



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: July 1, 2016  
MAHS Docket No.: 16-005066  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Colleen Lack**

**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 June 2, 2016. [REDACTED], the Petitioner, appeared on his own behalf. [REDACTED], Appeals Review Officer, represented the Department of Health and Human Services (Department). [REDACTED], Adult Services Worker (ASW), and [REDACTED], former ASW, appeared as witnesses for the Department.

During the hearing proceedings, the Department's Hearing Summary Packet was admitted as Exhibit A, pp. 1-22.

**ISSUE**

Did the Department properly terminate Petitioner's Home Help Services (HHS) case?

**FINDINGS OF FACT**

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

1. Petitioner is a Medicaid beneficiary who had been receiving HHS since [REDACTED]. (Exhibit A, p. 10)
2. On [REDACTED], Petitioner called the Department asking if his new provider was in system. Petitioner was told the provider was in the system and would be added to his case. (Exhibit A, p. 12)

3. On [REDACTED], a suspension of Petitioner's HHS payments was made effective [REDACTED], due to not returning missing logs and based on a negative action letter issued to Petitioner [REDACTED]. (Exhibit A, pp. 12 and 16)
4. On [REDACTED], an Advance Negative Action Notice was issued to Petitioner stating his HHS case would be terminated effective [REDACTED], because "a negative action letter was sent in January regarding provider logs not being submitted for Sept., Oct., Dec. [REDACTED] and Jan. and Feb. [REDACTED]. At this time provider logs still have not been submitted." (Exhibit A, pp. 7-8)
5. On [REDACTED], Petitioner called the Department to report that his provider left on [REDACTED]. Petitioner believed she left to go to school and noted that this was not the first time his provider has left him. It was also discussed that logs had not been submitted by providers and Petitioner indicated he had no way of contacting them because they left the state. (Exhibit A, p. 13)
6. On [REDACTED], the Michigan Administrative Hearing System received Petitioner's Request for Hearing contesting the Department's action. (Exhibit A, p. 6)

### **CONCLUSIONS OF LAW**

The Medical Assistance Program (MA) 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 Administrative Code, and the State Plan under Title XIX of the Social Security Act Medical Assistance Program.

Home Help Services (HHS) are provided to enable functionally limited individuals to live independently and receive care in the least restrictive, preferred settings. These activities must be certified by a health professional and may be provided by individuals or by private or public agencies.

Updates were made to the provider enrollment and service verification processes to create efficiencies for providers, Department staff, and increasing the accuracy of service reporting. Additionally, these modifications were necessary to prepare the HHS program for future changes that might be required. Providers will no longer be enrolled into the Bridges system operated by the Department. Rather, they will now be enrolled into the Department's Community Health Automated Medicaid Processing System (CHAMPS), which became the system of record. Provider log (DHS-721) forms are no longer used to verify the services provided to clients. The program has established an Electronic Service Verification (ESV) system as the mechanism to submit verification of the hours of services provided. *Medicaid Services Administration (MSA) Bulletin 14-58, issued December 1, 2014, p. 1.*

## **Verification of Services Provided**

Beginning January 1, 2015, Home Help providers will no longer submit a provider log (DHS-721) to the local DHS office to verify that authorized services were provided. Providers will be required to submit verification of provided services through the ESV system in CHAMPS. CHAMPS is a web-based system available through the internet. The ESV is to be submitted on a monthly basis as opposed to the previous quarterly submission of the DHS-721. A separate ESV must be submitted by the provider for each client served during a month.

The ESV form will include the services **authorized** for the client. The provider must accurately report services **provided** on each day of the month. The provider will also be required to provide any additional information on the ESV that is pertinent to the services provided to the client that day, e.g. the client is unavailable because of a hospitalization. Providers are required to report any change in services to the Adult Services Worker within 10 business days.

Payment for the services provided during a month is contingent upon the receipt of the service verification. Payment will not be released until the ESV system confirms that services have been verified for that month.

## **Alternate Submission of Service Verification**

Providers that do not have any means of accessing the ESV system will be able to submit their service verifications manually. The handling time involved in processing alternative methods of submission might lead to delays in making payments as compared with electronic submissions.

## **Transition Plan**

The revised enrollment process is effective January 1, 2015 for individual providers. Guidance for agency providers will be disseminated as it becomes available. Providers will be required to begin using the ESV system to verify services effective for dates of service on or after January 1, 2015. Providers will be notified in advance of any additional alterations to the enrollment or service verification processes.

## **Client Confirmation of Services**

The client's signature on provider logs has historically served as an important confirmation that services had been provided as reported. Clients will no longer be required to sign the verification form as they had previously done with provider logs. Instead, MDCH will send out an Explanation of Benefits form to a random sample of clients each month

that will reflect the services they were to have received during the period. They will be asked to report back on the services that were actually provided.

