



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: January 12, 2017
MAHS Docket No.: 16-015847
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Steven Kibit

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 the Petitioner's request for a hearing.

After due notice, a telephone hearing was held on January 3, 2017. At Petitioner's request on the record, [REDACTED] Petitioner's wife, appeared and testified on Petitioner's behalf. Petitioner was also present for the hearing. [REDACTED], Appeals and Grievance Coordinator, appeared and testified on behalf of [REDACTED], the Respondent Medicaid Health Plan (MHP). [REDACTED] and Medical Director for Respondent, also testified as a witness for the MHP.

ISSUE

Did the Medicaid Health Plan properly deny Petitioner's request for magnetic resonance imaging (MRI) of his right knee?

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 fifty-two-year-old Medicaid beneficiary enrolled in the Respondent MHP. (Exhibit A, page 5).
2. On September 20, 2016, Respondent received a prior authorization request submitted on Petitioner's behalf for an MRI of his right knee. (Exhibit A, pages 3-24).
3. The prior authorization form identified Petitioner as having a diagnosis of right knee pain. (Exhibit A, page 4).

4. Medical documentation attached to the prior authorization request also provided that an x-ray of Petitioner's right knee was completed on [REDACTED] [REDACTED] and it had shown no evidence of acute displaced fracture or subluxation and minimal degenerative changes in the medial compartment of the knee. (Exhibit A, page 7).
5. The documentation further provided that Petitioner was having knee pain and extreme difficulties with range of motion and mobility (Exhibit A, pages 6, 8, 21).
6. The attached documentation did not provide any information about any physical therapy Petitioner might have undergone. (Exhibit A, pages 3-24)
7. On September 29, 2016, Respondent sent written notice that the prior authorization request were denied. (Exhibit A, pages 38-42).
8. Regarding the reason the for denial, the notice stated in part:

Your provider ordered a special test (MRI) of the knee. The test is not approved. A [REDACTED] [REDACTED] doctor looked at this request using standard and accepted rules. It does not show a medical need for the test. The information sent in shows that you have knee pain. It does not show physical therapy records showing that special exercises such as physical therapy has been tried and does not help. We need to see a recent course of at least four weeks was tried without success. Your provider must show medical need before this request can be approved. Please talk to your provider about what else can be done.

Exhibit A, page 38

9. On November 3, 2016, the Michigan Administrative Hearing System (MAHS) received a request for hearing filed by Petitioner with respect to that denial. (Exhibit A, page 2).

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

The Michigan Department of Health and Human Services (MDHHS) 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 MDHHS 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, July 1, 2016 version
Medicaid Health Plans Chapter, page 1
(Emphasis added by ALJ)*

Pursuant to the above policy and its contract with the Department, the MHP has developed prior authorization requirements and utilization and management and review criteria. In particular, as testified to by Respondent's witness and provided in its exhibit

(Exhibit A, pages 43-46), Respondent uses InterQual Guidelines. The MHP's Medical Director also testified that, with respect to MRIs of the knee, those guidelines identify a number of clinical scenarios where the procedure would be approved, but that all of the scenarios require a showing that more conservative treatment, such as anti-inflammatory medications, physical therapy and activity modification, have been tried and failed before an MRI is approved. The MHP's Medical Director further testified that there was no medical documentation submitted along with the prior authorization request in this case regarding what treatment, if any, has been tried previously and there was no indication that Petitioner has undergone any physical therapy.

In response, Petitioner's wife testified that, prior to being enrolled with Respondent, Petitioner underwent twenty weeks of physical therapy without success. She also testified that Petitioner has been given numerous medications without relief and that all of Petitioner's medical information should have been sent over when they switched plans.

Petitioner bears the burden of proving by a preponderance of the evidence that Respondent erred in denying his prior authorization request. Moreover, the undersigned Administrative Law Judge is limited to reviewing the MHP's decision in light of the information available at the time the decision was made.

Given the available evidence and applicable policies in this case, Petitioner has failed to meet that burden of proof and the MHP's decision must be affirmed. It is undisputed that Petitioner has been diagnosed with knee pain and that an x-ray was completed, but that alone does not justify the requested procedure under the applicable guidelines and the prior authorization request was not supported by any evidence demonstrating that Petitioner met the remaining criteria identified in the InterQual Guidelines, in particular the requirement that a patient show that more conservative treatment, including physical therapy, has already been tried without success.

To the extent Petitioner claims that there is additional or updated information that would demonstrate the need for the procedure, he and his doctor are free to have a new prior authorization submitted along with that information. With respect to the decision at issue in this case however, Petitioner has failed to meet his burden of proof and the denial of his prior authorization request must be affirmed.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, decides that Respondent properly denied Petitioner's prior authorization request for a MRI of his right knee.

IT IS, THEREFORE, ORDERED that:

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

SK/tm



Steven Kibit
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

DHHS -Dept Contact

[REDACTED]
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