

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. 2014-16895 QHP
Case No. ██████████

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37, and upon a request for a hearing filed on behalf of the minor Appellant.

After due notice, a hearing was held on ██████████. ██████████, Appellant's mother, appeared on Appellant's behalf. ██████████, Manager Medicaid Products, appeared on behalf of the Medicaid Health Plan, ██████████ (██████████ or MPH).

Following the hearing, the record was left open until ██████████ so that Appellant's mother could receive the Hearing Summary and respond, in writing, if she so desired.

ISSUE

Did ██████████ properly deny Appellant's request for an enclosed bed system?

FINDINGS OF FACT

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

1. Appellant is a █ year old Medicaid beneficiary, born ██████████. Appellant is diagnosed with cerebral palsy and seizure disorder and is tube fed. (Exhibit A, p 7; Testimony).
2. On ██████████, ██████████ received a request from Thompson Pharmacy, Inc. made on behalf of Appellant for an enclosed bed system, Beds by George Slumber Series. (Exhibit A, Testimony).
3. On ██████████, ██████████ issued an initial denial of the

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Appellant's prior authorization request for the enclosed bed system. The notice stated that a [REDACTED] reviewer had reviewed the prior authorization request and the request was denied because the bed requested was not the most economical alternative to meet Appellant's needs and because other products or safety methods had not been tried yet. (Exhibit B)

4. On [REDACTED], Appellant's mother filed an appeal with [REDACTED] asking for an internal review. (Exhibit E; Testimony).
5. On [REDACTED], [REDACTED] sent Appellant written notice following the Level 1 Review indicating that the request for an enclosed bed system was being denied. The reason for the denial was that a deluxe protective bed is not a covered benefit in accordance with the Medicaid Certificate of Coverage of under [REDACTED]'s policy for Durable Medical Equipment. (Exhibits G, H; Testimony)
6. On [REDACTED], the Michigan Administrative Hearing System (MAHS) received a request for hearing filed on behalf of Appellant. (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.

In 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 in one of those Medicaid Health Plans and, regarding such plans, the Michigan Medicaid Provider Manual states:

SECTION 1 – GENERAL INFORMATION

The Michigan Department of Community Health (MDCH) contracts with Medicaid Health Plans (MHPs), selected through a competitive bid process, to provide services to Medicaid beneficiaries. The selection process is described in a Request for Proposal (RFP) released by the Office of Purchasing, Michigan Department of Technology, Management & Budget. The MHP contract, referred to in this chapter as the Contract, specifies the beneficiaries to be served, scope of the benefits, and contract provisions with which the MHP must comply. Nothing in this chapter should be construed as requiring MHPs to cover services that are

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not included in the Contract. A copy of the MHP contract is available on the MDCH website. (Refer to the Directory Appendix for website information.)

MHPs must operate consistently with all applicable published Medicaid coverage and limitation policies. (Refer to the General Information for Providers and the Beneficiary Eligibility chapters of this manual for additional information.) Although MHPs must provide the full range of covered services listed below, MHPs may also choose to provide services over and above those specified. **MHPs are allowed to develop prior authorization requirements and utilization management and review criteria that differ from Medicaid requirements.** The following subsections describe covered services, excluded services, and prohibited services as set forth in the Contract. [*Medicaid Provider Manual, Medicaid Health Plan (MHPs)*, October 1, 2013, p. 1 (emphasis added)].

The Medicaid Provider Manual further provides coverage for durable medical equipment including enclosed bed systems. The manual provides in part:

2.12 Enclosed Bed Systems

Definition

An Enclosed Bed System includes the mattress, bed frame, and enclosure as one unit.

Standards of Coverage

An Enclosed Bed System may be covered if the following applies:

- There is a diagnosis/medical condition (e.g., seizure activity) which could result in injury in a standard bed, crib, or hospital bed; and
- There are no economic alternatives to adequately meet the beneficiary's needs.

Documentation

The documentation must be less than six months old and include:

- Diagnosis/medical condition requiring use of the bed and any special features (if applicable).
- Safety issues resulting from the medical condition and related to the need for an Enclosed Bed System.

