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:

[redacted],

Docket No. 14-018399- MHP
Case No. [redacted]

Appellant.
_____/

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge (ALJ) pursuant to MCL 400.9 and 42 CFR 431.200 *et seq.,* following the Appellant's request for a hearing.

After due notice, a telephone conference hearing was held [redacted]. Appellant appeared and testified on her own behalf.

[redacted], Appeal & Grievance Coordinator, and [redacted], Medical Director, appeared as witnesses on behalf of Respondent [redacted] of Michigan, the Medicaid Health Plan ("[redacted] or MHP").

ISSUE

Did the MHP properly deny Appellant's [redacted] oral surgery on the grounds that she was not active at that time with the MHP?

FINDINGS OF FACT

The Administrative Law Judge (ALJ), based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Appellant is a [redacted] year old female Medicaid enrolled beneficiary with [redacted] of Michigan from [redacted] through [redacted]; and [redacted] through [redacted]. (Exhibit A.7).

2. [redacted] provides certain dental benefits through a contract with [redacted] for its enrolled Medicaid beneficiaries. On [redacted], [redacted] issued a Predetermination Notice on behalf of Appellant for extractions and anesthesia at issue herein. (Exhibit A.6).

3. Appellant had the oral surgery on [redacted] when she was not active with [redacted]. (Exhibit A.14).

4. On [redacted] denied the claim for the following reason: "the enrollee was not eligible on this date of service/pretermination." (Exhibit A.

5. On [redacted] and [redacted] Appellant's dentist issued statements to Appellant for $[redacted] for the surgery. (Exhibit A.17). On the [redacted] Appellant hand wrote in part: "oral surgeon's office does not accept straight Medicaid." (Exhibit A.14).

6. On [redacted], the Michigan Administrative Hearing System received Appellant's hearing request. (Exhibit A.2-5).

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.

On May 30, 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 one of those Medicaid Health Plans.

> The covered services that the Contractor has available for enrollees must include, at a minimum, the covered services listed below (List omitted by Administrative Law Judge). The Contractor may limit services to those which are medically necessary and appropriate, and which conform to professionally accepted standards of care. The Contractor must operate consistent with all applicable Medicaid provider manuals and publications for coverages and limitations. If new services are added to the Michigan Medicaid Program, or if services are expanded, eliminated, or otherwise changed, the Contractor must implement the changes consistent with State direction in accordance with the provisions of Contract Section 2.024.
>
> *Section 1.022(E)(1), Covered Services.*
> *MDCH contract (Contract) with the Medicaid Health Plans,*
> *October 1, 2009.*

(1) The major components of the Contractor's utilization management (UM) program must encompass, at a minimum, the following:

(a) Written policies with review decision criteria and procedures that conform to managed health care industry standards and processes.
(b) A formal utilization review committee directed by the Contractor's medical director to oversee the utilization review process.
(c) Sufficient resources to regularly review the effectiveness of the utilization review process and to make changes to the process as needed.
(d) An annual review and reporting of utilization review activities and outcomes/interventions from the review.
(e) The UM activities of the Contractor must be integrated with the Contractor's QAPI program.

(2) Prior Approval Policy and Procedure

The Contractor must establish and use a written prior approval policy and procedure for UM purposes. The Contractor may not use such policies and procedures to avoid providing medically necessary services within the coverages established under the Contract. The policy must ensure that the review criteria for authorization decisions are applied consistently and require that the reviewer consult with the requesting provider when appropriate. The policy must also require that UM decisions be made by a health care professional who has appropriate clinical expertise regarding the service under review.

Section 1.022(AA)(1) and (2),
Utilization Management, Contract,
October 1, 2009.

Per the [redacted] of Michigan Member Handbook, Article III-Eligibility and Enrollment, Section 3.1 states as follows:

Member Eligibility. To be eligible to enroll in the Plan an individual must be eligible for the Healthy Michigan Plan as determined by the Department of Human Services and must reside within the Service Area. The Department of Human Services is solely responsible for determining the eligibility of individuals for the Medicaid Program. The Department assigns individuals to health plans…. (Exhibit A.19-22).

The Michigan Medicaid Provider Manual likewise indicates that the local Department of Human Services office determines eligibility for Medicaid and most other health programs. Once eligibility is established, data from DHS is available via the CHAMPS Eligibility Inquiry. (Exhibit A.23). Medicaid Provider Manual, Beneficiary Eligibility Chapter, Effective July 1, 2014. Page 1.

Here, the Department provided evidence from the CHAMPS system that Appellant was not active with the MHP on the date of the surgery. Appellant argues that she was eligible for "Medicaid." However, there is no issue herein as to whether Appellant was a 'Medicaid' beneficiary on [redacted]-the date of surgery. The issue is whether Appellant was a Medicaid beneficiary of the MHP on [redacted].

Appellant has the burden of proof by a preponderance of evidence.

Here, clear and substantial evidence submitted by the MHP shows that Appellant was not active with the MHP on the date of surgery. Under federal and state guidelines, there is no eligibility for the Dental predetermination when Appellant had the surgery later when she was not active.

As the undersigned Administrative Law Judge is charged with purview to review appeals regarding DCH issues and subcontractors with the DCH (such as the Respondent), the facts here show that Appellant had no eligibility with the MHP for [redacted] benefits when she was not active with the MHP. Appellant presented no evidence to the contrary. Thus, this ALJ must uphold the denial.

Appellant evidentially, based on testimony at the hearing, disputes her Medicaid eligibility during the month of [redacted]. However, the MHP has no knowledge or information regarding the same (as the MHP does not make Medicaid determinations), and this "DCH" ALJ has no jurisdiction to review the actions of the DHS based on a DCH appeal.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the denial of the Appellant's [redacted] oral surgery was proper.

IT IS THEREFORE ORDERED that:

The MHP's decision is AFFIRMED.

Janice Spodarek
Administrative Law Judge
for Nick Lyon, Director
Michigan Department of Community Health

cc: [redacted]

JS[redacted]

Date Signed: [redacted]

Date Mailed: [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.