### **Manual Maintenance**

Retain this bulletin until the information is incorporated into the Michigan Medicaid Provider Manual.

*Medicaid Services Administration (MSA) Bulletin 14-58,  
issued December 1, 2014, pp. 1-2.*

Pursuant to MSA Bulletin 15-06, there was a delay for the effective date of MSA 14-58. MSA-14-58 became effective on June 1, 2015. *MSA Bulletin Number MSA 15-06, Issued May 1, 2015, p. 1 of 1.*

In reference to suspensions of HHS cases, Adult Services Manual (ASM) 170 states:

The adult services specialist may choose to suspend payments, rather than terminate payments and initiate closing procedures, in the following circumstances:

- Client's Medicaid has ended and it appears to be temporary.
- Client's provider fails to meet qualification criteria. This allows the client time to locate a new provider.
- Provider logs were not submitted timely but it is believed the client and provider will return completed forms within a specified time period noted on a negative action notice.

**Note:** Any suspended payment action must be temporary. The adult services specialist should allow no more than 90 days for the situation to be resolved. (The DHS-390, Adult Services Application and the DHS-54A, Medical Needs form, are valid for 90 days after case closure). Case closure procedures should be initiated once it has been determined the situation that resulted in the suspension will not be resolved.

Adult Services Manual (ASM) 170,  
May 1, 2013, p. 2 of 3.  
(Underline added by ALJ)

As indicated above, the Department transitioned to a new provider enrollment and services verification system effective June 1, 2015. Under the new system, the HHS providers are responsible for submitting the required verification that HHS services were provided. Instead of the provider and the client submitting the completed DHS-721 provider log form, in effect the new system created an electronic "provider log" where in the provider is to accurately report the services provided for each day of the month.

Petitioner disagrees with the termination of his HHS case. Petitioner asserted that his providers did not know how to complete the electronic logs and that the ASW failed to teach them. Petitioner noted that he cannot do anything to make an HHS provider complete the required "log(s)". (Petitioner Testimony)

The former ASW credibly testified about how Petitioner was notified of the change from the paper logs to the CHAMPS system and the offers made to assist Petitioner's providers. The first of the providers for the time period at issue never came into the office to receive the offered assistance. In [REDACTED], the new provider came in to the office and the former ASW started working with her. Everything was completed in the new system for Petitioner's new provider. Neither provider called the Department regarding any problems with accessing the "logs" on the electronic system. (Former ASW Testimony)

In this case, a negative action letter was sent to Petitioner [REDACTED], based on the "provider logs" not being submitted for September through [REDACTED] as well as [REDACTED] [REDACTED] (Exhibit A, pp. 7-8, 12, and 16) The evidence supports that this was an advance negative action notice of a suspension. While Petitioner's HHS case remained open, the HHS payments ended [REDACTED] (Exhibit A, p. 16; ASW Testimony) There was some testimony indicating that during a portion of the [REDACTED] through [REDACTED] time period, Petitioner was without an HHS provider. Therefore, it would be expected that there would be no "log(s)" submitted for that portion of the relevant time period because there was no HHS provider to perform the services. (Testimony of Petitioner and ASWs)

The [REDACTED], Advance Negative Action Notice, was the ASW's follow up from the [REDACTED], action. (ASW Testimony) This notice stated Petitioner's HHS case would be terminated effective [REDACTED], because "a negative action letter was sent in January regarding provider logs not being submitted for Sept., Oct., Dec. [REDACTED] and Jan. and Feb. [REDACTED]. At this time provider logs still have not been submitted." (Exhibit A, pp. 7-8) There is no evidence that any electronic or manual verification of the HHS services provided were submitted for the relevant time period. Rather, the ASW credibly testified that the Department has not received the required logs. (ASW Testimony)

It is also noted that during the [REDACTED], call from Petitioner to the Department, Petitioner, in part, indicated he had no way of contacting the providers because they left the state. (Exhibit A, p. 13) This supports that the underlying issue, lack of verification of the HHS services provided between September [REDACTED] and February [REDACTED], was not temporary and would not have been resolved within 90 days.

Overall, the evidence supports the Department's determination to close Petitioner's HHS case based because the required verification of services provided had not been submitted.

### **DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly terminated Petitioner's HHS case.

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

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



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**Colleen Lack**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

CL/cg

**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

**Agency Representative**

[REDACTED]

**Petitioner**

[REDACTED]

**DHHS-Location Contact**

[REDACTED]

**DHHS Department Rep.**

[REDACTED]

**DHHS -Dept Contact**

[REDACTED]