

ISSUE

Did Respondent properly deny Petitioner's request for placement in an assisted living facility (ALF)?

FINDINGS OF FACT

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

1. Department is an organization that contracts with the Michigan Department of Health and Human Services ("MDHHS" or "Department") and oversees PACE in Petitioner's geographical area.
2. Petitioner is a Medicaid beneficiary born REDACTED 1951, who suffers from hypothyroidism, urinary incontinence, hemorrhoids, glaucoma,

seasonal allergies, constipation, insomnia, dry eyes, mild cognitive impairment, gait instability, depression, xerosis, pruritus, vertigo, right ear pain, diabetes, anxiety, sinusitis, prior rotator cuff tear, bilateral knee pain, kidney disease, aphasia, and a history of strokes. (Exhibit A.)

3. Petitioner currently lives alone and has been approved for physical therapy, occupational therapy, home care, day center use, respite and meals. (Exhibit A; Testimony.)
4. Petitioner chooses not to attend the day center or receive meals. (Exhibit A; Testimony.)
5. On January 12, 2021, Petitioner was assessed. As part of the assessment Petitioner underwent a MoCA assessment. Petitioner scored a 18 which indicated mild Alzheimer's Disease.
6. On or around December 31, 2021, Petitioner's daughter requested Petitioner be placed in an assisted living facility. (Exhibit A; Testimony.)
7. On December 31, 2021, Department sent Petitioner an Adequate Action Notice. The notice indicated Petitioner's request for placement in an assisted living facility would be denied. The notice specifically indicated "IDT has denied this request due to participant's mobility, independence and in home emergency support services." (Exhibit A; Testimony.)
8. On January 11, 2022, Petitioner participated in an annual assessment. During the assessment, Petitioner was assessed and scored a 15 on a MoCA indicating mild Alzheimer's Disease. (Exhibit A.)
9. On February 7, 2022, the Michigan Office Administrative Hearings and Rules (MOAHR) received Petitioner's Request for Hearing.

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.

PACE services are available as part of the Medicaid program and, with respect to the program and its services, the Medicaid Provider Manual (MPM) provides:

The Program of All-Inclusive Care for the Elderly (PACE) is an innovative model of community-based care that enables elderly individuals, who are certified by their state as needing nursing facility care, to live as independently as possible.

PACE provides an alternative to traditional nursing facility care by offering pre-paid, capitated, comprehensive health care services designed to meet the following objectives:

- Enhance the quality of life and autonomy for frail, older adults;
- Maximize the dignity of, and respect for, older adults;
- Enable frail, older adults to live in the community as long as medically and socially feasible; and
- Preserve and support the older adult's family unit.

The PACE capitated benefit was authorized by the federal Balanced Budget Act of 1997 and features a comprehensive service delivery system with integrated Medicare and Medicaid financing.

An interdisciplinary team, consisting of professional and paraprofessional staff, assesses beneficiary needs, develops a plan of care, and monitors delivery of all services (including acute care services as well as nursing facility services, when necessary) within an integrated system for a seamless provision of total care. Typically, PACE organizations provide social and medical services in an adult day health center supplemented by in-home and other services as needed.

The financing model combines payments from Medicare and Medicaid, allowing PACE organizations to provide all needed services rather than be limited to those reimbursable under the Medicare and Medicaid fee-for-service systems. PACE organizations assume full financial risk for beneficiary care without limits on amount, duration, or scope of services.

Physicians currently treating Medicaid patients who are in need of nursing facility care may consider PACE as an option. Hospital discharge planners may also identify suitable candidates for referral to PACE as an alternative to a nursing facility. (Refer to the Directory Appendix for PACE contact information.)

SECTION 2 - SERVICES

The PACE organization becomes the sole source of services for Medicare and Medicaid beneficiaries who choose to enroll in a PACE organization.

The PACE organization is able to coordinate the entire array of services to older adults with chronic care needs while allowing elders to maintain independence in the community for as long as possible. The PACE service package must include all Medicare and Medicaid covered services, in addition to other services determined necessary by the interdisciplinary team for the individual beneficiary. Services must include, but are not limited to:

- Adult day care that offers nursing, physical, occupational and recreational therapies, meals, nutritional counseling, social work and personal care
- All primary medical care provided by a PACE physician familiar with the history, needs and preferences of each beneficiary, all specialty medical care, and all mental health care
- Interdisciplinary assessment and treatment planning
- Home health care, personal care, homemaker and chore services
- Restorative therapies
- Diagnostic services, including laboratory, x-rays, and other necessary tests and procedures
- Transportation for medical needs
- All necessary prescription drugs and any authorized over-the-counter medications included in the plan of care
- Social services
- All ancillary health services, such as audiology, dentistry, optometry, podiatry, speech therapy, prosthetics, durable medical equipment, and medical supplies
- Respite care
- Emergency room services, acute inpatient hospital and nursing facility care when necessary
- End-of-Life care

SECTION 3 - ELIGIBILITY AND ENROLLMENT

3.1 ELIGIBILITY REQUIREMENTS

To be eligible for PACE enrollment, applicants must meet the following requirements:

- Be age 55 years or older.
- Meet applicable Medicaid financial eligibility requirements. (Eligibility determinations will be made by the Michigan Department of Health and Human Services (MDHHS).)
- Reside in the PACE organization's service area.
- Be capable of safely residing in the community without jeopardizing health or safety while receiving services offered by the PACE organization.
- Receive a comprehensive assessment of participant needs by an interdisciplinary team.
- A determination of functional/medical eligibility based upon the online version of the Michigan Medicaid Nursing Facility Level of Care Determination (LOCD) that was conducted online within fourteen (14) calendar days from the date of enrollment into the PACE organization.
- Be provided timely and accurate information to support Informed Choice for all appropriate Medicaid options for Long Term Care.
- Not concurrently enrolled in the MI Choice program.
- Not concurrently enrolled in an HMO.¹

Here, Petitioner has been approved for PACE services at all times relevant to this matter and it is only the denial of a particular service in dispute, with Petitioner requesting placement in an ALF and Department denying the request on the basis that other services can meet Petitioner's needs while keeping Petitioner in her home.

Several of the Department's witnesses testified that Petitioner was able to remain in her home and did not require placement in an assisted living facility. The witnesses went on to indicate Petitioner's needs were met through the approval of other in-home

¹ Medicaid Provider Manual, PACE, April 1, 2021, pp 1-3.

services that included Occupational therapy, Physical therapy, home chore services, and meals.

Petitioner's daughter argued that although Petitioner was approved for services, Petitioner was bored with the meals she was receiving and wasn't safe being alone.

Given the above findings of fact and applicable policies, the undersigned Administrative Law Judge finds that Respondent properly denied Petitioner's request. The record indicates Petitioner has not endured any notable decline and is still able to live safely within her home.² Petitioner has been approved for many services and it has been Petitioner's own decision to deny some of those approved services.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, decides that Department properly denied Petitioner's request for placement in an assisted living facility.

IT IS, THEREFORE, ORDERED that:

Department's decision is **AFFIRMED**.