



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
**DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS**  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
ACTING DIRECTOR

[REDACTED]  
MI [REDACTED]

Date Mailed: February 14, 2024  
MOAHR Docket No.: 23-009222  
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 upon the Petitioner's request for a hearing.

After due notice, a telephone hearing was held on February 14, 2024. [REDACTED] appeared on behalf of Petitioner and offered testimony. No one appeared on behalf of Respondent, Molina (Department)<sup>1</sup>. The hearing was scheduled to begin at 9:30 p.m. After waiting 15 minutes, the hearing commenced in the absence of the Department.

Exhibits:

Petitioner	None
Department	None

**ISSUE**

Did the Department properly deny Petitioner's request for Medicaid coverage for an extended hospitalization?

**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 who is enrolled in the Department Medicaid Health Plan. (Hearing Request.)

<sup>1</sup> On January 24, 2024, a Notice of Hearing was mailed to the Department's last known mailing address and was not returned as undeliverable.

2. At some point in time, Petitioner requested an extended hospitalization. (Testimony.)
3. Department denied Petitioner's request. (Testimony.)
4. Petitioner disagreed with the reason for denial and requested a Medicaid Fair Hearing. (Testimony; Hearing Request.)

### **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 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 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>2</sup>

Here, Department failed to participate in the hearing and did not provide any rationale as to why they had decided to deny Petitioner's request for an extended hospitalization period.

Given the above policies and evidence, Respondent has not shown that their actions were in conformity with the applicable laws and policies. Therefore, their decision to deny services must be reversed.

### **DECISION AND ORDER**

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, decides that Department improperly denied Petitioner's extended hospitalization.

**IT IS, THEREFORE, ORDERED** that:

Department's decision is **REVERSED**.

The Department must initiate the reprocessing of Petitioner's request for services and issue the appropriate benefit action notice.

CA/pe

  
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**Corey Arendt**  
Administrative Law Judge  
for Elizabeth Hertel, Director  
Department of Health and Human Services

<sup>2</sup> Medicaid Provider Manual, Medicaid Health Plan, October 1, 2023, p 1.

**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

**Via Electronic Mail:**

**Petitioner**

[REDACTED]  
MI [REDACTED]  
[REDACTED]

**Authorized Hearing Representative**

[REDACTED]  
MI [REDACTED]  
[REDACTED]

**Community Health Representative**

Molina Healthcare of Michigan  
Lisa Johnson  
880 W. Long Lake Rd., Ste. 600  
Troy, MI 48098  
**[Lisa.johnson@molinahealthcare.com](mailto:Lisa.johnson@molinahealthcare.com)**

**DHHS Department Contact**

MDHHS Managed Care Plan Division  
400 S. Pine St., 7<sup>th</sup> Floor  
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**[MDHHS-MCPD@michigan.gov](mailto:MDHHS-MCPD@michigan.gov)**