



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

RE: [REDACTED]  
ATTN: [REDACTED]

[REDACTED], NY [REDACTED]

Date Mailed: June 9, 2020  
MOAHR Docket No.: 20-000636  
Agency No.: 0  
Petitioner: Community Medical Equipment Inc  
re: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Corey Arendt**

**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 telephone hearing was held on June 3, 2020. [REDACTED]  
[REDACTED], Patient Billing Coordinator for Community Medical Equipment and Authorized Hearing Representative, appeared on behalf of Petitioner. No one appeared on behalf of Molina Healthcare (Department).

**ISSUE**

Did the Department properly deny Petitioner's request for a Pneumatic Compression Pump?

**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 or around December 2019, the Department notified the Petitioner that her request for a pneumatic compression pump was denied. (Testimony.)
2. On or around January 15, 2020, Petitioner requested a secondary review. (Testimony.)
3. The secondary review affirmed the earlier denial. (Testimony.)
4. In February 2020, Petitioner requested a Medicaid Fair Hearing. (Testimony.)

5. At the time of the initial request, Petitioner was a Michigan Medicaid beneficiary. (Testimony.)
6. At all times relevant to this proceeding, Community Medical Equipment was an approved Michigan Medicaid Supplier. (Testimony.)

## **CONCLUSIONS OF LAW**

The Medical Assistance Program 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.

In 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 covered services pursuant to its contract with the Department:

The Michigan Department of Community Health (MDCH) 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 MDCH 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.<sup>1</sup>

The testimony presented indicated Petitioner's request was denied by the Department and that Petitioner disagreed with the reasons provided.

No one on behalf of the Department made an appearance and there was zero evidence as to why the Department denied the Petitioner's prior approval request. As such, I do not find the Department acted in accordance with the applicable laws and policies in denying the prior approval.

### **DECISION AND ORDER**


This Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that Department improperly denied the Petitioner's prior approval for a pneumatic compression pump.

### **IT IS THEREFORE ORDERED THAT:**

Department's decision is REVERSED.

The Department is to initiate the process of reprocessing the Petitioner's request for a pneumatic compression pump<sup>2</sup>.

CA/sb

  
\_\_\_\_\_  
**Corey Arendt**  
Administrative Law Judge  
for Robert Gordon, Director  
Department of Health and Human Services

<sup>1</sup> Medicaid Provider Manual, Medicaid Health Plans, April 1, 2020, p 1.

<sup>2</sup> Given the amount of time that has lapsed since the initial request, Respondent should provide Petitioner with an opportunity to provide updated information that corresponds to the initial request.

**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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

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

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

**DHHS -Dept Contact**

Managed Care Plan Division  
CCC, 7th Floor  
Lansing, MI  
48919

**Petitioner**

[REDACTED]  
Attn: [REDACTED]  
[REDACTED], NY

**Community Health Rep**

Molina Healthcare of Michigan  
Chasty Lay  
880 W. Long Lake Rd., Suite 600  
Troy, MI  
48098