

IN THE SUPERIOR COURT OF THE STATE OF DELAWARE
IN AND FOR KENT COUNTY

ELLA V. LAWSON)
As next friend of Crystal Lawson)
)
Appellant,)
)
v.)
)
DEPARTMENT OF HEALTH)
AND SOCIAL SERVICES)
)
Appellees.)

C.A. No. 02A-09-002 HDR

Submitted: December 19, 2003
Decided: February 25, 2004

Ella V. Lawson, Marydel, Delaware, *pro se*.

A. Ann Woolfolk Esq., DAG, Wilmington, Delaware, for Appellee DHSS.

OPINION

**Upon Appeal from a Fair Hearing Decision
of the Department of Health and Social Services
*REVERSED***

RIDGELY, President Judge

This is an appeal by the Claimant from a ‘fair hearing’ decision of the Department of Health and Social Services denying Medicaid benefits for orthodontic treatment of a minor child. Because the procedural due process requirements for notice and a fair hearing were not met, the decision of the hearing officer must be reversed and this matter remanded for the fair hearing required as a matter of law.

I. BACKGROUND

Ella Lawson, mother of Crystal Lawson, contacted the Delaware Health and Social Services (hereinafter “DHSS”) clinic concerned that her daughter may need orthodontic treatment. Crystal Lawson is eligible for Medicaid benefits. She was referred for an evaluation by the clinic’s dentist to an orthodontist, Dr. Robert Kidd. Dr. Kidd examined Crystal, took X-rays, and made molds of her teeth. Dr. Kidd then determined that Crystal needed orthodontic treatment and concluded that this treatment was necessary to avoid future skeletal problems. He diagnosed a Class 1 malocclusion. However, state guidelines require orthodontic treatment only when medically necessary to correct a “handicapping” malocclusion.¹

On July 16, 2002, Ella Lawson received a letter from DHSS denying benefits for Crystal declaring that her condition was neither handicapping nor health threatening. Ms. Lawson requested a second independent consultation. Upon her request, DHSS sent Crystal’s records, X-rays, and molds to another orthodontist, Dr.

¹ DE ADC 40 800 108, § 5124(2)(b) (WESTLAW) (1990) *The Early Periodic Screening, Diagnosis, and Treatment Manual* (hereinafter “EPSDTM”); *See also* 42 C.F.R. § 441.56 (1984).

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Stephanie Steckel. Dr. Steckel did not examine Crystal but based her diagnosis on the information provided by Dr. Kidd. She concurred with Dr. Kidd's evaluation of a Class 1 malocclusion.

On March 25, 2002 a second letter denying orthodontic treatment for Crystal was sent by DHSS to Ella Lawson. This letter stated denial was based on failure to fall within Medicaid orthodontic guidelines of handicapping or health threatening. Ms. Lawson filed a request for a 'fair hearing' on June 20, 2002. A hearing was set for August 16, 2002.

DHSS made a Motion for Summary Judgment on August 1, 2002 for failure of the Appellant to show cause that she was harmed by the agency's action because no benefits had been conferred and then removed. The motion was denied by the Hearing Officer. On August 2, 2002, DHSS filed a Motion to Dismiss. This motion was also denied by the Hearing Officer.

At the August 16, 2003 hearing neither Dr. Kidd, nor Dr. Steckel were present or available for cross examination or inquiry by Ms. Lawson. In addition, the hearing transcript indicates that each time Ms. Lawson attempted to present her argument that Crystal's treatment was medically necessary she was interrupted and her concern dismissed.

DHSS contends that the procedural defects of notice are outweighed by the fact that orthodontic treatment would be denied whether or not proper notice was given and that the 'fair hearing' fully explains all denial of benefits and that no harm has been done in that treatment has not begun.

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A final denial of benefits was issued by the Hearing Officer on August 22, 2002 stating that since neither Dr. Kidd nor Dr. Steckel found that the Claimant had a handicapping malocclusion and since the Claimant did not offer documentary or testimonial evidence from professionals to contradict these findings, the coverage was denied. This appeal follows.

