

**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. 2014-35636 TRN

██████████

██████████

██████████

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 her own behalf. ██████████, Appeals Review Officer, represented the Department of Community Health ("DCH" or "Department"). ██████████, Assistance Payments Supervisor, testified as a witness for the Department.

ISSUE

Did the Department properly deny Appellant's request for reimbursement for travel expenses to medical appointments?

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 Medicaid beneficiary who lives in ██████████. (Respondent's Exhibit A, page 5).
2. On ██████████, the Department received a Medical Transportation Statement from Appellant, along with some receipts and a letter. (Respondent's Exhibit A, pages 5-18).
3. In that statement, Appellant sought reimbursement for mileage and expenses for a trip to ██████████, for medical treatment. (Respondent's Exhibit A, pages 5-6).

4. On ██████████, the Department sent Appellant written notice that her request for medical transportation reimbursement was denied. (Respondent's Exhibit A, pages 19-20).

5. Specifically, the notice stated:

Preauthorization was not given prior to your appointment dates.

The action is being taken for the above marked reason. The legal basis for the decision is BAM 825. If you do not understand the information in this notice, please contact your specialist immediately. If you wish, you may meet with your specialist and the supervisor to discuss the action(s) taken. You may request a hearing if you do not agree with this action. Procedures for requesting a hearing are explained on page 2 of this notice.

Respondent's Exhibit A, page 19

6. On ██████████, the Michigan Administrative Hearing System (MAHS) received the request for hearing filed by Appellant in this matter. (Respondent's Exhibit A, page 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.

Medical transportation is a Medicaid covered service. Specifically, Bridges Administrative Manual 825 (7-1-2013) (hereinafter "BAM 825") states in part:

DEPARTMENT POLICY

You must furnish information in writing and orally, as appropriate, to all applicants and to all other individuals who request it acknowledging that medical transportation is **ensured** for transportation to and from medical services providers for MA-covered services. MDCH Publication 141,

Medicaid Health Care Coverage, may be used to provide written information.

Payment for medical transportation may be authorized only after it has been determined that it is not otherwise available, and then for the least expensive available means suitable to the client's needs.

Medical transportation is available to:

- FIP recipients.
- MA recipients.
- SSI recipients.

BAM 825, page 1 of 20

However, as provided in the same policy manual, some payments for medical transportation, such as payments for all outstate travel that is non-borderland, require that the payments be prior approved by the Department:

Payment Authorization

Authorize payment for medical transportation beginning the month the client reported the need.

At application, do not authorize payment earlier than the MA begin date. If program eligibility is denied, only authorize payment for transportation to obtain medical evidence.

Some transportation services require prior authorization. See **PRIOR AUTHORIZATION** below.

Transportation services for children and families active for child welfare services and required as part of the services care plan are authorized by services staff. See Childrens Foster Care Manual FOM 903-9, PR-Non-Scheduled Payments DHS-634, for policy and procedures. Foster parents that provide medical transportation for a foster child in their care may receive mileage reimbursement at the volunteer driver rate.

* * *

Prior Authorization

All prior authorization requests must be submitted before the service is provided and payment is made. Exceptions will only be granted for emergency situations or when extenuating circumstances exist and are clearly documented.

No exceptions will be made for requests submitted one month or more after the service is provided.

The following transportation expenses require prior authorization from DCH:

- All outstate travel that is non-borderland; see BAM 402.
- Overnight stays if within 50 miles from recipient's home (one way).
- Overnight stays beyond five days (14 days for U of M MOTT Children's Pediatric Hospital)

* * *

For all prior authorizations, send or fax (517) 335-0075 a memo to:

Michigan Department of Community Health Office of
Prior Authorization
Attention: Medical Transportation
PO Box 30170
Lansing, MI 48909

The memo must include the following information (see special instructions above when requesting prior authorization for special transportation):

- Client name and recipient ID.
- Diagnosis.
- Reason for requested travel expense.
- Effective travel dates (begin and termination).
- Travel origin and destination.
- Copy of DHS-54-A; see Verification Sources.

Although it is best to fax or send a memo, local offices can contact the Office of Prior Authorization at (517) 335-5059. The Office of Prior Authorization will respond to the local/district office with a memo.

