

ISSUE

Did the Program of All-Inclusive Care for the Elderly (PACE) organization properly deny Petitioner's request for a hospital bed?

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) and oversees the PACE program in Petitioner's geographical area.**
- 2. Prior to June 3, 2022, Petitioner requested a hospital bed for when he was moving into a new apartment. Petitioner indicated he needed one with rails so he wouldn't fall out. (Exhibit A; Testimony.)**

3. At the time of the request, Petitioner was living in a hotel with a standard sized bed and Petitioner was determined to be independent rolling in and out of bed, and independent with bed transfers. (Exhibit A; Testimony.)
4. On June 3, 2022, the Department sent Petitioner a Denial of Service notice. The notice indicated Petitioner's request for a hospital bed was denied as Petitioner was independent with "bed mobility, rolling, supine to sit, and transfers out of bed". The Department recommended alternative options such as a "bed assist handle, pool noodle bumper or fall mat" to address Petitioner's fears. (Exhibit A; Testimony.)
5. On September 1, 2022, the Michigan Office of Administrative Hearings and Rules, received from the Petitioner, a request for hearing. (Exhibit A.)

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:

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 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'

8.3 NONCOVERED SERVICES

The items or services listed below are not covered by the Medicaid program:

All services or supplies that are not medically necessary²

The Department indicated, the Petitioner's request for a hospital bed was denied due to a lack of medical necessity. Specifically, Petitioner was determined to be independent with all bed transfers and was able to move independently within the bed. The Department did offer up less costly alternatives to address Petitioner's fears.

Petitioner argued a hospital bed was necessary. The fear of falls however does not show a hospital bed as being medically necessary.

In this case, Petitioner has the burden of proof and considering the evidence presented, Petitioner has not met his burden. Consequently, I find sufficient evidence to affirm the Department's determination to deny Petitioner's request for a hospital bed. The Petitioner is always able to make a new request for services.

¹ Medicaid Provider Manual (MPM), Program of All-Inclusive Care for the Elderly, October 1, 2019, pp 1, 2.

² Medicaid Provider Manual, General Information for Providers, October 1, 2020, p 23.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, decides that the Department properly denied Petitioner's request for a hospital bed based on the available information.

IT IS THEREFORE ORDERED that

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