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. 2014-20605 PA

[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]. Appellant's mother appeared and testified on the Appellant's behalf. [redacted] Appeals Review Officer, represented the Department. [redacted] RN, Medicaid Utilization Analyst with the Program Review Division appeared as a witness for the Department.

ISSUE

Did the Department properly deny the Appellant's prior authorization request for a Beds by George Beds C1700 Articulating Twin Bed?

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 beneficiary (DOB [redacted]). (Testimony).

2. On [redacted] the Department received the Prior Approval-Request/Authorization form and medical documentation from [redacted] requesting a Beds by George Beds C1700 Articulating Bed Twin for the Appellant. (Exhibit A, pp. 7, 10, 12, 14-32).

3. The Appellant has been diagnosed with Sanfilippo type B disease with associated developmental and behavioral problems, insomnia, ventriculomegaly, and developmental regression. It was noted the Appellant had one episode of drop seizure in the summer of [redacted]. (Exhibit A, pp. 16-17).

4. On [redacted], Physical Medicine and Rehabilitation, reviewed Appellant's PA request and disapproved the request finding that the request did not meet standards of coverage for an enclosed bed at that time. [redacted] stated the Appellant had no documented seizure activity and was not on any medications for seizures. (Exhibit A, p. 35).

5. On [redacted], the Department denied the prior authorization request because the Appellant did not meet the standards of coverage for an enclosed bed at that time, there was no documented seizure activity/diagnosis and Appellant was not on any seizure medications. Accordingly, medical necessity was not established for an enclosed bed, and an enclosed bed is non-covered due to behavioral conditions, caregiver need, or convenience. (Exhibit A, p. 7, 10-13, 14, 35).

6. On [redacted] MAHS received the Appellant's hearing request. (Exhibit A, pp. 5-6).

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.

The Medical Supplier chapter of the Medicaid Provider Manual provides coverage limits for medical supplies and requires prior authorization for certain items before the may be provided to a Medicaid beneficiary. This section states in part:

> **SECTION 1 – PROGRAM OVERVIEW**
>
> This chapter applies to Medical Suppliers/Durable Medical Equipment and Orthotists/Prosthetists.
>
> * * *
>
> **Durable Medical Equipment (DME)**
>
> DME are those items that are Food and Drug Administration (FDA) approved, can stand repeated use, are primarily and customarily used to serve a medical purpose, are not useful to a person in the absence of illness or injury, and can be used in the beneficiary's home. Examples are: hospital beds, wheelchairs, and ventilators. DME is a benefit for beneficiaries when:

- It is medically and functionally necessary to meet the needs of the beneficiary.

- It may prevent frequent hospitalization or institutionalization.

- It is life sustaining.

* * *

1.5 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.

* * *

1.7 PRIOR AUTHORIZATION

Prior authorization (PA) is required for certain items before the item is provided to the beneficiary or, in the case of custom-fabricated DME or prosthetic/orthotic appliances, before the item is ordered. To determine if a specific service requires PA, refer to the Coverage Conditions and Requirements Section of this chapter and/or the MDCH Medical Supplier/DME/Prosthetics and Orthotics Database on the MDCH website. PA will be required in the following situations:

- Services that exceed quantity/frequency limits or established fee screens.
- Medical need for an item beyond MDCH's Standards of Coverage.
- Use of a Not Otherwise Classified (NOC) code.
- More costly service for which a less costly alternative may exist.
- Procedures indicating PA is required as noted on the MDCH Medical Supplier/DME/Prosthetics and Orthotics Database.

*** * ***

1.10 NONCOVERED ITEMS [CHANGE MADE 4/1/13]

Items that are not covered by Medicaid include, but are not limited to:

* * *

- Items used solely for the purpose of restraining the beneficiary for behavioral or other reasons

* * *

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.

- 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 Chapter, October 1, 2013, pp. 1, 4-5, 8, 17-18, 31-32].

In the present case, the Department determined that the requested Beds by George Beds C1700 Articulating Bed Twin was not covered under Medicaid policy. The Department Analyst testified that on [redacted] Physical Medicine and Rehabilitation, reviewed Appellant's PA request and disapproved the Appellant's initial request finding that the request did not meet standards of coverage for an enclosed bed at that time. [redacted] stated the Appellant had no documented seizure activity and was not on any medications for seizures. (See Exhibit A, p. 35).

