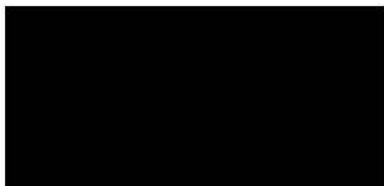


Dec 29, 2015

Office of Appeal Hearings
Dept. of Children and FamiliesSTATE OF FLORIDA
DEPARTMENT OF CHILDREN AND FAMILIES
OFFICE OF APPEAL HEARINGS

APPEAL NO. 15F-07556

PETITIONER,

vs.

AGENCY FOR HEALTH CARE ADMINISTRATION
CIRCUIT: 05 Marion
UNIT: AHCARESPONDENT.

FINAL ORDER

Pursuant to notice and agreement, Hearing Officer Patricia C. Antonucci convened hearing in the above-captioned matter on October 27, 2015 at approximately 11:30 a.m. All parties and witnesses appeared via teleconference.

APPEARANCES

For the Petitioner: Petitioner's grandmother

For the Respondent: Selwyn Gossett, Medical/Health Care Program Analyst,
Agency for Health Care Administration**STATEMENT OF ISSUE**

At issue is a decision by Respondent, the Agency for Health Care Administration (AHCA), through its contracted peer review organization, eQHealth Solutions, Inc., to terminate Petitioner's Prescribed Pediatric Extended Care (PPEC) services.

Respondent bears the burden of proving, by a preponderance of the evidence, that said termination is proper.

PRELIMINARY STATEMENT

Prior to hearing on the merits, a preliminary hearing convened via teleconference at approximately 2:00 p.m. on September 30, 2015 to determine whether Petitioner's benefits should be reinstated and continue, pending outcome of Petitioner's appeal. After it was established that the benefit would be reinstated and continue until Final Order, the parties agreed to proceed to final hearing on October 27, 2015.

At hearing on October 27, 2015, the minor Petitioner was not present, but was represented by her grandmother, [REDACTED], who presented one additional witness: [REDACTED] Petitioner's great-grandmother. Respondent was represented by Selwyn Gossett, Medical/Health Care Program Analyst, on behalf of AHCA. Respondent presented one additional witnesses: Ellyn Theophilopoulos, M.D., Physician Reviewer with eQHealth Solutions (eQHealth).

Respondent's Exhibits 1 through 5, inclusive, were admitted into evidence. Administrative Notice was taken of Fla. Stat. § 409.905, Fla. Admin. Code R. 59G-1.001, Fla. Admin. Code R. 59G-1.010, Fla. Admin. Code R. 59G-4.260, and pertinent pages of the September 2013 Florida Medicaid Prescribed Pediatric Extended Care Services Coverage and Limitations Handbook (PPEC Handbook).

At hearing, Petitioner's representative was not sure whether she had the most updated version of Respondent's evidence packet in front of her, but opted to proceed, using the paperwork she had available. Respondent was instructed to send an additional copy of the evidence to Petitioner, filing a Certificate of Service to confirm delivery of same. Petitioner did not wish the undersigned to hold the record open for a response to the new evidence.

Although the undersigned did not receive an updated Certificate of Service, since Petitioner did not opt to file a response, this Final Order is issued without confirmation that the evidence was furnished to her. To ensure that she has a copy for her records, the 60-page packet is attached, hereto.

FINDINGS OF FACT

1. The Petitioner is a 2-year old female, born [REDACTED]. She was born premature at 27 weeks gestation, and was intubated while in the neonatal intensive care unit. Petitioner was diagnosed with [REDACTED] and given preventative medication for respiration. Her current, active diagnoses include [REDACTED] and [REDACTED].
2. While Petitioner was living with her mother, the Department of Children and Families (DCF) became involved as a result of the mother's failure to maintain Petitioner's medical appointments. Petitioner is now in the custody of her grandmother and great-grandmother, and DCF is no longer involved.
3. Petitioner is and has been eligible to receive Medicaid services at all times relevant to these proceedings.
4. On or about August 10, 2015, Petitioner's PPEC provider submitted a request on behalf of the Petitioner, to continue her previously authorized PPEC services into her new certification period, spanning August 18, 2015 through February 19, 2016.
5. This prior service authorization request was submitted to AHCA's peer review organization (PRO), along with information and documentation required to make a determination of medical necessity. The PRO contracted by AHCA to review PPEC requests is eQHealth Solutions, Inc. (eQHealth).