II. STANDARD OF REVIEW

The Delaware Social Services Manual (hereinafter “DSSM”) Section 5405(5) provides that the decision of the Hearing Officer is the final decision of DHSS. That decision is subject to judicial review pursuant to 31 *Del. C.* § 520. The statute provides:

Any applicant for or recipient of public assistance benefits under this chapter or Chapter 6 of this title against whom an administrative hearing decision has been decided may appeal such decision to the Superior Court if the decision would result in financial harm to the appellant. The appeal shall be filed within 30 days of the day of the final administrative decision. The appeal shall be on the record without a trial de novo. The Court shall decide all relevant questions and all other matters involved, and shall sustain any factual findings of the administrative hearing decision that are supported by substantial evidence on the record as a whole. The notice of the appeal and all other matters regulating the appeal shall be in the form and according to the procedure as shall be provided by the rules of the Superior Court.

The appropriate standard of review is whether the decision of the Hearing

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Officer is supported by substantial evidence and free of legal error.² The Superior Court reviews the de novo application of the law by DHSS in determining the qualifications of the applicant for assistance through the Medicaid program.³ If the procedure of eligibility determination is legal, the Court proceeds to the question of sufficiency of the evidence to support the decision.⁴ Thus, the analysis begins with a review of the procedure applied in making the determination of eligibility before any substantive evidence is analyzed.⁵ In its review, the Court shall decide all relevant questions and matters involved.⁶ The Court will sustain any factual findings of the Hearing Officer that are supported by substantial evidence in the record as a whole.⁷ This Court may not remand on appeal a case brought to it under 31 *Del. C.* § 520 for further findings as the statute does not grant the Court that power.⁸

² *Bowden v. Delaware Department of Health and Social Services Division of Social Services*, 1993 WL 390480 at *2 (Del. Super. Ct. 1993).

³ *Id.*

⁴ *Id.* See also, *Zdziech v. Delaware Department of Health and Social Services*, 2000 WL 1211562, at *2 (Del. Super. Ct. 2000).

⁵ *Id.*

⁶ *Dean v. Delaware Department of Health and Social Services*, 2000 WL 33201237, at *3 (Del. Super. Ct. 2000).

⁷ *Id.*

⁸ *Collins v. Eichler*, 1991 WL 53447, at *4 (Del. Super. Ct. 1991).

III. DISCUSSION

The Medicaid program was established in 1965 to provide federal funds to help the needy pay for their medical treatment.⁹ The federal government shares the cost of Medicaid with states that elect to participate in the program.¹⁰ In return for federal funds, the state must comply with requirements imposed by Title XIX of the Social Security Act, 42 U.S.C. §§ 1396-1396r.¹¹ To be valid and enforceable, the state criteria must comply with the federal eligibility guidelines.¹²

In Delaware, the Medicaid program is generally overseen by DHSS.¹³ Delaware has opted to participate in the Supplemental Security Income for the Aged, Blind and Disabled (hereinafter “SSI”) and offers additional coverage under an optional categorically needy provision.¹⁴ Under this program, individuals who qualify or receive SSI are automatically eligible for Medicaid while other applicants must meet additional state and federal requirements.¹⁵ Title XIX of the Social Security Act also requires participating states to provide early and periodic screening,

⁹ *Dean*, 2000 WL 33201237, at *3.

¹⁰ *Id.*

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Id.*

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diagnosis and treatment, to eligible individuals under the age of 21 years.¹⁶ This is known as the Early Periodic Screening, Diagnosis and Treatment Program (“EPSDT”). Regulations of the United States Department of Health, Education and Welfare (HEW) promulgated under 42 U.S.C. § 1396(a)(4)(B) require that participating states establish an administrative mechanism to identify available screening and diagnostic facilities and to assure eligible children receive EPSDT services.¹⁷ Under the EPSDT program, children are screened for medical abnormalities by physical examinations and a battery of specified medical tests.¹⁸ Any problems detected by the screening are then treated under the EPSDT program by either the examining physician or by other participating doctors.¹⁹ The federal guidelines for administering this program are set forth in 42 C.F.R. § 441.56. These guidelines require DHSS, to provide upon request, periodic comprehensive child health assessments to eligible EPSDT recipients.²⁰ This screening consists of regularly scheduled examinations and evaluations of general physical and mental health, growth, development, and nutritional status of infants, children and youth.²¹

¹⁶ *Philadelphia Welfare Rights Organization v. Shapp*, 602 F.2d 1114, 1116 (3d Cir. 1979).

¹⁷ *Id.* at 1121-22.

¹⁸ *Id.*

¹⁹ *Id.* at 1116.

²⁰ 42 C.F.R. at § 441.56(b)(1).

