

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
FOR THE DEPARTMENT OF COMMUNITY HEALTH**
P.O. Box 30763, Lansing, MI 48909
(517) 335-2484; Fax: (517) 373-4147

IN THE MATTER OF:

██████████

Appellant.

Docket No. 14-015345 PA

██████████

██████████

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 Appellant's request for a hearing.

After due notice, a hearing was held on ██████████, ██████████ appeared on behalf of Appellant. Appellant and ██████████, Appellant's legal guardian, were also present. ██████████ Appeals Review Officer, represented the Department of Community Health ("DCH" or "Department"). ██████████, Medicaid Utilization Analyst, testified as a witness for the Department.

ISSUE

Did the Department properly deny Appellant's prior authorization request for a chair/bathroom transfer 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 who has been diagnosed with microcephalus and infantile cerebral palsy, unspecified. (Respondent's Exhibit A, page 8).
2. On or about ██████████, the Department received a prior authorization request submitted on Appellant's behalf by ██████████, ██████, his medical provider. (Testimony of ██████████).
3. In the prior authorization form itself and the price quotation submitted along with the request, ██████████ identified the requested item as a Columbia 5030 Medium Omni Chair/Bathroom Transfer System. (Respondent's Exhibit A, pages 8, 13).

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4. However, in the letter of medical necessity submitted along with the request, the occupational therapist identified the requested item as an Omni 5130 chair/transfer system rather than an Omni 5030. (Respondent's Exhibit A, pages 14-15).
5. On ██████████, the Department sent ██████████. a Request for Additional Information. (Respondent's Exhibit A, pages 9-10).
6. That request stated in part:

Michigan Medicaid/Children's Special Health Care (CSHCS) has received your prior authorization for a Columbia Omni chair for ██████████. In order to process this request, the Department needs the following information:

- Rule out economical alternatives

Respondent's Exhibit A, page 9

7. On or about ██████████ resubmitted the prior authorization request, along with some additional information. (Respondent's Exhibit A, pages 8, 11-18).
8. In the description of the request item, the medical provider again wrote "Columbia 5030 Medium Omni Chair Only – BATHROOM TRANSFER SYSTEMS: OMNI" and the resubmitted price quotation was also for the Omni 5030. (Respondent's Exhibit A, pages 8, 13).
9. However, the resubmitted original letter of medical necessity still referred to the Omni 5130 bath/shower/commode transfer system. (Respondent's Exhibit A, page 14).
10. Similarly, the new follow up letter of medical necessity also discussed why the Omni 5130 was the most economical alternative that meets Appellant's needs. (Respondent's Exhibit A, pages 11-12).
11. On ██████████, the Department sent Appellant a Notification of Denial. (Respondent's Exhibit A, page 7).
12. Regarding the reason for the denial, the Notice of Denial stated in part:

The policy this denial is based on is Section 1, 1.3, 1.5, 1.10, 1.8 and 2.8 of the Medical Supplier chapter of the Medicaid Provider Manual, which indicates:

- Cost effective alternatives are available

Respondent's Exhibit A, page 7

13. On ██████████, the Michigan Administrative Hearing System received the request for hearing filed in this matter. (Respondent's Exhibit A, pages 4-6).

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.

Medicaid covered benefits are addressed for the practitioners and beneficiaries in the Medicaid Provider Manual (MPM) and, as stated in the MPM, "Medicaid covers the least costly alternative that meets the beneficiary's medical need for medical supplies, durable medical equipment or orthotics/prosthetics." MPM, July 1, 2014 version, Medical Supplier Chapter, page 1.

Here, pursuant to that policy, the Department denied Appellant's prior authorization request for an Omni chair/bathroom transfer system.

However, at the onset of the hearing, the Department's witness also testified regarding a factual discrepancy within the request and, as noted in the above findings of fact, there is a difference between the requested item identified on the prior authorization form and price quotation, an Omni 5030 chair/bathroom transfer system, and the requested item identified in both letters of medical necessity, an Omni 5130 chair/bathroom transfer system.

In response, Appellant's representative acknowledged the factual discrepancy and asked for an order requiring that the Department reassess Appellant's request and issue a decision within thirty days.

The Department's witness then indicated that a new request could be submitted at any time and was necessary for a new review. She also stated that the new request would be necessary so that the Department would know exactly what was being requested. She further indicated that the new request should also identify any specific accessories, as well as the procedure codes for such accessories, also being requested. In response to a question from the undersigned Administrative Law Judge, she also indicated that a decision could be rendered within ████████ days of the receipt of the updated request.

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Appellant's representative then asked for an order allowing Appellant ██████ weeks to submit an updated request and for the Department to issue a decision on that updated request within ██████ days.

The confusion regarding what was being requested in this case is the fault of the medical provider who submitted the request, but the Department also failed to identify any such issue until the hearing itself, which took place almost ██████ months after the request was first made and after the Department had already asked for additional information once before. Given that delay, along with the statements of the Department's witness that a request can be submitted at any time and that the Department could render a decision within ██████ days of the receipt of a new request, the undersigned Administrative Law Judge granted Appellant's request.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, finds that Appellant's request for an order allowing Appellant ██████ weeks to submit an updated request and the Department thirty days to issue a decision on that updated request should be granted.

IT IS THEREFORE ORDERED THAT:

The Department's decision is **REVERSED** and, upon receipt of Appellant's updated prior authorization request, it must initiate a reassessment of Appellant's request and issue a decision within ██████ days.

Steven Kibit

Steven Kibit
Administrative Law Judge
for Nick Lyon, Director
Michigan Department of Community Health

Date Signed: ██████████

Date Mailed: ██████████

SK/db

cc: ██████████
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██████████
██████████

***** 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.