

**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. 2014-34264 HHR

██████████

██████████

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.*, and upon the Appellant's request for a hearing.

After due notice, a hearing was held on ██████████. Appellant appeared and testified on his own behalf. ██████████ Appeals Review Officer, appeared and testified on behalf of the Michigan Department of Community Health. ██████████ Adult Services Supervisor for ██████████ County Department of Human Services; and, ██████████ the Manager of the Department's Medicaid Collections Unit, also appeared as witnesses for the Department.

**ISSUE**

Did the Department properly pursue recoupment against the Appellant for Home Help Services payments for the time period of ██████████

**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 provided Home Help Services (HHS) to a Medicaid beneficiary until ██████████, when he quit being the provider for the beneficiary. (Testimony).
2. The Department was not informed at that time that the Appellant had quit as the beneficiary's provider. (Testimony).
3. Accordingly, the Department issued payment to the Appellant for HHS for the whole month of ██████████. (Exhibit A, p. 13 and testimony).
4. Appellant cashed the check/failed to return the check to have it reissued for the correct amount. (Exhibit A, p. 13 and testimony).

5. On ██████████, the Department learned from the beneficiary that the Appellant had walked off the job on ██████████ and had not returned. (Exhibit A, p. 10 and testimony).
6. On ██████████ ASW ██████████s issued a letter to Appellant indicating that an overpayment had occurred in the Home Help case in which Appellant was a provider for the time period of ██████████ through ██████████. The overpayment totaled ██████████ (Exhibit A, pp. 5-7).
7. On ██████████ issued an Initial Collection Notification to Appellant indicating that, as Appellant was previously informed, he owed the Adult Services Program ██████████. The letter informed Appellant of his right to contest that debt and request a hearing. (Exhibit A, p. 8).
8. On ██████████, the Michigan Administrative Hearing System (MAHS) received a request for hearing filed by Appellant. (Exhibit A, p. 4).
9. On ██████████ issued a Final Collection Notification to Appellant indicating that, as Appellant was previously informed, he owed the Adult Services Program ██████████. (Exhibit A, p. 9).

### **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.

Home Help Services (HHS) are provided to enable functionally limited individuals to live independently and receive care in the least restrictive, preferred settings. These activities must be certified by a health professional and may be provided by individuals or by private or public agencies.

Adult Services Manual 165 (5-1-2013), pages 1 & 3 of 7, addresses the issue of recoupment:

#### **GENERAL POLICY**

The department is responsible for correctly determining accurate payment for services. When payments are made in an amount greater than allowed under department policy, an overpayment occurs.

When an overpayment is discovered, corrective actions must be taken to prevent further overpayment and to recoup the overpayment amount. The normal ten business day notice period must be provided for any negative action to a client's services payment. An entry must be made in the case narrative documenting:

- The overpayment.
- The cause of the overpayment.
- Action(s) taken to prevent further overpayment.
- Action(s) taken to initiate the recoupment of the overpayment.

### **FACTORS FOR OVERPAYMENTS**

Four factors may generate overpayments:

- Client errors.
- Provider errors.
- Administrative errors.
- Department upheld at an administrative hearing.

Appropriate action must be taken when any of these factors occur.

\* \* \*

### **PROVIDER ERRORS**

Service providers are responsible for correct billing procedures. Providers must only bill for services that have been authorized by the adult services specialist **and** that the provider has already delivered to the client.

**Note:** Applicable for home help agency providers and cases with multiple individual providers where hours may vary from month to month.

Providers are responsible for refunding overpayments resulting from an inaccurate submission of hours. Failure to bill correctly or refund an overpayment is a provider error.

The issue in the present case is an overpayment based on a provider error. Appellant only provided HHS to a Medicaid beneficiary until ██████████ but continued to be paid until ██████████. Moreover, Appellant cashed the check and failed to return the check to have it reissued for the proper amount. After learning about the overpayment, the Department properly sent collection notices to Appellant, while also notifying him of his right to contest the debt and request an administrative hearing.

Appellant filed a request for hearing, claiming there had been a misunderstanding that he had not quit as the beneficiary's provider. Appellant's own self-serving testimony at the hearing establishes that he did not work the whole month of [REDACTED] for the beneficiary. He claimed that he worked all but [REDACTED] days. He said he was living with the beneficiary but moved out sometime around the end of [REDACTED]. He claims the beneficiary made false statements about him but did not present the beneficiary as a witness to support his claims. The beneficiary followed policy in reporting that the Appellant had quit providing HHS services for him, but the Appellant failed to inform DHS that he had failed to work for the whole month of [REDACTED].

With respect to the subject of this hearing, this Administrative Law Judge finds that, based on the above findings of fact and conclusions of law, the Department properly sought recoupment of [REDACTED].

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly pursued recoupment against the Appellant.

**IT IS THEREFORE ORDERED** that:

The Department's decision in seeking recoupment is **AFFIRMED**. The overpayment amount is [REDACTED].

*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 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. 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.



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