (hereinafter MHP).

ISSUE

Did the MHP properly deny Appellant's request for enteral therapy?

FINDINGS OF FACT

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

1. The Appellant is a ██████-year-old male Medicaid beneficiary suffering from cystic fibrosis who is currently enrolled in the MHP. (Exhibit A, p. 1)
2. As of ██████████, the Appellant's weight to height ratio was above 5%. (Exhibit A, p. 7; Testimony)
3. On ██████████, ██████████ submitted to the MHP a prior authorization request for 7,884 cans of Boost Kid Essential. (Exhibit A, pp. 7-9)
4. On ██████████, the MHP sent the Appellant a denial notice stating that the request the 7,884 cans of Boost Kid Essential was being denied. The letter stated the Appellant's request was not approved, as the Appellant's weight to height ratio was above 5% and therefore did not meet the Medicaid Provider Manual guidelines. (Exhibit A, p. 18).

Docket No. 14-008262 MHP
Decision and Order

5. On [REDACTED], MAHS received a Request for Hearing from the Appellant. (Exhibit A, p. 4).

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 (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 II-G, Scope of Comprehensive Benefit Package.
MDCH contract (Contract) with the Medicaid Health Plans,
September 30, 2004.*

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

Docket No. 14-008262 MHP
Decision and Order

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 II-P, Utilization Management, Contract,
September 30, 2004.*

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) states:

2.13.A Enteral Nutrition (Administered Orally)

Enteral nutrition (administered orally) may be covered for beneficiaries under the age of 21 when:

- A chronic medical condition exists resulting in nutritional deficiencies and a three month trial is required to prevent gastric tube placement.
- Supplementation to regular diet or meal replacement is required, and the beneficiary's weight-to-height ratio has fallen below the fifth percentile on standard growth grids.
- Physician documentation details low percentage increase in growth pattern or trend directly related to the nutritional intake and associated diagnosis/medical condition.

*MPM, October 1, 2014 version
Medical Supplier, page 32*

Docket No. 14-008262 MHP
Decision and Order

Moreover, pursuant to its authority to limit services to those that are medically necessary based on its own prior authorization requirements, utilization management or review criteria, the MHP also reviews prior approval requests for enteral nutrition under the MHP's enteral nutritional therapy guidelines (Respondent's Exhibit A, pp. 25-31). These guidelines contain certain criteria for authorizing enteral nutrition therapy and are consistent with the Medicaid standard of coverage to only prior authorize when member's weight to height ratio has fallen below the fifth percentile.

Appellant bears the burden of proving by a preponderance of the evidence that the MHP erred in denying her request for enteral therapy.

Here, based on the evidence presented in this case, the MHP properly denied Appellant's request for enteral therapy based on MPM and the MHP Guidelines.

The evidence and documentation submitted in this case provide that, while Appellant does suffer from cystic fibrosis his weight to height ratio is above the fifth percentile. Therefore, I find the denial to be proper as the MPM does not cover enteral therapy when the weight to height ratio is above the fifth percentile.

The MHP's enteral therapy prior approval process is consistent with Medicaid policy and allowable under the DCH-MHP contract provisions. Here, the MHP demonstrated that the Appellant did not meet criteria for approval of enteral therapy based on the information available at the time of this request and its decision must be affirmed.

DECISION AND ORDER

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

IT IS THEREFORE ORDERED that:

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

ls\

Corey A. Arendt
Administrative Law Judge
for Nick Lyons, Director
Michigan Department of Community Health

[REDACTED]
Docket No. 14-008262 MHP
Decision and Order

cc:

[REDACTED]

Date Signed:

[REDACTED]

Date Mailed

[REDACTED]

***** 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.