

ISSUE

Did Department properly reduce Petitioner's personal care services?

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 October 6, 2025, Petitioner participated in an in-person assessment to determine ongoing personal care needs and services. (Exhibit A; Testimony.)
2. On October 8, 2025, Respondent sent Petitioner a Notice of Denial of Medical Coverage. The notice indicated Petitioner's personal care services would be reduced to 10.75 hours per week. (Exhibit A; Testimony.)
3. On or around November 12, 2025, Petitioner filed a level-one appeal. (Exhibit A.)
4. On December 11, 2025, Respondent sent Petitioner a Notice of Appeal Decision. The notice indicated Petitioner's appeal was denied. The notice provided the following:

We received your appeal request about your reduced Personal Care Service hours. We reviewed the in-person assessment done on 10/6/2025. Your assessment shows you do not require as much help with some of your daily tasks compared to your last assessment done on 04/09/2025. Your assessment shows you have a walker, bathing chair, and stair lift you don't use. The assessment also shows you were able to walk down the stairs independently. Your assessment shows that in addition to your caregiver, there are other adults (informal support) that live in the home seven days a week. Your assessment shows you need limited assistance with your ADLs (activities of daily living: eating, using the bathroom, bathing, grooming, dressing, transferring, and mobility) and on last assessment needed a lot of help. Your assessment does show you need a lot of help with your medicines, meal prep/clean up, shopping, laundry, and light house cleaning. The notes show the given weekly hours are reflected in the amount of help you need. Based on your in-person assessment, your personal care hours were reduced from 27.5 weekly hours to 10.75 weekly hours. This decision was based on the MI Health Link Minimum Operating

Standards.¹

5. On February 17, 2026, the Michigan Office of Administrative Hearings and Rules received from Petitioner, a request for hearing. (Exhibit A.)

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 MDCH 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 and review criteria that differ from Medicaid requirements.

The following subsections describe covered services, excluded services,

¹ Exhibit A, p 4.

and prohibited services as set forth in the Contract.²

With regard to Personal Care services, the MPM provides, in relevant part:

5.1 STATE PLAN PERSONAL CARE SERVICES

For individuals enrolled in the MI Health Link program, State Plan personal care services will be provided and paid for by the ICO and will no longer be provided through the Medicaid Home Help program. Personal care services are available to individuals who require hand-on assistance in activities of daily living (ADLs) (i.e., eating, toileting, bathing, grooming, dressing, mobility, and transferring) as well as hands-on assistance in instrumental activities of daily living (IADLs) (i.e., personal laundry, light housekeeping, shopping, meal preparation and cleanup, and medication administration).

Personal care services are available to individuals living in their own homes or the home of another. Services may also be provided outside the home for the specific purpose of enabling an individual to be employed.

Providers shall be qualified individuals who work independently, contract with, or are employed by an agency. The ICO may directly hold provider agreements or contracts with independent care providers of the individual's choice, if the provider meets MDHHS qualification requirements, to provide personal care services. Individuals who currently receive personal care services from an independent care provider may elect to continue to use that provider. The individual may also select a new provider if that provider meets State qualifications. Paid family caregivers will be permitted to serve as a personal care provider in accordance with the state's requirements for Medicaid State Plan personal care services.

5.1.F. REIMBURSEMENT AND RATES

If the individual does not require the maximum allowable hours for IADLs, only the amount of time needed for each task shall be authorized.

Assessed hours for IADLs (except medication administration) must be prorated by one half in shared living arrangements where other adults reside in the home as personal care services are only for the benefit of the individual...³

The central question is whether the Respondent properly reduced Petitioner's personal

² MPM, Medicaid Health Plan, July 1, 2025, p 1.

³ MPM, MI Health Link, July 1, 2025, pp 1,8.

care hours from 27.5 per week to 10.75 per week following the October 6, 2025, reassessment. Respondent asserts that the reduction was required under the MDHHS Minimum Operating Standards (MOS) because Petitioner demonstrated increased functional independence compared to the April 2025 assessment and because the assessment tool must allocate time only for specific tasks requiring hands-on assistance. Petitioner, through her caregiver REDACTED REDACTED, argues that Petitioner continues to need substantial assistance for dressing, toileting, mobility, cooking, cleaning, and housework, and that the assessment did not accurately reflect the full scope of her limitations. He further testified that the household composition changed after the assessment, as two adults previously living in the home are no longer present.

The record demonstrates that Respondent conducted an in-person assessment on October 6, 2025, using the MDHHS Personal Care Assessment Tool and Time and Task Tool, as required. The assessment report reflects that Petitioner was observed walking independently on stairs, was not using several assistive devices available in the home, and was able to perform several ADL tasks independently or with limited assistance. These observations led Respondent to assign lower ADL rankings than those recorded during the April 2025 assessment. Because the MOS allows authorization only for the discrete tasks that require hands-on assistance, Respondent allocated time for wiping and cleaning after toileting, application of incontinence supplies, assistance with managing faucets and cleaning certain body areas during bathing, help with certain fine-motor grooming tasks, and assistance with socks, shoes, and fasteners during dressing. No time was allocated for tasks the assessor determined Petitioner could perform independently.

Respondent also prorated IADL activities, except medication administration, based on the presence of adults in the home. At the time of the assessment, Petitioner and her caregiver confirmed that two nieces lived in the home. The MOS requires proration in such shared-living arrangements and does not permit an MHP to disregard the presence of other adults unless the assessment is updated. While Petitioner testified that the nieces have since moved out, that change occurred after the October 6, 2025, assessment and was not reported to the care plan team before the authorization decision. Under the MOS, changes in household composition may justify a new assessment, but they do not invalidate an assessment already completed in accordance with policy.

Petitioner's testimony that she still needs extensive assistance with many daily tasks is credible; however, the governing standard is not whether Petitioner needs help, but whether Respondent followed required assessment procedures and allocated hours in accordance with the MOS. The hearing record shows that Respondent relied on an in-person assessment, used the mandated tools, documented each ADL and IADL ranking, applied the MOS proration rules, and issued its determination based on observed and reported needs. The MOS permits hour adjustments when an enrollee demonstrates increased capacity for independent performance of ADLs or IADLs. Although Petitioner disagrees with the assessment findings, she did not provide contrary clinical documentation or evidence undermining the validity of the October 6, 2025, assessment.

Accordingly, based on the evidence presented, the Administrative Law Judge must

conclude that Respondent adhered to applicable Medicaid policy in conducting the reassessment and determining the revised hours. Respondent's reduction of Petitioner's personal care services to 10.75 hours per week was consistent with the MDHHS MI Health Link Minimum Operating Standards and the results of the October 6, 2025, assessment.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Respondent properly determined Petitioner's home care hours.

IT IS THEREFORE ORDERED that:

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