

ISSUE

Did Respondent properly deny Petitioner's prior authorization request for a cubby bed and technology hub-enclosed bed system and accessories?

FINDINGS OF FACT

The ALJ, based upon the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner is REDACTED Medicaid beneficiary enrolled with Respondent and who has been diagnosed with autism spectrum disorder. (Exhibit #1, pages 2, 7; Exhibit A, page 60).
2. In 2025, a medical provider submitted a prior authorization request to Respondent on Petitioner's behalf seeking a cubby bed and technology hub-enclosed bed system and accessories. (Exhibit A, pages 47-57).
3. The supporting documentation submitted along with that request included a letter from an Occupational Therapist (OT) in which the OT described Petitioner's history of elopement, including elopement during the night, and the safety concerns that behavior raises. (Exhibit A, page 53).
4. The OT also described Petitioner's issues with overstimulation and sleep disruptions. (Exhibit A, page 53).
5. The OT further wrote that the requested cubby bed addresses what Petitioner requires to lower his threshold as a safety risk by preventing eloping; preventing entrapment; remotely monitoring Petitioner; and providing sensory features that would soothe his environment and deescalate his emotions. (Exhibit A, page 53).
6. On July 22, 2025, Respondent sent Petitioner written notice that the prior authorization request had been denied. (Exhibit A, pages 58-66).
7. In part, that notice stated:

Recommendations: While the requested enclosed bed can assist with confining REDACTED at night, confining a mobile child with behavior issues may worsen those behaviors as the requested enclosed bed is considered a restraint. The enclosed bed would also not solve his underlying sleep issues of sleeping alone as he would continue to wake but would be confined to the bed. While reaching the root cause of his sleep disturbances and behaviors, other changes and store-bought options can be trialed to ease

immediate concerns. Additional changes include moving unsafe household items out of reach, all furniture except for a mattress on the floor can be removed from his bedroom, and heavy or dangerous items can be removed from his dresser and walls. There are also commercially available video monitoring systems which provide alerts to a caregiver if a child changes positions, such as from lying down to standing. In addition to safety measures, the use of bed and door alarms can be used to alert caregivers when REDACTED wakes up. With the addition of increased video monitoring and bed/door alarms, family would be alerted to REDACTED movements and then be able to intervene shortly after. A moveable gate is placed at the top of the stairs to keep REDACTED from falling down. Upon inspection of the area for use of a standard baby gate, the banister on the right will not allow for sturdy placement or use. Therefore, a barn door or 3/4 barn door could be used for his door. While ensuring safety at night, the ideal approach is to address the primary medical and/or behavioral issues that increase the risk of harm and sleep disturbance.

REDACTED's behaviors are present at night and during the day and providing an enclosed be[sic] would not resolve his sleep issues. It would be beneficial for REDACTED's caregivers to defer to his primary care doctor to discuss potential methods and/or interventions to manage his primary behaviors and sleep disturbances.

The request is denied. Please talk to your child's doctor about this.

Exhibit A, page 60

8. On September 11, 2025, Petitioner filed an Internal Appeal with Respondent regarding that denial. (Exhibit A, pages 68-83).
9. In that appeal, Petitioner's representative wrote that the requested safety bed would prevent falls and head injuries by providing a secure, enclosed sleeping environment; stop nighttime wandering and elopement that places Petitioner at risk for life-threatening situations; offer a sensory-appropriate space that supports regulation and safe sleep; and reduce emergency interventions. (Exhibit A, pages 74).

10. On October 8, 2025, Respondent sent Petitioner a written Notice of Internal Appeal Decision – Denial. (Exhibit A, pages 84-94).

11. With respect to the reason for the appeal denial, the notice stated:

We received the request for a special bed to help your child sleep at night. The notes show your child has Autism Spectrum Disorder and has tried to leave his bedroom. Per the Michigan Department of Health and Human Services Manual Version July 1, 2025, Medical Supplier 2.13 Enclosed Bed Systems Page 61 and 2025 Meridian Michigan Medicaid Member Handbook – Prior Authorizations, the notes must show:

-There are no economic alternatives to adequately meet your child's needs (There are other alternative options/interventions such as developmentally appropriate practices that can help facilitate sleep with consistent bedtime routines and a sensory friendly environment, optimizing medications, other environmental modifications and/or commercially available cameras, window locks, bed and door alarm OR alternative enclosed bed options (such as a BASIC, more cost-effective version, like the safe sleeper brand.).

The notes did not show this. Therefore, the request stays denied. Also, enclosed Bed Systems are not covered when the purpose is to restrain the member, due to behavioral conditions, caregiver need or convenience, etc.

