

Date Mailed: February 5, 2026

Docket No.: 26-000678

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 February 3, 2026. [REDACTED], Petitioner appeared on his own behalf. Allison Pool, Appeals Review Officer, represented the Department. Jan White, Consultant Reviewer, appeared as a witness for the Department.

ISSUE

Did the Department properly deny Petitioner's provider's prior authorization (PA) request for hearing aids?

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. (Exhibit A, p 8; Testimony)
2. On December 9, 2025, the Department received a PA request from Petitioner's provider for hearing aids for Petitioner. (Exhibit A, pp 13-15; Testimony)
3. The service date on the prior authorization request was November 19, 2025, or prior to the date of the PA. (Exhibit A, p 8; Testimony)
4. On December 9, 2025, the Department sent Petitioner and his provider a Notification of Denial, denying Petitioner's request because the services were performed prior to the provider obtaining a PA. (Exhibit A, pp 8-9; Testimony)
5. On January 6, 2026, the Michigan Office of Administrative Hearings and Rules received Petitioner's hearing request. (Exhibit A, pp 7-9)

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.

The Michigan Department of Health and Human Services (MDHHS) Medicaid Provider Manual states:

SECTION 3 - PRIOR AUTHORIZATION

PA is required for certain services before the services are rendered. To determine which service requires PA, refer to the prior authorization subsections throughout this chapter and the Medicaid Code and Rate Reference tool. (Refer to the Directory Appendix for website information.)

PA is required for the following situations:

- Services or devices for which the beneficiary does not meet the Medicaid Standards of Coverage as outlined in this policy
- Any hearing aids that are not covered under the MDHHS volume purchase contract
- ALDs
- Cochlear implant devices or processors (unilateral or bilateral)
- BAHDs or processors (bilateral only)
- Services and items that exceed quantity limits, frequency limits, or established fee screens
- Use of a NOC code

3.1 PRIOR AUTHORIZATION FORM AND COMPLETION INSTRUCTIONS

Requests for PA must be submitted on the Special Services Prior Approval-Request/Authorization form (MSA-1653-B). (Refer to the Forms Appendix or the MDHHS website for a copy of the form.)

Medical documentation (e.g., medical clearance, audiogram, and hearing aid recommendation from an audiologist) must accompany the MSA-1653-B.

Providers requesting PA for items without an established fee screen must also include a copy of the manufacturer's invoice that lists the acquisition cost for the item.

Manufacturer quotes or dealer list prices are not accepted as documentation of the cost. Modified manufacturer invoices will not be accepted. If the manufacturer's invoice is not included with the initial PA request, the MDHHS determination letter will indicate an approved fee of \$0.01 for PA purposes; the reimbursement fee will be updated once the actual invoice is submitted to MDHHS for pricing.

The information on the MSA-1653-B must be:

- Typed — All information must be clearly typed in the designated boxes of the form;
- Thorough — Complete information, including manufacturer, model, and style of the hearing device requested (if applicable), and the appropriate HCPCS procedure codes with applicable modifiers must be provided on the form. The MSA-1653-B and all documentation must include the beneficiary's name and **mihealth** card identification (ID) number, provider name, address, and National Provider Identification (NPI) number.

A sample of the MSA-1653-B with additional instructions is available in the Forms Appendix of this manual.

- For all Medicaid Fee-for-Service (FFS) beneficiaries, the MSA-1653-B must be mailed or faxed to the MDHHS Program Review Division. Providers can check the status of a PA request in CHAMPS or by contacting the MDHHS Program Review Division via telephone. (Refer to the Directory Appendix for website and contact information.)
- PA requests may also be submitted electronically via FFS Direct Data Entry (DDE) in CHAMPS. (Refer to the General Information for Providers chapter of this manual for additional information.) A copy of the MSA-1653-B must be attached to each electronic PA request.

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- A copy of the PA determination letter must be retained in the beneficiary's medical record.

3.2 RETROACTIVE PRIOR AUTHORIZATION

- Hearing services or devices provided before PA is requested will not be covered unless the beneficiary was not eligible on the DOS and a subsequent eligibility determination was made retroactive to the DOS.

If the MDHHS eligibility file does not show that retroactive eligibility was approved, then the request for retroactive PA will be denied.

3.3 BENEFICIARY ELIGIBILITY

- Approval of a service on the MSA-1653-B confirms that the service is authorized for the beneficiary. Approval of a PA request does not guarantee beneficiary eligibility or payment. To assure payment, it is recommended providers verify the beneficiary's eligibility on the DOS. Providers should refer to the Beneficiary Eligibility chapter of this manual for additional information.

*Medicaid Provider Manual,
Hearing Services and Devices
October 1, 2025, pp 9-11
Emphasis added*

The Department witness testified that on December 9, 2025, the Department received a PA request from Petitioner's provider for hearing aids. The Department witness indicated that the requested service date on the prior authorization request was November 19, 2025, or prior to the request date of the PA. The Department witness testified that based on this, on December 9, 2025, she sent Petitioner and his provider a Notification of Denial, denying Petitioner's request because the date of service was prior to the provider obtaining a PA.

The Department witness also indicated that she does not know if the hearing aids Petitioner received on November 19, 2025, even require a prior authorization and it is possible that the provider simply submitted the request to the prior authorization department instead of the claims department. The Department witness also noted that if prior authorization was required for the hearing aids, the provider cannot charge Petitioner for the hearing aids if the provider failed to timely submit a PA.

Petitioner testified that he would get in touch with the provider following the hearing to ensure that they submitted a claim to the Department, not just the PA.

The determinative policy provisions here are the Medicaid rules for prior authorization and retroactive coverage. Therapy Services §3.2 and Medical Supplier §1.8.D state unequivocally that hearing services or devices provided before PA is requested “will not be covered” unless the beneficiary lacked eligibility on the DOS and a subsequent eligibility determination was made retroactive to that DOS; absent retroactive eligibility in the MDHHS record, retroactive PA “will be denied”. The Department’s denial letter specifically notes that the PA request was received on December 9, 2025, with a requested service date of November 19, 2025, and that MDHHS could not backdate because the record does not show retroactive eligibility on November 19, 2025.

It should also be noted that if prior authorization was required for these hearing aids, the provider cannot charge Petitioner for the hearing aids if the provider dispensed the hearing aids before obtaining a PA.

Based on the submitted documentation, the Department’s determination to deny coverage for hearing aids must be upheld.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department properly denied the Petitioner’s provider’s request for hearing aids based on the available information.

IT IS THEREFORE ORDERED that:

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



**ROBERT J. MEADE
ADMINISTRATIVE LAW JUDGE**

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 LARA-MOAHR-DCH@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.