²¹ *Id.*

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At a minimum, these services must include dental screening furnished by direct referral to a dentist for children beginning at 3 years of age.²² Eligible EPSDT recipients must receive dental care at as early an age as necessary if needed for relief of pain and infections, restoration of teeth and maintenance of dental health, even if these services are not included in the plan.²³ Under the EPSDT program, orthodontic services are provided when medically necessary to correct handicapping malocclusion.²⁴

The State of Delaware recognizes that Medicaid benefits are property rights and as such, the recipient may not be deprived of these benefits without due process of law.²⁵ It is not necessary for the appellant to allege that they have suffered an actual injury in order to challenge the Medicaid statute.²⁶ Appellants have standing based solely on anticipated effects that will lead to actual injury as long as the anticipated effect can be traced to the challenged statute.²⁷

The requirements of procedural due process were set by the United States Supreme Court in *Goldberg v. Kelly* as follows:

²² *Id.*

²³ *Id.*

²⁴ EPSDTM, at § 5124; 42 C.F.R. at § 441.56.

²⁵ *Collins*, 1991 WL 53447, at *3.

²⁶ *Catanzano v. Dowling*, 847 F. Supp.1070, 1077 (W.D. N.Y. 1994).

²⁷ *Id.*

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- 1) timely and adequate notice detailing the reasons for a proposed termination.
- 2) an effective opportunity (for the recipient) to defend by confronting any adverse witnesses and by presenting his own arguments and evidence orally.
- 3) retained counsel, if desired.
- 4) an “impartial” decision maker
- 5) a decision resting “solely on the legal rules and evidence adduced at the hearing”
- 6) a statement of the reasons for the decision and the evidence relied on.²⁸

The Supreme Court added that in all circumstances, due process requires an adequate hearing before termination of welfare benefits.²⁹ A later constitutionally fair proceeding will not alter a due process violation.³⁰ Following this ruling, federal regulations require that a state agency must provide a ‘fair hearing’ which meets the *Goldberg v. Kelly* requirements for due process.³¹ These due process notice and ‘fair hearing’ requirements are imputed to the states by the Fourteenth Amendment and are only triggered when adverse actions, such as the denial of benefits, are implemented by state action.³²

DHSS argues that no harm has been done as orthodontic treatment for Crystal Lawson has never begun. Nevertheless, it is the denial of Medicaid benefits that

²⁸ *Goldberg*, 397 U.S. 254, 266-67 (1970).

²⁹ *Id.* at 261.

³⁰ *Id.*

³¹ *Perry v. Chen*, 985 F. Supp. 1197, 1201 (D. Ariz. 1996).

³² *Id.*

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creates the injury and as such, Ella Lawson, on behalf on her daughter Crystal, has standing to challenge the denial of orthodontic treatment. DHSS also contends that the violation of procedural and substantive due process in its denial of benefits letters to Ms. Lawson were remedied through the explanation of the reasons for denial during the hearing. However, according to *Goldberg v. Kelly*, a ‘fair hearing’ after the fact does not alter the result and the violations of due process are not remedied.³³

Procedural due process requires notice to be both adequate and timely. The federal regulations regarding the requirements for notice are set forth in 42 C.F.R. § 431.206. The State regulations for Medicaid are found in DSSM Section 5300. According to the federal regulations, the agency must inform every applicant or recipient in writing of any action affecting his or her claim or when an individual receives an adverse determination by the state with regard to pre-admission screening.³⁴ This notice must include the reasons for the intended action, the specific regulations that support it, or the federal or state law that requires the action.³⁵ Additionally, proper notice must include an explanation of the individual’s right to request an evidentiary hearing if one is available or a state agency hearing.³⁶ The state regulations add that the agency’s notice must also contain the method by which

³³ *Goldberg*, 397 U.S. at 261.

³⁴ 42 C.F.R. § 431.206(c)(2)&(4) (1993).

³⁵ 42 C.F.R. § 431.210(b)&(c) (1992).

³⁶ *Id.* at § 431.210(d)(1).

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(s)he may request a ‘fair hearing’ and a statement that (s)he may be represented by counsel or another person.³⁷ Written notice must adequately describe what action the agency intends to take, the reasons for the intended agency action, the specific regulations supporting each action, and an explanation of the individual right to request a ‘fair hearing’.³⁸

Notice, in addition to being adequate, must also be timely.³⁹ The state or local agency must mail a notice by certified mail at least ten days before the date of action or ten days before the intended change would be effective.⁴⁰ This ten day notice is to permit all parties to have adequate preparation of the case.⁴¹

All notices must contain information needed by the claimant to determine from the notice alone the accuracy of the Division’s action or intended action.⁴² At a minimum all notices must indicate the proposed action to be taken, including denial of benefits; provide citation(s) to the regulation(s) supporting the action being taken, and provide a detailed individualized explanation of the reason(s) for the action being

³⁷ DSSM at § 5300.

