

# BAY-ARENAC BEHAVIORAL HEALTH AUTHORITY POLICIES AND PROCEDURES MANUAL

<b>Chapter: 3</b>	<b>Member Rights and Responsibilities</b>		
<b>Section: 8</b>	<b>Customer Services</b>		
<b>Topic: 9</b>	<b>Family Support Subsidy Administrative Hearings</b>		
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			<i>Board Chairperson Signature</i>
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## Policy

It is the policy of Bay Arenac Behavioral Health Authority (BABHA) to implement administrative hearing processes in a manner consistent with the Administrative Procedures Act of 1969, Act No. 306, Chapter 4, Sections 24.721 to 24.287 for applicants of the Family Support Subsidy program.

## Purpose

The purpose of this policy and procedure is to comply with requirements of the Michigan Department of Health and Human Services (MDHHS) and Community Mental Health Services Program (CMHSP) Managed Mental Health Supports and Services Contract to ensure that parents or legal guardians of affected minors may demand a hearing by the CMHSP for any application for family support subsidy that is denied or terminated.

## Education Applies to:

- All BABHA Staff
- Selected BABHA Staff, as follows:
- All Contracted Providers:     Policy Only     Policy and Procedure
- Selected Contracted Providers, as follows:
  - Policy Only     Policy and Procedure
- Other:

## Definitions

Adequate Notice: Written statement advising the beneficiary of a decision to deny or limit authorization of Medicaid services requested. Notice is provided to the beneficiary at the same time an adverse benefit determination takes effect or at the time of the signing of the individual plan of services/supports.

Advance Notice: Written statement advising the beneficiary of an Adverse Benefit Determination to reduce, suspend or terminate services currently provided, which must be mailed

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to the beneficiary at least ten (10) calendar days prior to the proposed date the adverse benefit determination is to take effect. The provider(s) will also receive advance notice of this adverse benefit determination.

Adverse Benefit Determination: A decision that adversely impacts a Medicaid beneficiary's claim for services due to:

- Denial or limited authorization of a requested service, including determinations based on the type or level of service, requirements for medical necessity, appropriateness, setting, or effectiveness of a covered benefit.
- Reduction, suspension, or termination of a previously authorized service.
- Denial, in whole or in part, of payment for a service.
- Failure to make a standard authorization decision and provide notice about the decision within 14 calendar days from the date of receipt of a standard request for service.
- Failure to make an expedited authorization decision within 72 hours from the date of receipt of a request for expedited service authorization.
- Failure to provide services within 14 calendar days of the start date agreed upon during the person-centered planning and as authorized by the Prepaid Inpatient Health Plan (PIHP)/CMHSP.
- Failure of the PIHP/CMHSP to act within 30 calendar days from the date of a request for a standard appeal.
- Failure of the PIHP/CMHSP to act within 72 hours from the date of a request for an expedited appeal.
- Failure of the PIHP/CMHSP to provide disposition and notice of a local grievance/complaint within 90 calendar days of the date of the request.

Appeal: A beneficiary's/customer's request for a review of an adverse benefit determination.

Community Mental Health Services Program: A program operated under Chapter 2 of the Michigan Mental Health Code – Act 258 of 1974 as amended.

Family Support Subsidy: A program through MDHHS that provides financial assistance to families that include a child with severe developmental disabilities. The intent is to help make it possible for children with developmental disabilities to remain with or return to their birth or adoptive families. Families are able to use this money for special expenses incurred while caring for their child.

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Notice of Hearing A notification sent to the beneficiary/customer in order to inform him/her of the date, time, location and summary of the Family Support Subsidy hearing for the contested denial or termination of the Family Support Subsidy benefit. The notice of the hearing shall include:

1. Date, hour, place, and nature of hearing,
2. Statement of legal authority and jurisdiction under which the hearing is to be held,
3. Reference to statues and rules involved, and
4. Short and plain statement of the matters asserted.

Prepaid Inpatient Health Plan (PIHP): In Michigan, and for purposes of this contract, a PIHP is defined as an organization that manages Medicaid specialty services under the state’s approved concurrent 1915(b)/1915(c) waiver program on a prepaid, shared risk basis, consistent with the requirements of 42 CFR Part 438 (In Medicaid regulations, Part 438, Prepaid Health Plans that are responsible for inpatient services as part of a benefit package are now referred to as “PIHP”. The PIHP also known as a Regional Entity under the Michigan Mental Health Code 330.1204b or a CMHSP also manages the Autism ISPA, Healthy Michigan, Substance Abuse Treatment and Prevention community grant and PA2 funds.

