

**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. 2014-21659 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 ██████████. The Appellant appeared and testified. ██████████, Appeals Coordinator and ██████████, Registered Nurse, appeared and testified on behalf of ██████████ of Michigan the Medicaid Health Plan (here-in-after MHP).

**ISSUE**

Did the MHP properly deny Appellant's request to cover a Septoplasty?

**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 Medicaid beneficiary who is enrolled in the Respondent MHP from ██████████012 through present. (Exhibit A, p. 1).
2. On ██████████, the MHP received a Provider Referral Form Request for Pre-Authorization for a septoplasty. (Exhibit A, pp. 1, 4-6; Testimony)
3. On ██████████, Dr. ██████████ performed a septoplasty on the Appellant under procedure code 30520 at a charge of \$██████████. Exhibit A, p. 2; Testimony)
4. On ██████████, the MHP sent Pre-Authorization denial forms to the Appellant's Ears, Nose and Throat Physician, Dr. ██████████ and the Appellant. (Exhibit A, pp. 1, 2, 11, 12; Testimony)

██████████  
**Docket No. 2014-21659 QHP**  
**Decision and Order**

5. On ██████████, the Michigan Administrative Hearing System (MAHS) received a request for hearing filed by the Appellant.

**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 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)*, April 1, 2013, p. 1 (emphasis added)].

**Docket No. 2014-21659 QHP**  
**Decision and Order**

With respect to the MHP's prior authorization requirements, the MHP's witnesses testified that requests for a septoplasty are subject to medical review by MHP who would then make an authorization decision and return the referral to the requesting practitioner prior to the service being provided. At the time services were rendered, MHP had not made a decision and had not granted the required prior authorization.

The Appellant testified she had assumed the prior authorization was granted because she thought the procedure would not have been conducted unless the authorization was granted.

Pursuant to the above policy, the MHP denied Appellant's request on the basis that, there was no prior authorization.

Appellant bears the burden of proving by a preponderance of the evidence that the MHP erred in denying her request to cover the septoplasty that was performed without prior authorization. Here, Appellant has failed to meet that burden of proof. Accordingly, the MPH's denial 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 to cover the septoplasty.

**IT IS THEREFORE ORDERED** that:

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

  /s/    
Corey A. Arendt  
Administrative Law Judge  
for James K. Haveman, Director  
Michigan Department of Community Health

cc: 

Date Signed: February 26, 2014

Date Mailed: February 26, 2014

**Docket No. 2014-21659 QHP**  
**Decision and Order**

**\*\*\* 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.