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- Other products or safety methods already tried without success (e.g., bumper pads/rails).
- Type of bed requested.
- Type of special features requested, if applicable.

Noncovered Conditions

Enclosed Bed Systems are not covered when the purpose is to restrain the beneficiary due to behavioral conditions, caregiver need or convenience, etc.

PA Requirements

PA is required for all Enclosed Bed Systems.

Payment Rules

The Enclosed Bed System is considered a **purchase only** item.

For Youth Beds, refer to the Hospital Beds subsection of this chapter. [*Medicaid Provider Manual, Medical Supplier, §2.12 Enclosed Bed Systems, October 1, 2013, pp. 31-32*].

██████████'s Medical Policy, No. 91498-R1 (Exhibit D) also states:

An enclosed bed system may be covered if both of the following apply:

- There is a diagnosis/medical condition (e.g. seizure activity), which is likely to result in injury in a standard bed or hospital bed
- There is no other economic alternative to meet the needs.

Furthermore, ██████████'s Medicaid Certificate of Coverage specifically excludes deluxe equipment. (Exhibit F)

Pursuant to the above policy, ██████████ denied Appellant's request on the basis that the documentation accompanying the prior authorization request did not show that the Appellant had a trial/failure of less costly alternatives. ██████████ noted that per the Medicaid Provider Manual, medical devices are covered if they are the most cost-effective treatment available in the least restrictive environment. ██████████ also denied the bed because it was determined to be deluxe equipment, not covered under its Certificate of Coverage.

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Appellant bears the burden of proving by a preponderance of the evidence that ██████████
██████████ erred in denying his request based upon the information that was submitted to it
in connection with the prior authorization request for the enclosed bed system. Here,
Appellant has failed to meet that burden of proof.

Appellant's mother testified that the more economical beds recommended do not have
the features Appellant needs. Specifically, Appellant's mother indicated that because
Appellant has seizures, he needs plexi-glass sides to the bed, as opposed to hospital
rails, which he could get stuck in. Appellant's mother also indicated that Appellant's
needs a G-tube feeding port and oxygen suction on the bed. Appellant's mother
indicated that Appellant needs head elevation due to reflux and that pillows and wedges
have been tried, but present safety issues due to Appellant's seizures. Appellant's
mother indicated that the requested bed would last Appellant into adulthood.

Appellant's mother also referred to a letter from ██████████, which supported the
request for an enclosed bed system. The MHP witness indicated that the letter had not
been reviewed initially, but had been reviewed during the Level 1 review.

The MPH, and likewise the undersigned administrative law judge are bound by the
policies set forth in the Medicaid Provider Manual. The preponderance of the evidence
in this case shows that while the enclosed bed system requested by the Appellant
would certainly meet his needs, as per policy, Appellant has failed to establish by a
preponderance of the evidence that there are no economic alternatives which
adequately meet Appellant's needs. Also there has not been a showing that other
products or safety methods have already been tried without success. While Appellant's
mother and caregivers may have researched other beds or systems, there was no
evidence that those beds or systems have been tried and failed. Accordingly, the
Appellant has failed to demonstrate that the requested enclosed bed system is
medically and functionally necessary to meet Appellant's needs.

As noted by Respondent's witness, the MPH is prepared to work with the Appellant and
her representative to identify an appropriate bed system that is medically and
functionally necessary to meet Appellant's needs.

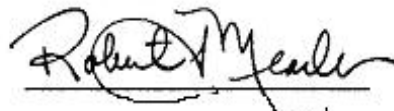
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DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that [REDACTED] properly denied Appellant's request for an enclosed bed system.

IT IS THEREFORE ORDERED that:

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



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

cc:

[REDACTED]

[REDACTED]
Date Signed: February 14, 2014

Date Mailed: February 14, 2014

***** 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 60 days of the mailing date of the Decision and Order or, if a timely request for rehearing was made, within 60 days of the mailing date of the rehearing decision.