



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
Christopher Seppanen  
Executive Director

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: June 14, 2016  
MAHS Docket No.: 16-005506  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Landis Lain

### **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 Petitioner's request for a hearing.

After due notice, a hearing was held on [REDACTED]. Petitioner and his representative [REDACTED] appeared on behalf of the Petitioner. [REDACTED], Appeals Review Officer and [REDACTED], Medicaid Transportation Analyst represented the Department of Health and Human Services (Department or State or Respondent).

State's Exhibit A pages 1-12 were admitted as evidence.

### **ISSUE**

Did the Department properly deny Petitioner's request for transportation/medical transportation?

### **FINDINGS OF FACT**

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

1. On [REDACTED], [REDACTED], acting on behalf of the Department, sent Petitioner a Notice of Denial for transportation for an appointment [REDACTED].
2. The reason for the denial is that the provider is not enrolled with Medicaid, thereby making this a non-covered medical trip.
3. Policy requires that transportation services be Medicaid-covered services from Medicaid-enrolled providers.

4. On [REDACTED], the Michigan Administrative Hearing system received a Request for Hearing to contest the negative action.
5. Petitioner is a Medicaid recipient.

### **CONCLUSIONS OF LAW**

The Medicaid program (MA) was established pursuant to Title XIX of the Social Security Act (SSA) and is implemented by 42 USC 1396 *et seq.*, and Title 42 of the Code of Federal Regulations (42 CFR 430 *et seq.*). The program is administered in accordance with state statute, the Social Welfare Act (MCL 400.1 *et seq.*), various portions of Michigan's Administrative Code (1979 AC, R 400.1101 *et seq.*), and the State Plan promulgated pursuant to Title XIX of the SSA.

Policy addressing medical transportation coverage under the State Medicaid Plan is found in the Bridges Administrative Manual (BAM), 825 Medical Transportation:

Local MDHHS offices may authorize and pay for the following:

**Travel for clients who receive any MA-covered service from any MA-enrolled provider.** (page 6)

Medical transportation is available to obtain medical evidence or receive any MA-covered service from any MA-enrolled provider, including:

- Chronic and ongoing treatment.
- Prescriptions.
- Medical supplies.
- Onetime, occasional and ongoing visits for medical care.  
BAM 825, page 2

Evaluate a client's request for medical transportation to maximize use of existing community resources.

- If a client has resources available to provide transportation without reimbursement-either by their own means or via family or friends-they are expected to do so. MDHHS staff is encouraged to explore whether such arrangements exist before authorizing transportation. However, if the client informs the MDHHS worker that transportation resources are not available, or that providing transportation without reimbursement is a financial hardship, transportation should be approved

regardless of whether or not the service has been provided without reimbursement in the past.

- Do not routinely authorize payment for medical transportation. Explore why transportation is needed and all alternatives to payment.
- Do not authorize payment for medical transportation unless first requested by the client.
- Use referrals to public or nonprofit agencies that provide transportation to meet individual needs without reimbursement.
- If available, utilize free delivery services that are offered by a recipient's pharmacy.
- Use bus tickets or provide for other public transit arrangements.
- Refer to volunteer services or use state vehicles to transport the client if payment for a personal vehicle is not feasible. BM 825, PAGES 3-4

### **MEDICAL TRANSPORTATION NOT COVERED**

Do not authorize payment for the following:

- Transportation for noncovered services (e.g., AA meetings, medically unsupervised weight reduction, trips to pharmacies for reasons other than obtaining MA-covered items).
- Reimbursement for transportation for episodic medical services and pharmacy visits that has already been provided.
- Transportation costs for long-term care (LTC) residents. LTC facilities are expected to provide transportation for services outside their facilities.
- Transportation costs to meet a client's personal choice of provider for routine medical care outside the community when comparable care is available locally. Encourage clients to obtain medical care in their own community unless referred elsewhere by their local physician.

- DCH authorized transportation for clients enrolled in managed care is limited. See “**CLIENTS IN MANAGED CARE.**”

**Exception:** Dental, substance abuse or community mental health services are not provided by managed care; therefore, an DCH authorization for medical transportation for these services may still be necessary.

- Transportation services that are billed directly to MA. See “**BILLED DIRECTLY TO DCH.**”

*Bridges Administrative Manual (BAM), 825 Medical Transportation  
(Page 6 and April 1, 2016)  
(Underline added by ALJ)*

**In the instant case, the Provider (Ultimate Solutions) does not accept Medicaid and is not a Medicaid enrolled provider. The department cannot force a provider to become a Medicaid enrolled provider.**

The Department has established by the necessary competent, material and substantial evidence on the record that it was acting in accordance with Department policy when it denied Petitioner’s request for transportation. The Department’s actions must be upheld under the circumstances, because Transportation to a non-enrolled provider is not a covered service. Petitioner has failed to satisfy the burden of proving by a preponderance of the evidence that the Department improperly denied the requested medical transportation. The denial is based upon Medicaid benefit exclusion. The Respondent does not have discretion to approve Petitioner’s request for items which are not covered Medicaid benefits. The decision to deny the request for authorization must be upheld under the circumstances.

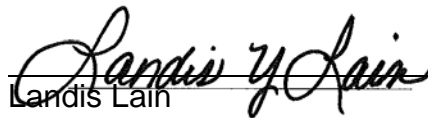
**DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, decides that the Department does not have discretion to approve Petitioner's request for items which are not covered Medicaid benefits. The decision to deny the request for authorization was proper under the circumstances.

**IT IS, THEREFORE, ORDERED** that:

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

LL ■



Landis Lain

Administrative Law Judge

for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; Attention: MAHS Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30763  
Lansing, Michigan 48909-8139

**Petitioner**

[REDACTED]

**Authorized Hearing Rep.**

[REDACTED]

**DHHS Department Rep.**

[REDACTED]

**Agency Representative**

[REDACTED]