

GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: July 30, 2020  
MOAHR Docket No.: 20-003785  
Agency No.: [REDACTED]  
Petitioner: [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 Petitioner's request for a hearing.

After due notice, a hearing was held on July 15, 2020. [REDACTED], Petitioner's Authorized Hearing Representative and friend of the Petitioner's family, appeared on behalf of Petitioner. Petitioner and [REDACTED], Petitioner's Daughter, observed the hearing. Emily Piggott, Appeals Review Officer, appeared on behalf of Respondent, Michigan Department of Health and Human Services (Respondent, MDHHS or Department). Amber Staudacher, Healthcare Fraud Investigator, appeared as a witness for the Department. Leah Burghdof, Cam Crowell, and Brian Shehan, observed the hearing on behalf of Department.

Exhibits:

Petitioner                    None

Department                    A – Hearing Summary

**ISSUE**

Did the Department properly pursue recoupment against Petitioner for an overpayment of Home Help Services (HHS) for periods when Petitioner lived in a shared living arrangement?

**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 born [REDACTED]. (Exhibit A, p 26; Testimony.)

2. On August 29, 2014, July 8, 2015, August 13, 2015, September 29, 2015 and May 11, 2017, Petitioner submitted applications seeking Medicaid benefits. Each of the applications indicted Petitioner was married and living together. Each of those applications was denied. (Exhibit A, pp 20, 25; Testimony.)
3. On December 12, 2017, the Petitioner completed an application for HHS. Petitioner's daughter and Hope Home Care assisted Petitioner in completing the application. (Exhibit A, p 26; Testimony.)
4. The December 12, 2017 application indicated Petitioner lived alone. (Exhibit A, p 26; Testimony.)
5. On approximately January 31, 2018, an assessment took place. Petitioner's daughter, and an individual from Hope Home Care assisted in the assessment. During the assessment, Petitioner indicated she was a widow and lived alone. (Exhibit A, pp 16-20, 29; Testimony.)
6. On October 7, 2019, an assessment took place. During the assessment, Petitioner indicated she lived alone. (Exhibit A, p 30; Testimony.)
7. On December 11, 2019, Sameer Ajja (Petitioner's Husband), completed an application for HHS. In the application Mr. Sameer indicated he lived with his wife Salma Rafooka. (Exhibit A, p 32; Testimony.)
8. On January 14, 2020, an assessment took place for Ajja Sameer. During the assessment it was indicated Ajja Sameer lived with Petitioner, and Nagham Ajja. (Exhibit A, p 33; Testimony.)
9. In January of 2020, a fraud investigation was submitted to the OIG. (Testimony.)
10. As part of the investigation, residency records were procured. The records acquired and reviewed indicated Petitioner has resided with her spouse for the past several years. (Exhibit A, pp 35-37; Testimony.)
11. As a result of the investigation, the Department concluded the Petitioner lived in a shared living arrangement dating back to at least December of 2017 and reviewed Petitioner's corresponding HHS benefits and payments. (Exhibit A, pp 2-4, 11-12, 38-45; Testimony.)
12. After reviewing Petitioner's HHS payment records, the Department concluded the Petitioner received HHS payments in excess of the allowed amount attributable to Petitioner's shared living arrangement. (Exhibit A, pp 2-4, 11-12; Testimony.)
13. On March 30, 2020, the Department sent Petitioner an overpayment notice. The notice indicted Petitioner received an overpayment in the

amount of \$4,634.78 due to Petitioner living in a shared household. (Exhibit A, pp 11-12; Testimony.)

14. On May 14, 2020, the Department sent Petitioner a second collection notice. The notice indicated the Petitioner owed the State of Michigan \$[REDACTED]. (Exhibit A, p 46.)
15. On May 19, 2020, the Michigan Office of Administrative Hearings and Rules, received from Petitioner, a request for hearing. (Exhibit A, pp 7-10.)

## **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.

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.