**Procedure**

**Denial/Termination of Family Support Subsidy**

1. If an application for a family support subsidy is denied or a family support subsidy is terminated, the parent or legal guardian of the affected eligible minor may request, in writing, a hearing with BABHA.
2. The written appeal shall be filed with the CMHSP Executive Director within two (2) months of the notice of denial or termination.
3. Copies of blank application forms, parent report forms, the forms for changed family circumstances, and appeal forms shall be available from BABHA.
4. BABHA Family Support Subsidy Coordinator shall review an application and promptly approve or deny the application and shall provide written notice to the applicant of its

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action and of the opportunity to administratively appeal the decision if the decision is to deny the application.

5. If the denial is due to the insufficiency of the information on the application form or the required attachments, BABHA shall identify the insufficiency.
6. Upon receipt of the request for appeal, the Recipient Rights/Customer Service Department will inform the CMHSP Executive Director and the BABHA Family Support Subsidy Coordinator and maintain a log. Contents of the log are provided on a quarterly basis to the designated staff at the PIHP for recording and trending purposes.
7. A receipt of Appeal shall be sent to the individual indicating the information about the scheduled hearing, or a response indicating that the appeal was not received within two (2) months of the action therefore making the request for appeal null and void.
8. The Hearing will be scheduled within 45 days of receipt of the request and a Notice of the Hearing shall be sent to the appellant indicating the date, time, place and other logistics of the Hearing process.

**Role of the Presiding Officer**

1. The CMHSP executive director shall appoint presiding officer to conduct the Family Support Subsidy Appeal Hearing.
2. The presiding officer shall not engage in any communications with the appellant or respondent regarding the contested case without the other being present and shall not do any investigation or fact finding outside of the formal hearing process.
3. The presiding officer shall become familiar with the law and rules governing the contested matter and read the correspondence from both sides prior to the hearing.
4. The hearing shall be tape-recorded. The presiding officer shall begin the tape by identifying the date, time, place, and nature of the appeal.

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**Administrative Hearing Process**

1. The Hearing shall be conducted in the same manner as provided for contested case hearing under Chapter 4 of the Administrative Procedures Act of 1969, Act No. 306, Chapter 4, Sections 24.721 to 24.287.
2. The presiding officer will request all those present to identify themselves for the record.
3. If either the appellant or respondent fails to appear, the presiding officer may issue an adjournment, dismissal or proceed with the hearing.
4. The presiding officer will swear in the participants in the following manner: "Raise your right hand. Do you affirm or swear that you will tell the truth, the whole truth, and nothing but the truth?"
5. The presiding officer will open the Hearing file, identify each item, then hand each to the participants for review. For example, "This is the original appeal complete with attachments which came to our office. Please look at it." After all items have been looked at, ask whether anyone objects to anything in this file.
6. The presiding officer will direct the Family Support Subsidy Program coordinator to explain why the family was denied or terminated and may choose to ask questions for clarification.
7. The presiding officer will provide an opportunity for the appellant to ask questions for clarification or additional information. All questions and testimony is to be directed or addressed to the presiding officer.
8. The presiding officer will direct the parent or legal guardian of the affected eligible minor to explain what other information that the Family Support Subsidy Program coordinator should have considered in this application process.
9. The presiding officer will provide an opportunity for the respondent to ask questions for clarification or additional information. All questions and testimony is to be directed or addressed to the presiding officer.

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10. The presiding officer will allow closing remarks to be submitted from both sides.
11. The Presiding Officer may choose whether to give the findings of fact, and the conclusions of law orally at the end of the hearing or issue a written decision. A written decision should be issued promptly.

**Attachments**

N/A

**Related Forms**

BABHA FSS appeal Notice of Hearing

**Related Materials**

N/A

**References/Legal Authority** (if applicable)

1. MDHHS Medicaid Managed Specialty Supports and Services Concurrent 1915(b)/(c) Waiver Program: Attachment P.6.3.2.1: The Appeal and Grievance Resolution Processes Technical Requirement.
2. MDHHS/CMHSP Managed Mental Health Supports and Services Contract FY18: Attachment C.6.3.2.2
3. MDHHS Appeal and Grievance Resolution Processes Technical Requirement, Attachment P6.3.2.1R.
4. Administrative Procedures Act of 1969, Act No. 306, Chapter 4, Sections 24.721 to 24.287

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<b>SUBMISSION FORM</b>				
<b>AUTHOR/ REVIEWER</b>	<b>APPROVING BODY/COMMITTEE/ SUPERVISOR</b>	<b>APPROVAL /REVIEW DATE</b>	<b>ACTION (Deletion, New, No Changes, Replacement or Revision)</b>	<b>REASON FOR ACTION - If replacement list policy to be replaced</b>
Melissa Prusi	Christopher Pinter	2/15/2018	New Policy and procedure	To specify administrative hearing processes for Family Support Subsidy Denials and Terminations
Melissa Prusi	Christopher Pinter	06/03/2019	No changes	Triennial Review
Melissa Prusi	Christopher Pinter	10/1/2021	No changes	Triennial Review-no changes
M. Prusi	C. Pinter	01/14/2025	No changes	Triennial review