BAM 825, pages 7, 9-10 of 20

Similarly, with respect to medical services prior to another state, Bridges Administrative Manual 402 (1-1-2014) (hereinafter "BAM 402") states:

MEDICAL/DENTAL SERVICES IN ANOTHER STATE

MA, AMP

A Michigan MA/AMP beneficiary may receive medical/dental care outside of Michigan. The areas beyond the Michigan borders are classified as either borderland or beyond borderland. Borderland and beyond borderland providers must comply with applicable Michigan MA/AMP policies and procedures, including prior authorization, to be reimbursed for services.

Borderland Areas

The borderland areas are the out-of-Michigan counties which are adjacent to the Michigan border and certain cities beyond these adjacent counties. The specific counties and cities which are borderland areas are:

* * *

Minnesota

- Duluth

* * *

A beneficiary is covered for medical/dental services rendered in a borderland area to the same extent that such services are covered in Michigan.

Borderland providers are considered to be Michigan providers. They must be enrolled in Michigan Medicaid and adhere to the same policies as Michigan providers.

Beyond Borderland Areas

The beyond borderland areas are all areas of the U.S. outside of Michigan which are not borderland areas.

Beyond borderland medical/dental services received by a Michigan MA/AMP beneficiary will be covered only when:

- The beneficiary is temporarily out-of-state and the services are necessary because the individual's health would be endangered if travel to Michigan was required.
- The beneficiary is temporarily out-of-state and the services are necessary because of a medical/dental emergency (as defined by the program).
- The service is prior authorized by DCH as more readily available in another state.

Prior Authorization

Certain services provided by **borderland** providers require prior authorization the same as services requiring prior authorization by Michigan providers.

Except in emergencies, the services of a **beyond borderland** provider must be prior authorized. The beneficiary's local physician should submit the following to DCH:

- Documentation of the need for beyond borderland services.
- Beneficiary identification.
- Eligibility data.

The address to submit the above information is:

Department of Community Health
Review and Evaluation Division
400 S. Pine Street
PO Box 30170
Lansing, MI 48909-7979

██████████
Docket No. 2014-35636 TRN
Decision and Order

The beneficiary's physician and the local office may also make telephone inquiries regarding beyond borderland services when it appears that time is of the essence.

Phone: 1-800-622-0276

The Prior Authorization and Review Section may request information from local offices when evaluating the need for beyond border-land services. Prompt assistance from the local offices is appreciated. A copy of the prior authorization decision will be sent to the appropriate local office.

BAM 402, pages 12-15 of 24

Here, pursuant to the above policy, the Department denied Appellant's request for medical transportation reimbursement. As explained by the Department's witness, while a Medicaid beneficiary may obtain medical care outside of ██████████, all transportation expenses for out of state travel that is non-borderland require prior authorization from the MDCH. The medical services received in this case were not emergency services; ██████████, is considered beyond borderland; and there was no prior approval for the transportation expenses. Accordingly, Appellant's request was denied.

In response, Appellant testified that, prior to scheduling her appointments and going to ██████████, she spoke with her case worker, who advised her to check to see if medical services were covered by Medicaid. Appellant did so and learned that the medical services were not covered. However, she was willing to pay for the services, which she could not receive in ██████████, and decided to go to ██████████ anyway. Appellant's case worker had also sent Appellant a blank Medical Transportation Statement, which lead Appellant to believe the transportation expenses at least were approved.

However, Appellant acknowledges that she never received any express prior approval and that she only assumed that the expenses were covered. Moreover, while Appellant may have been understandably confused, the above policy is clear that payments for the medical transportation expenses in this case can only be made if the Department approved the trip prior to it being made. There was no such approval in this case and, consequently, the Department properly denied Appellant's subsequent request for reimbursement.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, finds that the Department properly denied the Appellant's request for medical transportation reimbursement.

IT IS THEREFORE ORDERED THAT:

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

Steven Kibit

Steven Kibit
Administrative Law Judge
for James K. Haveman, Director
Michigan Department of Community Health

Date Signed: [REDACTED]

Date Mailed: [REDACTED]

SK/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. 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.