Adult Services Manual (ASM) 101, 04-01-2018, addresses the issue of covered HHS services:

### **Payment Services Home Help**

Home help services are non-specialized personal care service activities provided under the independent living services program to persons who meet eligibility requirements.

Home help services are provided to enable individuals with functional limitation(s), resulting from a medical or physical disability or cognitive impairment to live independently and receive care in the least restrictive, preferred settings.

Home help services are defined as those tasks which the department is paying for through Title XIX (Medicaid) funds. These services are furnished to individuals who are **not** currently residing in a hospital, nursing facility, licensed foster care home/home for the aged, intermediate care facility (ICF) for persons with developmental disabilities or institution for mental illness.

### **Services not Covered by Home Help**

Home help services must **not** be approved for the following:

- Supervising, monitoring, reminding, guiding, teaching or encouraging (functional assessment rank 2).
- Services provided for the benefit of others.
- Services for which a responsible relative is **able** and **available** to provide (such as house cleaning, laundry or shopping). A responsible relative is defined as an individual's spouse or a parent of an unmarried child under age 18.
- Services provided by another resource at the same time (for example, hospitalization, MI-Choice Waiver).

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Adult Services Manual (ASM) 135, 10-01-2019, addresses responsibilities of home help providers:

### CAREGIVER INTERVIEW

An initial face-to-face interview must be completed with all Home Help caregiver(s). A face-to-face or phone contact must be made with the caregiver(s) at the six month review to verify services are being furnished. If phone contact was made at the last review, a face-to-face contact with the caregiver is mandatory for the next review. The ASW must document the contact in MiAIMS by selecting face to face-client and provider or face to face-provider under the *contact* tab.

The caregiver must present a picture identification (ID) card that includes his/her name for verification. Picture ID may include driver's license/state ID, passport or employee ID. Expired IDs are acceptable as long as identity can be verified by the adult services worker.

Explain the following points to the client and the caregiver(s) during the initial interview:

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- The client and/or individual caregiver is responsible for notifying the ASW within **10 business days** of any change; including but not limited to hospitalizations, nursing home or adult foster care admissions.
- The client and/or individual caregiver is responsible for notifying the ASW within **10 business days** of a change in individual caregiver or discontinuation of services. Payments must **only** be authorized to the individual/agency providing approved services.

- Home Help warrants can **only** be endorsed by the individual(s) listed on the warrant.
- Home Help warrants are issued only for the individual/agency named on the warrant as the authorized caregiver.
- If the individual named on the warrant does not provide services or provides services for only a portion of the authorized period, the warrant must be returned.

**Note:** Failure to comply with any of the above **may** be considered fraudulent or require recoupment.

- Any payment received for Home Help services **not** provided must be returned to the State of Michigan.
- Accepting payment for services not rendered is fraudulent and could result in criminal charges.

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### **HOME HELP STATEMENT OF EMPLOYMENT (MSA-4676)**

The purpose of the MSA-4676, Home Help Services Statement of Employment, is to serve as an agreement between the client and provider which summarizes the general requirements of employment. The form is completed by the adult services worker as part of the provider enrollment process.

An employment statement must be signed by **each** individual caregiver/agency provider who renders service to a client.

The statement of employment does the following:

\*\*\*\*

- Requires the individual caregiver/agency provider to repay the State of Michigan for services he or she did not provide.

\*\*\*\*

Adult Services Manual (ASM) 165, 04-01-2019, addresses the issue of recoupment:

### **GENERAL POLICY**

The Michigan Department of Health and Human Services (MDHHS) is responsible for determining accurate payment for services. When payments are made in an amount greater than allowed under department

policy an overpayment occurs. When an overpayment is discovered, corrective actions must be taken to prevent further overpayment and to recoup the overpayment amount.

## **OVERPAYMENT TYPES**

The overpayment type identifies the cause of an overpayment:

- Client errors.
- Provider errors.
- Administrative or departmental errors.
- Administrative hearing upheld the department's decision.