6. On August 13, 2015, the PRO reviewed Petitioner's request for services and all supporting documentation. By letter dated August 15, 2015, the PRO notified Petitioner's provider of its decision to terminate PPEC, stating, in pertinent part:

PR Principal Reason – Denial: Requested services are denied because the clinical information does not support the medical necessity.

The patient is a 2 year old with [REDACTED] and [REDACTED]. The patient is on an age-appropriate diet. The patient is on as needed nebulizer treatments. The patient is currently receiving no other skilled nursing services. The patient appears to no longer require skilled nursing services and does not meet the medical complexity requirement of PPEC services. The clinical information provided does not support the medical necessity of the requested services; however, 30 days will be approved to provide the caregiver time to transition the patient out of PPEC. Partial approval PPEC: Mon thru Sat: 8/18/15 thru 9/15/15.

7. The August 15, 2015 denial letter sent to Petitioner did not include this explanation, noting only:

The reason for the denial is that the services are not medically necessary as defined in 59G-1.010 (166), Florida Administrative Code (F.A.C.), specifically the services must be:

Individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness under treatment, and not in excess of the patient's needs.
Reflective of the level of service that can be safely furnished, and for which no equally effective and more conservative or less costly treatment is available statewide.

8. On or about September 2, 2015, Petitioner requested a hearing to challenge this denial.

9. As Petitioner's request for hearing was received prior to the end of her certification period (September 15, 2015), Petitioner's services were reinstated as of preliminary hearing on September 30, 2015, and have continued pending the outcome of her appeal.

10. At hearing, Dr. Theophilopoulos testified based upon her review of Petitioner's request for services, in conjunction with her Plan of Care, PPEC Assessment, and progress notes.

11. Petitioner's Plan of Care reflects that she is totally dependent on others for activities of daily living (ADL) care. Petitioner is noted to have [REDACTED] [REDACTED] While she requires precautions/monitoring, the only interventions indicated on the Plan are the administration of [REDACTED], as needed, and use of ambu-bag, in case of emergency. The Plan instructs that Petitioner be fed in an upright position, but notes that she takes an oral, whole milk diet, with increased foods as tolerated. The "Current Medical Condition" portion of Petitioner's Plan reflects her complicated medical history, notes that Petitioner may need PE tube placement, has trouble with balance, and may require a sleep study. The Plan indicates that receives speech therapy (ST) while at PPEC.

12. Per Dr. Theophilopoulos, Petitioner's PPEC Assessment appears normal, reflecting that Petitioner has some drainage from her nose, but shows good oxygen saturation, tolerates mouth feedings, and has good urine output. Petitioner is not dependent upon mechanical devices, and her ADLs are age-appropriate.

13. Petitioner's great-grandmother is concerned that Petitioner still requires services, and that while PPEC has helped, she still requires some form(s) of therapy to address

[REDACTED] as well as [REDACTED] to address [REDACTED] and some [REDACTED]

14. Petitioner's grandmother is concerned that Petitioner has difficulty eating, in that she swallows her food whole, without chewing same. She is also concerned with

Petitioner's pulmonary issues, as well as her hearing, being that Petitioner failed four hearing tests and is awaiting tube placement.

15. It is Dr. Theophilopoulos's opinion that at this time, Petitioner does not require skilled nursing interventions on a regular basis. Per Dr. Theophilopoulos, Petitioner's needs were highest upon her admission to neonatal intensive care, but she has since stabilized and her [REDACTED] now appears dormant. Dr. Theophilopoulos opined that Petitioner's hearing and speech/swallowing deficits may be addressed through ST, which Petitioner can receive as a distinct service, outside of the PPEC setting.

16. The Agency noted that because Petitioner is enrolled with a medical managed care plan through Children's Medical Services (CMS), she should have a CMS case manager who can assist Petitioner's mother in finding appropriate services to address Petitioner's behavioral issues and any other outstanding needs.

CONCLUSIONS OF LAW

17. By agreement between AHCA and the Department of Children and Families, the Office of Appeal Hearings has jurisdiction to conduct this hearing, pursuant to Florida Statutes Chapter 120.

18. Respondent, the Agency for Health Care Administration, administers the Medicaid Program. Legal authority governing the Florida Medicaid Program is found in Fla. Stat., Chapter 409, and in Chapter 59G of the Florida Administrative Code.

19. The September 2013 Florida Medicaid Prescribed Pediatric Extended Care Services Coverage and Limitations Handbook (PPEC Handbook) has been promulgated into rule by Fla. Admin. Code R. 59G-4.260.

