

**STATE OF MICHIGAN**  
**MICHIGAN ADMINISTRATIVE HEARING SYSTEM**  
**FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES**  
P.O. Box 30763, Lansing, MI 48909  
(517) 335-3997; Fax: (517) 373-4147

**IN THE MATTER OF:**

██████████,

Appellant

**Docket No.** 15-003049 MHP

██████████ ██████████

**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 hearing.

After due notice, a hearing was held on ██████████. Appellant appeared and testified on her own behalf. ██████████, Manager of Medicaid Operations, appeared and testified on behalf of ██████████, the Respondent Medicaid Health Plan (MHP).

**ISSUE**

Did the MHP properly deny Appellant's prior authorization request for Continuous Glucose Monitoring (CGM) sensors?

**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 enrolled in the Respondent MHP. (Testimony of Appellant; Testimony of ██████████)
2. On or about ██████████, the MHP received a prior authorization request submitted on behalf of Appellant by a ██████████ and requesting CGM sensors for Appellant's insulin pump. (Exhibit A, page 8).
3. The procedure code for the requested items was identified as 95250. (Exhibit A, page 8).

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4. The request also noted that Appellant had been diagnosed with uncontrolled diabetes mellitus. (Exhibit A, page 8).
5. Appellant's doctor further wrote on the form: "Medically necessary as patient has seizures and frequent severe low blood sugars". (Exhibit A, page 8).
6. The MHP reviewed the request and determined that it should be denied as the requested sensors are not covered by Medicaid. (Testimony of ██████████).
7. On ██████████, the MHP sent Appellant written notice that the prior authorization request was denied. (Exhibit A, pages 12-13).
8. Regarding the reason for the denial, the notice stated that Procedure Code 95250 "is not included in the covered codes by the Michigan Department of Community Health (MDCH) and is also excluded from ██████████ Government Programs." (Exhibit A, page 12).
9. That same day, Appellant's doctor submitted another prior authorization request for the same items, but with the procedure codes for the requested items now identified as A9276 and A9277. (Exhibit A, page 9).
10. On ██████████, the MHP sent Appellant's doctor notice that those codes are also not included in the covered codes used by the Department and are therefore excluded from coverage by the MHP. (Exhibit A, page 14).
11. On ██████████, Appellant's doctor sent a response to the MHP in which he stated that he was aware that the codes were excluded, but they were the only valid codes for the request and the requested items are medically necessary. (Exhibit A, page 10).
12. On ██████████, the Michigan Administrative Hearing System (MAHS) received the request for hearing filed in this matter. (Petitioner's Exhibit 1, pages 1-3).

**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.

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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 one of those MHPs and, as provided in the Medicaid Provider Manual (MPM), is responsible for providing covered services pursuant to its contract with the Department:

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.

*MPM, January 1, 2015 version  
Medicaid Health Plan Chapter, page 1  
(Emphasis added by ALJ)*

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Pursuant to its contract with the Department and the above policy, the MHP has developed utilization management and review criteria, and, with respect to CGM and Medicaid beneficiaries, that criteria states:

**MEDICAID:** For Medicaid members, this policy will apply. Coverage is based on medical necessity criteria being met and the appropriate code(s) from the coding section of this policy being included on the Michigan Medicaid Fee Schedule located at: [http://www.michigan.gov/mdch/0,1607,7-132-2945\\_42542\\_42543\\_42546\\_42551-159815--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_42542_42543_42546_42551-159815--,00.html). If there is a discrepancy between this policy and the Michigan Medicaid Provider Manual located at: [http://www.michigan.gov/mdch/0,1607,7-132-2945\\_5100-87572--,00.html](http://www.michigan.gov/mdch/0,1607,7-132-2945_5100-87572--,00.html), the Michigan Medicaid Provider Manual will govern. For Medical Supplies/DME/Prosthetics and Orthotics, please refer to the Michigan Medicaid Fee Schedule to verify coverage.

*Exhibit A, page 17*

Moreover, with respect to two of the procedure codes used in this case, the MHP's policy also specifically notes that A9276 and A9277 are not covered for Medicaid beneficiaries. (Exhibit A, page 19).

The MPM in turn provides that:

Blood glucose monitoring supplies and equipment are defined as those items necessary to monitor blood glucose levels. The equipment and supplies include, but are not limited to, blood glucose monitors, testing strips, lancets, and calibrator solution/chips.

\* \* \*

A home blood glucose monitor and related supplies are covered when a beneficiary has been diagnosed with diabetes and it is medically necessary to monitor fluctuations of blood glucose levels on a daily basis. Diabetes includes:

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- Gestational diabetes
- Insulin-treated diabetes
- Non-insulin treated diabetes

Diabetes medications (i.e., metformin, Januvia, etc.) do not qualify as insulin treatment.

Quantity limits for lancets, blood glucose test strips/reagent test strips, and urine test/reagent strips/tablets are based upon insulin-treated or non-insulin-treated diabetes. Refer to the Medical Supplier database on the MDCH website for quantity and frequency information. (Refer to the Directory Appendix for website information.)

*MPM, January 1, 2015 version  
Medical Supplier Chapter, page 23  
(Emphasis added by ALJ)*

Here, the MHP's witness testified that the prior authorization request for CGM sensors was denied pursuant to the above policies. Specifically, he noted that the Medical Supplier database referenced in the MPM and used by the MHP only lists Procedure Code E0607 as a covered item with respect to blood glucose monitoring in the home and that all three of the procedure codes identified on the prior authorization requests are not covered.

In response, Appellant testified that, as noted by her doctor, the sensors are medically necessary so that she can have tighter control over her insulin pump. She also noted that she has lost consciousness or had seizures in the past due to hypoglycemia, and that her pump is essentially useless without the sensors given how rapidly her levels can change.

Given the above policy and evidence, Appellant has failed to satisfy her burden of proving by a preponderance of the evidence that the MHP erred in denying her prior authorization request for CGM sensors. As noted by the Respondent's representative the requested items are not covered by either Medicaid or the MHP.

[REDACTED]  
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**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 prior authorization request for CGM sensors.

**IT IS THEREFORE ORDERED** that:

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

*Steven Kibit*

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Steven Kibit  
Administrative Law Judge  
for Director, Nick Lyon  
Michigan Department of Health and Human Services

Date Signed: [REDACTED]

Date Mailed: [REDACTED]

SK/db

cc: [REDACTED]

**\*\*\* NOTICE \*\*\***

The Michigan Administrative Hearing System 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.