

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

In the Matter of)
)
D T) OAH No. 19-0083-MDX
) Agency No.
_____)

DECISION

I. Introduction

D T is a Medicaid recipient who received a bill of \$134.44 from her hospital for outpatient services. She requested a hearing because she believed that the Medicaid program should have covered the bill and that she should not be liable for this copayment.

Ms. T’s hearing was held on March 14, 2019. Ms. T represented herself and testified on her own behalf. Laura Baldwin, a fair hearing representative employed by the Division of Health Care Services represented the Division and testified on its behalf.

The evidence in this case shows that Ms. T was understandably confused because she has had similar tests in the past and only been billed \$9 by the provider. However, the Medicaid regulations which have been in place for a number of years only allow the Medicaid program to pay 95 percent of allowable charges for outpatient hospital services and require the recipient to pay the remaining five percent to the Medicaid provider. As a result, Ms. T is not entitled to any relief from the Medicaid program. The Division’s denial of her request that the Medicaid program relieve her of her obligation for this bill is AFFIRMED.

II. Facts

Ms. T is a Medicaid recipient who received a series of outpatient tests from South Peninsula Hospital in August 2018. The total charges for the tests was \$4,514. The Medicaid program authorized a total bill of \$2,628.95. It paid the hospital \$2,497.50, 95 percent of that amount.¹ The hospital billed Ms. T for 5 percent of the authorized Medicaid rate. The current amount of that bill is \$134.44.²

¹ Ex. D, p. 4; Ms. T’s testimony.
² Ex. C.

Ms. T has had these same tests done twice before and only been billed \$9 each time. She does not understand why she has this bill for \$134.44 now. She cannot afford to pay it and thinks that the Medicaid program should relieve her of the obligation to pay this bill.³

III. Discussion

This case does not involve any disputed facts. Instead, it requires the application of the Alaska Medicaid regulations to the undisputed facts. The Medicaid program is only responsible for paying 95 percent of the Medicaid allowed costs for outpatient hospital services. A Medicaid recipient, with certain limited exceptions, none of which Ms. T asserted, “shall pay” the remaining “five percent of allowable charges for outpatient hospital services.”⁴ The Medicaid recipient “is responsible for payment of the cost-sharing amounts.”⁵ These requirements have been in place, without change, since at least February 2010. These requirements do not allow an exception due to financial hardship.

While the hospitals may not have charged Ms. T for the full five percent for these tests in the past, they are legally allowed to bill her for that five percent.⁶ The undisputed facts show that the hospital did exactly that: it billed Ms. T Ms. T for five percent of the Medicaid allowed charges for her August 2018 outpatient services. The Medicaid program’s requirements do not allow it to relieve Ms. T of her obligation to satisfy her five percent copayment.

IV. Conclusion

The Division’s determination that Ms. T, and not the Medicaid program, is responsible for five percent of the Medicaid allowed charges for her August 2018 hospital outpatient services is AFFIRMED.

Dated: April 15, 2019

Signed _____
Lawrence A. Pederson
Administrative Law Judge

³ Ms. T’s testimony.

⁴ 7 AAC 105.610(a)(2); 7 AAC 145.005(b).

⁵ 7 AAC 145.015.

⁶ 7 AAC 105.610(c).

Adoption

The undersigned, by delegation from 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 30th day of April, 2019.

By: Signed
Name: Lawrence A. Pederson
Title: Administrative Law Judge

[This document has been modified to conform to the technical standards for publication. Names may have been changed to protect privacy.]