20. This is a Final Order, pursuant to § 120.569 and § 120.57, Fla. Stat.

21. This hearing was held as a *de novo* proceeding, in accordance with Fla. Admin. Code R. 65-2.056.

22. The burden of proof in the instant case is assigned to Respondent, who seeks to terminate Petitioner's PPEC services. The standard of proof in an administrative hearing is preponderance of the evidence. (See Fla. Admin. Code R. 65-2.060(1).)

23. Fla. Stat. § 409.905 addresses mandatory Medicaid services under the State Medicaid Plan:

Mandatory Medicaid services.--The agency may make payments for the following services, which are required of the state by Title XIX of the Social Security Act, furnished by Medicaid providers to recipients who are determined to be eligible on the dates on which the services were provided. Any service under this section shall be provided only when medically necessary and in accordance with state and federal law....

(2) EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT SERVICES.—The agency shall pay for early and periodic screening and diagnosis of a recipient under age 21 to ascertain physical and mental problems and conditions and all services determined by the agency to be medically necessary for the treatment, correction, or amelioration of these problems and conditions, including personal care, private duty nursing, durable medical equipment, physical therapy, occupational therapy, speech therapy, respiratory therapy, and immunizations.

24. Page 1-1 of the PPEC Handbook notes that, "[t]he purpose of the Florida Medicaid Prescribed Pediatric Extended Care (PPEC) Services Program is to enable recipients under the age of 21 years with medically complex conditions to receive medical and therapeutic care at a non-residential pediatric center."

25. On page 2-1 – 2-2, the PPEC Handbook lists the requirements for PPEC services.

To receive reimbursement for PPEC services, a recipient must meet all of the following criteria:

- Be Medicaid eligible.
- Diagnosed with a medically-complex or medically fragile condition as defined in Rule 59G-1.010, F.A.C.
- Be under the age of 21 years.
- Be medically stable and not present significant risk to other children or personnel at the center.
- Require short, long-term, or intermittent continuous therapeutic interventions or skilled nursing care due to a medically-complex condition.

26. Fla. Admin. Code R. 59G-1.010 defines “medically complex” and “medically fragile” as follows:

(164) “Medically complex” means that a person has chronic debilitating diseases or conditions of one or more physiological or organ systems that generally make the person dependent upon 24-hour-per-day medical, nursing, or health supervision or intervention.

(165) “Medically fragile” means an individual who is medically complex and whose medical condition is of such a nature that he is technologically dependent, requiring medical apparatus or procedures to sustain life, e.g., requires total parenteral nutrition (TPN), is ventilator dependant, or is dependent on a heightened level of medical supervision to sustain life, and without such services is likely to expire without warning.

(emphasis added)

27. Consistent with the law, AHCA’s agent, eQHealth, performs service authorization reviews under the Prior Authorization Program for Medicaid recipients in the state of Florida. Once eQHealth receives a PPEC service request, its medical personnel conduct file reviews to determine the medical necessity of requested services, pursuant to the authorization requirements and limitations of the Florida Medicaid Program.

28. Fla. Admin. Code Rule 59G-1.010(166) defines medical necessity, as follows:

“Medically necessary” or “medical necessity” means that the medical or allied care, goods, or services furnished or ordered must:

(a) Meet the following conditions:

1. Be necessary to protect life, to prevent significant illness or significant disability, or to alleviate severe pain;

2. Be individualized, specific, and consistent with symptoms or confirmed diagnosis of the illness or injury under treatment, and not in excess of the patient's needs;

3. Be consistent with generally accepted professional medical standards as determined by the Medicaid program, and not experimental or investigational;

4. Be reflective of the level of service that can be safely furnished, and for which no equally effective and more conservative or less costly treatment is available; statewide; and

5. Be furnished in a manner not primarily intended for the convenience of the recipient, the recipient's caretaker, or the provider. ...

(c) The fact that a provider has prescribed, recommended, or approved medical or allied care, goods, or services does not, in itself, make such care, goods or services medically necessary or a medical necessity or a covered service.

29. As the petitioner is under the age of 21, a broader definition of medically necessary applies, to include the Early and Periodic Screening, Diagnosis, and Treatment Services (EPSDT) requirements. Both EPSDT and Medical Necessity requirements (both cited, above) have been considered in the development of this Order.

30. EPSDT augments the Medical Necessity definition contained in the Florida Administrative Code via the additional requirement that all services determined by the agency to be medically necessary for the *treatment, correction, or amelioration* of problems be addressed by the appropriate services.

