

**BEFORE THE ALASKA OFFICE OF ADMINISTRATIVE HEARINGS ON REFERRAL
BY THE COMMISSIONER OF HEALTH AND SOCIAL SERVICES**

In the Matter of)
)
 K C)
)
 _____)

OAH No. 14-2079-MDX

DECISION

I. Introduction

K C receives medical assistance through the Chronic and Acute Medical Assistance (CAMA) program. The Division of Health Care Services (Division) declined payment for his out-patient pneumonia treatment asserting that it was not a covered service under the CAMA program. Mr. C requested a hearing.

Mr. C's hearing was held on March 6, 2015. Mr. C participated in the hearing. He was represented by his father, L C, who testified on his behalf. Angela Ybarra, a Medical Assistance Administrator with the Division, represented the Division. Sherri LaRue, a Medical Assistance Administrator III employed by the Division, testified on its behalf.

Medical treatment for pneumonia is not directly related to treatment for diabetes, which is the underlying medical condition which qualified Mr. C for CAMA coverage. It is therefore not a covered service under the CAMA program. The Division's decision to deny payment is **AFFIRMED**.

II. Facts

The following facts were established by a preponderance of the evidence.

Mr. C receives CAMA benefits. He qualified for those benefits, in part, because he is diabetic.¹ Mr. C went to see his doctor on November 1, 2013, and was treated for pneumonia. His doctor billed the CAMA program \$282 for that visit.² The Division denied payment for the bill. Its reason for the denying payment was that the CAMA program does not cover treatment for pneumonia.³

III. Discussion

CAMA is a state program which provides some payment for medical bills incurred by people who have certain medical conditions. Diabetes is one of these conditions. Pneumonia is

¹ Sherri LaRue's testimony.

² Ex. C, pp. 7 – 10; Ex. D, p. 4.

³ Sherri LaRue's testimony; Ex. D, p. 1. *Also see* the Division's denial letter dated February 11, 2015.

not.⁴ CAMA will only pay for services if they “are directly related to the medical condition that makes the recipient eligible.”⁵ CAMA will not pay for expenses that are “not directly related to the treatment of a [qualifying] medical condition.”⁶

It is undisputed that Mr. C was treated for pneumonia. He was not treated for diabetes. The CAMA program’s underlying regulations are clear that coverage will only be provided for services that are “directly related” to the underlying qualifying condition, which is diabetes. Mr. C made the argument that all illnesses affected his underlying diabetic condition, and that as a result, any medical expenses were “directly related” to treatment of his diabetes.

Mr. C’s argument is not persuasive, given that it ignores the explicit requirement that the treatment be “directly related” to the underlying qualifying medical condition. It would render that restriction meaningless and require coverage for all medical treatments, once a qualifying diagnosis was found, regardless of whether there was a direct relationship to the qualifying diagnosis. This legal conclusion is supported by the history of the CAMA program. Prior to September 20, 2003, CAMA did not limit covered medical treatments to those “directly related” to the specific covered condition. Since September 20, 2003, the CAMA regulations have limited payment to “services ... directly related to the medical condition that makes the recipient eligible.”⁷

Mr. C’s treatment for pneumonia was not directly related to the treatment of diabetes, which is the medical condition which qualifies him for CAMA. As a result, the CAMA program may not pay for that treatment.

IV. Conclusion

The Division’s decision to deny payment for Mr. C’s pneumonia treatment, which he received on November 1, 2013, is AFFIRMED.

DATED this 2nd day of April, 2015.

Signed

Lawrence A. Pederson
Administrative Law Judge

⁴ AS 47.08.150(c)(1(C)); 7 AAC 48.525(b).

⁵ 7 AAC 48.550(c).

⁶ 7 AAC 48.555(7).

⁷ See 7 AAC 48.550(c) (Register 167 effective Sept. 20, 2003). The current version of the regulation has continuously maintained that coverage restriction.

Adoption

The undersigned, by delegation from of the Commissioner of Health and Social Services, adopts this Decision, under the authority of AS 44.64.060(e)(1), as the final administrative determination in this matter.

Judicial review of this decision may be obtained by filing an appeal in the Alaska Superior Court in accordance with Alaska R. App. P. 602(a)(2) within 30 days after the date of this decision.

DATED this 14th day of May, 2015.

By: Signed
Name: Jared Kosin
Title/Agency: Executive Director, ORR, DHSS

[This document has been modified to conform to the technical standards for publication.]