

**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.** 15-010212 PA

██████████

██████████

██████████

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

After due notice, a hearing was held on ██████████. Appellant appeared on his own behalf. ██████████, Appeals Review Officer, represented the Respondent, Department of Community Health (DCH or Department). ██████████, Department Analyst, appeared as a witness for the Department.

**ISSUE**

Did the Department properly deny the Appellant's prior authorization request for a Pneumatic Walking Boot Prefab?

**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 born September 8, 1958. (Exhibit A, p 5)
2. On ██████████ the Appellant was provided a Pneumatic Walking Boot Prefab? (Exhibit A, pp 7-10; Testimony)

3. On ██████████, a prior authorization for a Pneumatic Walking Boot Prefab was submitted to the Department on behalf of the Appellant. Information included with the prior authorization request indicated the Appellant had already received the item. A verbal authorization was not requested and was not found on file. (Exhibit A, p 5; Testimony)
4. On ██████████ the Department sent Appellant a Notification of Denial informing him that the item had been denied because the service had been provided before the prior authorization had been requested. Appellant was also informed that the provider could not charge him for the Pneumatic Walking Boot Prefab. (Exhibit A, pp 7-8)
5. On ██████████, the Michigan Administrative Hearing System received Appellant's request for hearing. (Exhibit A, p 5; Testimony)

### **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.

The Medicaid Provider Manual provides, in pertinent part, as follows:

#### **1.7 PRIOR AUTHORIZATION**

Prior authorization (PA) is required for certain items before the item is provided to the beneficiary or, in the case of custom-fabricated DME or prosthetic/orthotic appliances, before the item is ordered. To determine if a specific service requires PA, refer to the Coverage Conditions and Requirements Section of this chapter and the Medicaid Code and Rate Reference tool. (Refer to the Directory Appendix for website information.)

#### **1.7.D. RETROACTIVE PRIOR AUTHORIZATION**

Services provided before PA is requested will not be covered unless the beneficiary was not eligible on the DOS and the eligibility was made retroactive. If the MDHHS record does not show that retroactive eligibility was provided, then the request for retroactive PA will be denied.

### **1.7.C. EMERGENCY PRIOR AUTHORIZATION**

A provider may contact MDCH to obtain a verbal PA when the prescribing physician has indicated that it is medically necessary to provide the service within a 24-hour time period.

To obtain a verbal PA, the provider may call the Program Review Division or fax a request. If the provider chooses to use a PA form to request a verbal authorization, "verbal PA request" must be in box 25 of the MSA-1653-B or box 28 on the MSA-1653-D.

### **1.11 CHARGING THE BENEFICIARY**

The provider may not charge the beneficiary for failure to provide sufficient documentation to support coverage or failure to obtain PA. The provider may charge the beneficiary if the beneficiary waives his right to PA. The provider must maintain on file a document that demonstrates that the beneficiary knew and understood that the waiver of PA would result in the beneficiary's responsibility for payment. In addition, the provider may not charge the beneficiary any copayments (unless permitted by Medicaid) or charges above the Medicaid allowable amount.

*MDCH Medicaid Provider Manual,  
Medical Supplier Section  
July 1, 2015, pp 8, 10-11, 19*

The Department's witness testified that Appellant's prior authorization request for a Pneumatic Walking Boot Prefab was denied because the device had been provided before the prior authorization had been requested. The Department's witness testified that the provider also did not request an emergency prior authorization prior to giving the device to Appellant. The Department's witness indicated that the provider will not be allowed to charge Appellant for the device under Medicaid policy.

Based on the evidence submitted, the Department properly denied the provider's prior authorization request. The device was given to Appellant prior to the prior authorization being submitted. Appellant cannot be charged for the item.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly denied the Appellant's request for a Pneumatic Walking Boot Prefab, based on the submitted documentation.

**IT IS THEREFORE ORDERED** that:

The Department's decision is AFFIRMED.



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Corey A. Arendt  
Administrative Law Judge  
for Director, Nick Lyon  
Michigan Department of Health and Human Services

Date Signed: [REDACTED]

Date Mailed: [REDACTED]

CAA/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.