³⁸ DSSM at § 5301(1).

³⁹ 42 C.F.R. § 431.211; DSSM at § 5301(2).

⁴⁰ 42 C.F.R. at § 431.211; DSSM at §§ 5302(2), 5311.

⁴¹ DSSM at § 5311.

⁴² DSSM at § 5301(4).

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taken.⁴³ This includes, in terms comprehensible to the claimant, an explanation of why the action is being taken, and if the action is being taken because of the claimant's failure to perform an act required by the regulation, an explanation of what the claimant was required by the regulation to do and why his or her actions failed to meet this standard.⁴⁴

DHSS maintains that these federal and state notice requirements do not apply to Crystal Lawson because the decision as to whether or not the Claimant is entitled to orthodontic services is not an "action" that triggers the notice requirement. DHSS concedes that the notice requirements were not given and that the Claimant was entitled to a "fair hearing." DHSS supports its contention that denial of EPSDT orthodontic services is not an action by claiming that this denial was not a challenge to the recipient's Medicaid eligibility, rather only a finding that the individual services sought were not medically necessary within the meaning of state and federal law.

In *Maher v. White*, Pennsylvania argued that foster children were not entitled to notice when federal benefits were denied because state benefits automatically kicked in and the children were never negatively affected.⁴⁵ The Eastern District of Pennsylvania found this argument unpersuasive because the fact that federal

⁴³ *Id.*

⁴⁴ *Id.*

⁴⁵ 1992 WL 122912, at *7. (*E.D. Pa.* 1992)

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benefits were denied, perhaps wrongfully, gave rise to the requirements of notice and a hearing, regardless of any other benefits conferred.⁴⁶ The Court emphasized that due to the importance of the EPSDT preventive medicine program, it is not only required to have notice of fair hearing opportunities, but there must also be notice of the availability of the program itself.⁴⁷

There is nothing in the applicable regulations which states that a change in services must be “detrimental” for it to constitute an action.⁴⁸ In *Catanzo v. Dowling*, the court held that the “state plan *must* provide for requisite notice and hearing,” and that under Federal regulation, the State Medicaid agency must provide proper notice and the right to a hearing “at any time the Medicaid agency takes ‘any action affecting his claim.’”⁴⁹ The Court emphasized that the federal regulations could not be any clearer and a state Medicaid agency must comply with these notice and hearing requirements that are federal law conditions of participation in the Medicaid program.⁵⁰

⁴⁶ *Id.*

⁴⁷ *Id.* at *6.

⁴⁸ *Granato v. Bane*, 74 F.3d 406, 412 (2d Cir. 1996), reversing *Granato v. Bane*, 841 F.Supp. 64, 71 (N.D.N.Y. 1994) for the proposition that only a detrimental change constitutes an agency action as defined by 42 C.F.R. § 431.201.

⁴⁹ *Catanzo*, 847 F.Supp. at 1081.

⁵⁰ *Id.* at 1082.

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DHSS cites, *Perry v. Chen*,⁵¹ an Arizona case, to stand for the proposition that federal notice regulations are only required when the amount or type of services are reduced. DHSS claims that the regulations do not create a specific right to notice and a hearing when a particular requested service was not medically necessary.⁵² *Perry* is about Medicaid denials based on lack of medical necessity.⁵³ In *Perry*, the Arizona agency argued that the system would collapse under the increased paperwork for this written notice.⁵⁴ Additionally, the Arizona agency argued that Subpart E of the Medicaid Regulations prescribes the procedures for a fair hearing for applicants and recipients, arguing that notice is only required in eligibility decisions.⁵⁵ In that case, the Arizona agency cited 42 C.F.R § 431.200 to support the contention that a state must provide opportunity for a fair hearing to any person whose claim for assistance is denied or not acted upon promptly.⁵⁶ However, the Court pointed out that this view ignores the next sentence of the regulation which prescribes procedures for an opportunity for hearing if the Medicaid agency takes action to suspend,

⁵¹ 985 F.Supp. at 1203.

⁵² *Id.* at 1201.

⁵³ *Id.* at 1199.

⁵⁴ *Id.*

⁵⁵ *Id.* at 1202.