Appropriate action must be taken when any of these overpayments occur.

### **Client Errors**

A client error occurs when the client receives additional benefits than they were entitled to because the client provided incorrect or incomplete information to MDHHS.

A client error also exists when the clients timely request for a hearing results in deletion of a negative action issued by the department and one of the following occurs:

- The hearing request is later withdrawn.
- The Michigan Administrative Hearing Services (MAHS) denies the hearing request.
- The client or authorized representative fails to appear for the hearing and MAHS gives the department written instructions to proceed with the negative action.

***Client error can be deemed as intentional or unintentional. If the client error is determined to be intentional, see ASM 166, Fraud - Intentional Program Violation.***

### ***Unintentional Client Overpayment***

Unintentional client overpayments occur with either of the following:

- The client is unable to understand and/or perform their reporting responsibilities to the department due to physical or mental impairment.

- The client has a justifiable explanation for not giving correct or full information.

All instances of unintentional client error must be recouped. **No fraud referral is necessary.**

### **Caregivers and Agency Provider Errors**

Individual caregiver or agency providers are responsible for correct billing procedures. Individual caregivers and agency providers must bill for hours and services delivered to the client that have been approved by the adult services worker. Individual caregivers and agency providers are responsible for refunding overpayments resulting from an inaccurate submission of hours. Failure to bill correctly or refund an overpayment is an individual caregiver or agency provider error.

**Example:** Client was hospitalized for several days and the individual caregiver or agency provider failed to report changes in service hours resulting in an overpayment.

Individual Caregiver and agency provider errors can be deemed as intentional or unintentional. If the individual caregiver or agency provider error is determined to be intentional; see ASM 166, Fraud - Intentional Program Violation.

All instances of unintentional provider error must be recouped. **No fraud referral is necessary.**

\*\*\*\*

The Department's witness testified that an overpayment letter was issued to Petitioner after an investigation determined that Petitioner was paid for HHS benefits during time periods in which Petitioner was living in a shared living arrangement. During these shared living time periods, some of Petitioner's time and task allocations should have been pro-rated.

Petitioner's representative indicated the Petitioner and Petitioner's daughter were honest at all times and never tried to deceive the Department. The Representative went on to indicate the Petitioner did not understand the forms she was signing, and that the information was not clearly communicated to her when she signed the forms.

The evidence presented by Petitioner's Representative was mostly hearsay, but even assuming all of the information provided was true, the rules still require the repayment of the overpaid funds. The overwhelming evidence indicates that at all times relevant to this proceeding, Petitioner resided with her husband which resulted in an overpayment of funds that need to be paid back. It is interesting and noteworthy that all prior applications that were denied, all indicated Petitioner as residing with her husband. It is

also interesting that Petitioner's Authorized Hearing Representative acknowledged Petitioner may have said there were no other individuals residing in the home when questioned.<sup>1</sup>

Based on the foregoing, I find, based on the above findings of fact and conclusions of law, that the Department properly sought recoupment from Petitioner for Home Help Services totaling \$ [REDACTED].

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly pursued recoupment against Petitioner.

**IT IS THEREFORE ORDERED** that:

The Department's decision in seeking recoupment is AFFIRMED. The overpayment amount is \$ [REDACTED].

CA/sb

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

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<sup>1</sup> Petitioners AHR indicated Petitioner may have answered "no" to the question because at that exact time, there was no one else in the home with her.

**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**

Michelle Martin  
Capitol Commons  
6th Floor  
Lansing, MI  
48909

**DHHS Department Rep.**

M. Carrier  
Appeals Section  
PO Box 30807  
Lansing, MI  
48933

**Agency Representative**

Emily Piggott  
222 N Washington Square  
Suite 100  
Lansing, MI  
48909

**Authorized Hearing Rep.**

[REDACTED]  
[REDACTED]  
[REDACTED], MI  
[REDACTED]

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED], MI  
[REDACTED]