



Date Mailed: November 10, 2025
Docket No.: 25-027743
Case No.: [REDACTED]
Petitioner: [REDACTED]



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هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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这是一份重要的法律文件。请让别人翻译文件。

Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Error! Unknown document property name.

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, hearings were held on October 15, 2025, and November 6, 2025. [REDACTED] Petitioner, appeared on her own behalf. Shaunna Henry, Appeals Coordinator, appeared on behalf of Respondent. Kristina Gunn appeared as a witness for Respondent. Jonathan Gruner and Jodie Smith observed the proceeding.

Exhibits:

Petitioner	1 - Miscellaneous Records
Department	A – Hearing Summary

ISSUE

Did the Respondent properly deny Petitioner's request for non-emergency medical transportation reimbursement?

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 February 20, 2024, Petitioner submitted to Respondent, 3 mileage reimbursement requests. (Exhibit 1.)
2. On May 13, 2024, Petitioner submitted to Respondent 14 mileage reimbursement requests. (Exhibit 1.)
3. On May 31, 2024, Petitioner submitted to Respondent 6 mileage reimbursement requests. (Exhibit 1.)
4. On July 3, 2024, Petitioner submitted to Respondent 9 mileage reimbursement requests. (Exhibit 1.)

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5. On July 17, 2024, Petitioner submitted to Respondent 6 mileage reimbursement requests. (Exhibit 1.)
 6. On July 23, 2024, Respondent left a voice message for Petitioner to contact Modivcare for all reimbursement requests. (Exhibit 1.)
 7. On July 25, 2024, Petitioner contacted Modivcare and was told reimbursements claims could not be processed unless they were submitted through their system. (Exhibit 1.)
 8. On July 26, 2024, Respondent told Petitioner an appeal was filed on Petitioner's behalf regarding the reimbursement claims. (Exhibit 1.)
 9. On July 26, 2024, Petitioner filed a complaint with DIFS. (Exhibit 1.)
 10. On August 8, 2024, Petitioner resubmitted claims to Modivcare. (Exhibit 1; Testimony.)
 11. At some point in time between August 13, 2024, and August 19, 2024, Modivcare communicated to Petitioner that they could not pay for the claims. (Exhibit 1.)
 12. On or around October 14, 2024, Petitioner contacted Respondent requesting a second appeal. (Exhibit 1.)
 13. On or around August 5, 2025, the Michigan Office of Administrative Hearings and Rules received from Petitioner, a request for hearing. (Hearing File.)
 14. At no point in time did Respondent provide Petitioner with an Adverse Benefit Determination indicating Petitioner's request for mileage reimbursement was denied. (Testimony.)
 15. At no point in time did Respondent provide Petitioner with information on their appeal rights regarding the decision to deny Petitioner's request for mileage reimbursement. (Testimony.)

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.

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On May 30, 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. Respondent is one of those health plans.

This appeal turns on whether Respondent lawfully denied Petitioner's mileage reimbursement claims in compliance with federal due process requirements. It does not principally concern the substantive criteria for non-emergency medical transportation (NEMT) under the Medicaid Provider Manual, because Respondent's procedural violations alone are dispositive. Nonetheless, in the alternative, and only for completeness of the record, the undersigned briefly addresses the underlying merits.

The record establishes that Respondent denied Petitioner's mileage reimbursement claims without ever issuing a Notice of Adverse Benefit Determination (NOABD) as required under 42 CFR 438.404. That regulation mandates written notice whenever payment for a covered service is denied, explaining the reasons for the denial, the supporting authority, and the member's right to appeal and request a State Fair Hearing. The denial of mileage reimbursement plainly qualifies as an adverse benefit determination under 42 CFR 438.400(b)(2); (b)(3); and (b)(5).

Respondent failed to issue any such notice. Instead, it misclassified Petitioner's appeal as a grievance, cutting off her statutory right to a fair hearing under 42 CFR 438.408. This was not a clerical error but a fundamental violation of due process, depriving Petitioner of the ability to challenge the denials through the procedures guaranteed by federal law.

The evidence presented at hearing further undermines Respondent's position. Respondent's own witness acknowledged that it was very likely Petitioner never received any notice regarding internal changes to the NEMT mileage reimbursement system. Respondent's records were disorganized and inconsistent, creating a confusing and incomplete picture of claim handling. The lack of reliable documentation makes it impossible to determine whether Petitioner was ever properly advised of new submission requirements or deadlines.

Equally troubling, the record demonstrates that Petitioner timely submitted her mileage requests in accordance with the rules in effect. It was Respondent, not Petitioner, that required resubmission after the original filing window had expired and then denied the same requests as "untimely". Respondent cannot create a procedural obstacle and then fault the beneficiary for failing to overcome it. Such an approach violates fundamental fairness and is inconsistent with both federal Medicaid standards and basic administrative due process.

Under 42 CFR 438.402(c)(2)(ii), the appeal period begins only upon issuance of a valid NOABD. Because no such notice was ever issued, any claim of untimeliness is without

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merit. To permit Respondent to rely on the passage of time it created through its own errors would reward noncompliance with federal law.

Given these facts, the undersigned finds Respondent's denials procedurally invalid and substantively unsupported. The record does not establish that Petitioner failed to meet NEMT eligibility or submission requirements; rather, it reflects confusion caused by Respondent's poor communication, unclear process, and inconsistent enforcement of its own rules.

Accordingly, Respondent's denials should be reversed, and even if this Tribunal were to reach the merits, the evidence of record would not justify the denials. Respondent failed to issue a NOABD, relied on timeliness errors arising from its own procedural errors and the record further demonstrates, Petitioner submitted the mileage reimbursement requests timely and in good faith. The record establishes the Respondent's record keeping was inconsistent and confusing, and that Respondent's own witness acknowledged it was very likely Petitioner never received notice of the system changes governing NEMT submission. Consequently, under these circumstances, Respondent's denials were not only procedurally invalid but substantively unsupported. The evidence establishes that the mileage reimbursement requests at issue met all applicable criteria for payment and that Petitioner should not be penalized for Respondent's administrative failures.

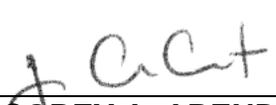
DECISION AND ORDER

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

IT IS, THEREFORE, ORDERED that:

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

The Department shall issue payment to Petitioner for all NEMT mileage reimbursement claims at issue in this appeal.



COREY A. ARENDT
ADMINISTRATIVE LAW JUDGE

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APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://irs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.



Via Electronic Mail:

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