The Department analyst stated she reviewed a second request following a request for additional information and again denied the Appellant's PA for the requested enclosed bed. The Department analyst stated she followed, in part, [redacted] disallowance, noting that no additional information was submitted with the second PA request. The Department analyst again pointed out that the Appellant had no documented seizure disorder, and was on no seizure medications at that time according to the medical information submitted along with the PA request. The Department analyst stated there were statements in the medical records indicating that the parents wanted to get a bed the Appellant would stay in, i.e., that would act as a restraint.

The Department analyst referred to the policy quoted above from the Medicaid Provider manual and indicated that the medical records submitted with the PA request did not establish medical necessity for the requested enclosed bed. There was no documented medical condition, such as seizure activity, that would justify approval of an enclosed bed. There were statements in the medical documentation suggesting that the bed was being sought as a restraint, and primarily for the parent's benefit. The Department analyst stated policy from the Medicaid Provider manual clearly states enclosed bed systems are not covered when the purpose is to restrain the beneficiary due to behavioral conditions, caregiver need or convenience.

The Appellant's mother testified the Appellant had seizures back in [redacted] and was taken to the ER twice in the summer of [redacted] for drop seizures. She indicated she wants to get an enclosed bed to keep the Appellant safe, as he has fallen out of his current twin bed with rails on three sides. Appellant's mother said the Appellant is coming into puberty and he will have seizures in the future, it is only a matter of time. Appellant's mother has new and additional medical information that she believes would change the Department's decision on approval of an enclosed bed. Appellant's mother stated she did not want to get the requested bed for behavioral reasons.

In response to the Appellant's testimony, the Department analyst advised that she could go through a medical equipment provider and have a new PA request submitted for an enclosed bed along with the additional medical information she has to see if the Appellant would meet the standards for coverage based on this additional information. The Department analyst stated she would have [redacted] review the new PA request for possible approval.

This Administrative Law Judge must uphold the Department's denial of the Appellant's request. The Medicaid policy in these circumstances is clear and unambiguous. The documentation submitted along with the PA request must show that the Appellant has a diagnosis/medical condition (e.g., seizure activity) which could result in injury in a standard bed, crib, or hospital bed. Furthermore, Enclosed Bed Systems are not covered when the purpose is to restrain the beneficiary due to behavioral conditions, caregiver need or convenience. Here the medical documentation clearly indicates:

> "At this time, he [Appellant] does not have any behavior that is suggestive of seizures. However, it is noted that children with Sanfilippo type B, as they progress through his teenagers [sic] can have more seizures. If he has seizures or behavior suggestive of seizures we would do a repeat EEG. [redacted] recommends Keppra if he were to begin having seizures." (Exhibit A, p. 17).

In addition, the medical records that accompanied the PA request indicate that the physician was recommending a safe room or a safe bed for the Appellant to allow Appellant to move around safely while his parents are asleep. (Exhibit A, p. 16). Thus, the bed was being requested, at least in part, to restrain the beneficiary for the benefit of his caregivers.

An administrative law judge does not act as an evaluator of newly submitted information to determine whether the requested medical equipment is medically necessary, or the most economical alternative available to meet an individual's needs. Rather the judge must review the information submitted along with the prior authorization request, and determine if the Department's denial is supported by the information submitted and a proper application of the relevant policy from the Medicaid Provider Manual.

Based upon the preponderance of the evidence submitted in this case, the Appellant has failed to meet his burden of showing that the Department erred when it denied his

request for an enclosed bed on [redacted], based on the medical information submitted with the Appellant's PA request.

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 a Beds by Gorge Beds C1700 Articulating Bed Twin.

IT IS THEREFORE ORDERED that:

The Department's decision is AFFIRMED.

William D Bond

William D. Bond
Administrative Law Judge
for James K. Haveman, Director
Michigan Department of Community Health

Date Signed: [redacted]

Date Mailed: [redacted]

WDB/db

cc: [redacted]

***** NOTICE *****

The State Office of Administrative Hearings and Rules 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 State Office of Administrative Hearings and Rules 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.