⁵⁶ *Id.*

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terminate or reduce services.⁵⁷ The *Perry* court then defined action under 42 CFR § 431.200 to mean termination, suspension, or *reduction of* Medicaid eligibility or *covered* services (emphasis added).⁵⁸ The state may place limits on a service based on such criteria as medical necessity but state agencies are required to adopt a hearing system that satisfies the due process standard established by *Goldberg v. Kelly* and additional standards established by the regulations.⁵⁹ The *Perry* Court specifically stated that notice means a written statement meeting the requirements of § 431.210 and that the State must mail a notice at least ten days before the date of the action.⁶⁰ Section 431.210 requires: a) a statement of what action the State intends to take; b) the reasons for the intended action; c) the specific regulation of law that supports the change; d) an explanation of the right to a hearing; e) an explanation of the circumstances under which Medicaid is continued pending the hearing.⁶¹

The Plaintiffs in *Perry* were not advised of their right to appeal nor any of their appeal rights.⁶² The Plaintiff's argued that they were denied any meaningful notice

⁵⁷ *Id.* at 1203.

⁵⁸ *Id.*

⁵⁹ *Id.* citing 42 C.F.R. §§ 440.230(d), 431.205(d)

⁶⁰ *Id.*

⁶¹ *Id.*

⁶² *Id.* at 1203-4.

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and an opportunity to challenge an adverse decision.⁶³ The *Perry* Court concluded that the state agency must comply with sufficient written notice and a right to a fair hearing and that these requirements will not cause the system to grind to a halt as the state contends.⁶⁴ These requirements allow beneficiaries to exercise a right that has always been available to them.⁶⁵

Notice and hearing requirements must be met for the state to participate in the Medicaid program. Therefore, DHSS's contention that denial of EPSDT benefits is not an 'action' entitled to federal and state notice requirements is unsupported.

I conclude that the notices sent by letter to Ella Lawson regarding the denial of benefits were not adequate. Both letters merely informed her that benefits were denied because Crystal's condition was not handicapping or health threatening. There was no mention of a right to appeal, right to any type of hearing, nor of any citations to any regulation or guideline. The only information given was a phone number to call if there were any questions.

Federal Regulation, 42 C.F.R. § 431.220, which implements Section 1902(a)(3) of the Social Security Act, requires a state to provide an opportunity for a 'fair hearing' to any person who's claim for assistance is denied, not acted upon promptly,

⁶³ *Id.* at 1204.

⁶⁴ *Id.*

⁶⁵ *Id.* at 1205.

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or who believes the agency has taken action erroneously.⁶⁶ The State regulations add that the request for this ‘fair hearing’ must be made in a clear written expression stating that the appellant wishes to present his/her case to a higher authority.⁶⁷ Only those issues presented in the appellant’s request for ‘fair hearing’ may be presented for the hearing officer’s review.⁶⁸ Upon learning of her right to a ‘fair hearing’, Ella Lawson filed her request. DHSS contends that a fair hearing occurred and therefore it is irrelevant that the prior due process violations occurred. However, even if a later constitutionally fair proceeding occurred, that will not alter a procedural due process violation that preceded the hearing.⁶⁹

Once the request for a ‘fair hearing’ is received, the agency shall prepare and submit a hearing summary to the Hearing Officer within five working days.⁷⁰ The hearing summary must be easily read and understood and include in concise statements all actions being appealed as well as citations to the policy upon which the decision is based.⁷¹ It must also include the names and addresses of all persons that

⁶⁶ 42 C.F.R. § 431.220(a)(1)&(2) (2002).

⁶⁷ DSSM at § 5304.

⁶⁸ *Id.*

⁶⁹ *Goldberg*, 397 U.S. at 261.

⁷⁰ DSSM at § 5312(4).

⁷¹ *Id.*

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the agency expects to call to testify.⁷² Once the report/summary is received it is recorded and forwarded immediately to the hearing officer.⁷³ The hearing officer will then review the hearing summary, set a prompt date for the hearing, and send a notice to all parties and witnesses stating the date, time and place of the hearing.⁷⁴

Ella Lawson received notice by certified mail of this hearing on August 6, 2002. This was nearly sixty days after the ‘fair hearing’ was requested on June 20, 2002. Yet, state guidelines mandate that within five working days of receiving the request for a ‘fair hearing’, the agency, DHSS, will prepare the ‘fair hearing’ summary that will be forwarded to the hearing officer who upon receipt will set a date and notify all parties.⁷⁵ In addition, the notice received of the ‘fair hearing’ was neither dated nor signed, although the hearing transcript indicates that the notice was issued August 1, significantly later than five days after request. The date of the hearing was also set in violation of the requirements mandated by both federal and state law. The hearing was scheduled for August 16, nine days after receipt of notice of the hearing. Both federal and state law require a minimum of ten days notice.⁷⁶

As a general rule, procedural due process requirements are flexible, requiring

⁷² *Id.*

⁷³ *Id.* at § 5312(5).