Your appeal was reviewed by a consultant. The reviewer is an M.D. who is board certified in Pediatric Physical Medicine and Rehabilitation.

Your appeal and all clinical information were reviewed by a Meridian Medical Director. The reviewer is a(n) M.D. Who is board certified in Family Medicine. The reviewer was not involved in the original decision. Meridian is keeping the first denial decision after this review.

Exhibit A, pages 85-86

12. On January 16, 2026, MOAHR received the request for hearing filed in this matter with respect to that decision. (Exhibit #1, pages 1-37).

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.

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.

Moreover, as provided in the notice of denial sent to Petitioner, Respondent's decision in this case was based on Section 2.12 of the Medical Supplier Chapter of the MPM. Specifically, that section states:

2.12 ENCLOSED BED SYSTEMS [RE-NUMBERED 4/1/2025]

Definition	An Enclosed Bed System includes the mattress, bed frame, and enclosure as one unit.
Standards of Coverage	<p>An Enclosed Bed System may be covered if the following applies:</p> <ul style="list-style-type: none"> ▪ There is a diagnosis/medical condition (e.g., seizure activity) which could result in injury in a standard bed, crib, or hospital bed; and ▪ There are no economic alternatives to adequately meet the beneficiary's needs.
Documentation	<p>The documentation must be less than six months old and include:</p> <ul style="list-style-type: none"> ▪ Diagnosis/medical condition requiring use of the bed and any special features (if applicable). ▪ Safety issues resulting from the medical condition and related to the need for an Enclosed Bed System. ▪ Other products or safety methods already tried without success (e.g., bumper pads/rails). ▪ Type of bed requested. ▪ Type of special features requested, if applicable.
Noncovered	Enclosed Bed Systems are not

Conditions	covered when the purpose is to restrain the beneficiary due to behavioral conditions, caregiver need or convenience, etc.
PA Requirements	PA is required for all Enclosed Bed Systems.
Payment Rules	The Enclosed Bed System is considered a purchase only item. For Youth Beds, refer to the Hospital Beds subsection of this chapter.

*MPM, July 1, 2025 version
Medical Supplier Chapter, page 61*

Here, Respondent denied Petitioner’s prior authorization request pursuant to the above policies.

In appealing that denial, Petitioner has the burden of proving by a preponderance of the evidence that the Respondent erred in denying her authorization request. Moreover, the undersigned ALJ is limited to reviewing Respondent’s decision in light of the information that was available at the time the decision was made.

Given the above policy and evidence in this case, Petitioner has not met that burden of proof, and Respondent’s decision must therefore be affirmed.

Pursuant to both its contract and the MPM, while Respondent is allowed to provide services over and above those provided by MDHHS/Medicaid, it is only required to provide services consistent with all applicable Medicaid coverage and limitation policies; and, as provided in Respondent’s exhibit and the testimony of its witnesses, Respondent has limited its coverage of enclosed bed systems to what is consistent with all applicable Medicaid coverage and limitation policies, including Section 2.12 of the Medical Supplier Chapter of the MPM.

Respondent’s exhibit and the testimony of its Medical Director also demonstrated that the above coverage policies were not met in this case. Specifically, while a more basic cubby bed may have been approved, the one with the technology hub and additional features requested by Petitioner cannot be as it is not the most economical alternative that can adequately meet Petitioner’s needs.

Moreover, it does not appear that Petitioner truly disputes that finding. While Petitioner’s representative testified regarding the need for a cubby bed, she also initially testified that they just need the bed itself and that there is not too much to dispute about the technology hub, which she further conceded that she did not know too much about.

And, while Petitioner's representative later testified that they still want the technology hub and additional features, neither she nor the OT's letter established the hub or features as a matter of medical necessity or suggested that Petitioner had tried the alternatives identified by Respondent as being sufficient along with a more basic cubby bed.

Petitioner's representative did question how she would trial some of those alternatives, and, while the undersigned ALJ appreciates that testimony, the record does not demonstrate by a preponderance of the evidence that the requested bed system, including the technology hub and accessories, is the most economic alternative that can meet Petitioner's needs and, consequently, Petitioner's request was properly denied.

To the extent Petitioner wants to request a more basic cubby bed or the same bed system with additional information, then she is free to have another prior authorization request submitted. With respect to the decision at issue in this case however, Respondent's decision must be affirmed.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that Respondent properly denied Petitioner's prior authorization request.

IT IS, THEREFORE, ORDERED that:

- Respondent's decision is **AFFIRMED**.