31. United States Court of Appeals for the Eleventh Circuit clarified the states' obligation for the provision of EPSDT services to Medicaid-eligible children in Moore v. Reese, 637 F.3d 1220, 1255 (11th Cir. 2011). The Court provided the following guiding principles in its opinion, (which involved a dispute over private duty nursing):

(1) [A state] is required to provide private duty nursing services to [a child Medicaid recipient] who meets the EPSDT eligibility requirements, when such services are medically necessary to correct or ameliorate [his or her] illness and condition.

(2) A state Medicaid plan must include “reasonable standards ... for determining eligibility for and the extent of medical assistance” ... and such standards must be “consistent with the objectives of” the Medicaid Act, specifically its EPSDT program.

(3) A state may adopt a definition of medical necessity that places limits on a physician’s discretion. A state may also limit required Medicaid services based upon its judgment of degree of medical necessity so long as such limitations do not discriminate on the basis of the kind of medical condition. Furthermore, “a state may establish standards for individual physicians to use in determining what services are appropriate in a particular case” and a treating physician is “required to operate within such reasonable limitations as the state may impose.”

(4) The treating physician assumes “the primary responsibility of determining what treatment should be made available to his patients.” Both the treating physician and the state have roles to play, however, and “[a] private physician’s word on medical necessity is not dispositive.”

(5) A state may establish the amount, duration, and scope of private duty nursing services provided under the required EPSDT benefit. The state is not required to provide medically unnecessary, albeit desirable, EPSDT services. However, a state’s provision of a required EPSDT benefit, such as private duty nursing services, “must be sufficient in amount, duration, and scope to reasonably achieve its purpose.”

(6) A state “may place appropriate limits on a service based on such criteria as medical necessity.” In so doing, a state “can review the medical necessity of treatment prescribed by a doctor on a case-by-case basis” and may present its own evidence of medical necessity in disputes between the state and Medicaid patients (citations omitted).

32. In the instant case, PPEC is requested to treat and ameliorate the supervisory and monitoring needs which Petitioner’s health conditions require. As such, in a general sense, PPEC is in keeping with Fla. Admin. Code R. 59G-1.010(166)(1).

Because PPEC is a recognized Medicaid service, it is consistent with generally accepted medical standards, per Fla. Admin. Code R. 59G-1.010(166)(3).

33. More specifically, however, Fla. Admin. Code R. 59G-1.010(166) also requires that any authorized service not be in excess of a patient's needs, be furnished in a manner not intended for convenience, and be a service for which no equally effective and less-costly treatment is available. In order for PPEC to fulfill these criteria, the Petitioner must meet the requirements for PPEC, as provided in the PPEC Handbook.

34. There is little evidence to suggest that the Petitioner is dependent upon 24-hour per day medical or nursing care, or that she is dependent upon life-sustaining medical intervention or equipment, such that she would properly be deemed "Medically Complex" or "Medically Fragile." Her need for supervision, general monitoring, and precautions do not constitute a need for "intermittent continuous therapeutic interventions or skilled nursing care."

35. Tellingly, there is currently no skilled therapy or intervention provided to Petitioner at the PPEC site. While the PPEC program is "hosting" ST services, these services, as well as any other needed therapy, can be authorized as a distinct service, outside the PPEC environment. Petitioner is encouraged to pursue coordination of same through CMS.

36. When jointly considering the requirements of both ESPDT and Medical Necessity, along with a review of the totality of the evidence and legal authority, the undersigned concludes that Respondent has met its burden of proof to terminate PPEC.

37. Petitioner's guardians are further encouraged to coordinate with AHCA and Petitioner's CMS case manager, to determine Petitioner's options for behavioral

services, and other services necessary to meet Petitioner's needs. Should Petitioner request a service and receive a notice denying same, she will retain the right to appeal that/those, specific denial(s).

DECISION

Based upon the foregoing, Petitioner's appeal is hereby DENIED.

NOTICE OF RIGHT TO APPEAL

This decision is final and binding on the part of the agency. If the petitioner disagrees with this decision, the petitioner may seek a judicial review. To begin the judicial review, the petitioner must file one copy of a "Notice of Appeal" with the Agency Clerk, Agency for Health Care Administration, 2727 Mahan Drive, Tallahassee, FL 32308-5403. The petitioner must also file another copy of the "Notice of Appeal" with the appropriate District Court of Appeal. The Notices must be filed within thirty (30) days of the date stamped on the first page of the final order. The petitioner must either pay the court fees required by law or seek an order of indigency to waive those fees. The petitioner is responsible for any financial obligations incurred as the agency has no funds to assist in this review.

DONE and ORDERED this 29 day of December, 2015,

in Tallahassee, Florida.



Patricia C. Antonucci

Hearing Officer

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