⁷⁴ *Id.*

⁷⁵ *See id.* at § 5312(4).

⁷⁶ DSSM at § 5311.

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a balancing of interests.⁷⁷ The United States Supreme Court in *Matthews v. Eldridge*, gave a three factor balancing test to consider in reaching a decision as to the extent of due process.⁷⁸ These factors are: 1) the private interest at stake for the individual; 2) the risk of erroneous deprivation of that interest by the official procedures used as well as the probable value of additional or different procedural safeguards and 3) the interest of the government including fiscal and administrative burdens in using the current procedures rather than additional or different procedures.⁷⁹ Although due process is flexible, Congress has spoken and tipped the scales in favor of the private interest through 42 C.F.R. § 431.205 which mandates compliance with the standard set forth in *Goldberg v. Kelly* for a ‘fair hearing’ before the agency.⁸⁰ Additionally, the DSSM defines a ‘fair hearing’ as an administrative hearing held in accordance with the principles of due process which include: Timely and adequate notice; the right to confront and cross-examine adverse witnesses; the opportunity to be heard orally; the right to an impartial decision maker and the opportunity to obtain counsel.⁸¹

The Appellant must have the following opportunities at the ‘fair hearing’: the

⁷⁷ *Perry*, 985 F. Supp. at 1254.

⁷⁸ *Matthews v. Eldridge*, 424 U.S. 319, 334 (1976).

⁷⁹ *Id.* at 334-35.

⁸⁰ *Perry*, 985 F.Supp. at 1203-04.

⁸¹ DSSM at § 5000.

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appellant may examine the case records and documents; present his or her case by him/herself or with the aid or representative or counsel; may bring witnesses, cross examine witnesses and submit evidence as well as establish all pertinent facts and circumstances.⁸² The appellant has the right to advance any argument without interference and may question or refute testimony or evidence.⁸³

The hearing transcript here reveals that each time Ms. Lawson attempted to raise an argument regarding the medical necessity of her daughter's condition she was interrupted and the argument dismissed. In addition, when Ms. Lawson wished to address the possibility of exceptions to the EPSDT rating that allow payment of orthodontic benefits, as indicated at the bottom of the Handicapping Labiolingual Deviation (HLD) Index sheet, she was told by DHSS that no such exceptions exist in the Federal EPSDT guidelines. No one addressed the exceptions on the scoring sheet. Yet, the state guidelines on due process require *all* concerns to be addressed in the 'fair hearing'.⁸⁴

DHSS contends that despite the procedural defects there is ample evidence in the record to support a lack of medical necessity for the orthodonture because the condition was not a handicapping malocclusion. EPSDT services which are mandatory, must at a minimum include relief of pain, infections, restoration of teeth

⁸² *Id.* at § 5404.

⁸³ *Id.*

⁸⁴ DSSM at § 5404 (2000).

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and maintenance of dental health.⁸⁵ Medical necessity may exist even if the scale on the index used by the orthodontist fails to indicate a handicapping malocclusion.⁸⁶ The fact that a malocclusion interferes with a patient's ability to chew and talk would show that orthodontic treatment was medically necessary.⁸⁷

IV. CONCLUSION

In conclusion, the procedural due process requirements established by the United States Supreme Court in *Goldberg v. Kelly*, as well as the federal requirements of 42 C.F.R. § 431 and the State requirements set forth in DSSM section 5000 were not followed in this case. The 'fair hearing,' itself, also violated the standards set forth in *Goldberg v. Kelly* as well as the federal and state Medicaid requirements for a 'fair hearing.' Because the procedural due process requirements were violated, the decision of the hearing officer must be **REVERSED**. This matter is **REMANDED**

⁸⁵ DE ADC 40 800 108 (2003).

⁸⁶ *Chappell v. Bradley*, 834 F.Supp. 1030, 1034-35 (N.D. Ill. 1993).

⁸⁷ *Id.*

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for a new hearing consistent with this opinion.

IT IS SO ORDERED.

_____/s/ Henry duPont Ridgely_____
President Judge

dk
oc: Prothonotary
xc: Order distribution