

STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

[REDACTED]

Reg. No: 2009-36289

Issue No: 2026

[REDACTED]

ADMINISTRATIVE LAW JUDGE: Suzanne L. Morris for Marlene Magyar

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on May 4, 2010 by Administrative Law Judge [REDACTED]. This hearing was completed by Administrative Law Judge [REDACTED] after reviewing the written and spoken record. The hearing was scheduled as an in-person hearing. However, even though the Administrative Law Judge traveled to [REDACTED], the claimant appeared via telephone.

ISSUE

Did the department properly find the claimant had not provided appropriate documentation to verify the claimant met his deductible for March, April and May, 2009?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. The claimant is an MA recipient with a monthly deductible.
2. The claimant submitted several handwritten summaries of mileage he claimed for attending appointments and some bills/receipts from Florida.
3. The department allowed a few of the receipts, but disallowed the handwritten summary of claimed mileage and the bills from Florida.
4. The claimant submitted a hearing request on August 5, 2009.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

Department policy states:

MA GROUP 2 INCOME ELIGIBILITY

Deductible

Deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred.

Active Deductible

Open an MA case **without ongoing Group 2 MA coverage** on CIMS as long as:

- . The fiscal group has excess income, **and**
- . At least one fiscal group member meets all other Group 2 MA eligibility factors.

Such cases are called active deductible cases. Periods of MA coverage are added on CIMS each time the group meets it deductible.

Deductible Period

Each calendar month is a separate spend-down period.

Deductible Amount

The fiscal group's monthly excess income is called a deductible amount. BEM 545, pp. 8-9.

Meeting a Deductible

Meeting a deductible means reporting and verifying allowable medical expenses (defined in "**EXHIBIT I**") that

equal or exceed the deductible amount for the calendar month tested. BEM, Item 545, p. 9.

The group must report expenses by the last day of the third month following the month for which it wants MA coverage. BAM 130 explains verification and timeliness standards. BEM, Item 545. p. 9.

BAM 825 discusses transportation costs. This policy states that payment for medical transportation may be authorized only after it has been determined that it is not otherwise available, and then for the least expensive available means suitable to the client's needs.

Do not authorize payment for the following:

- Transportation for noncovered services (such as AA meetings, medically unsupervised weight reduction, trips to pharmacies for reasons other than obtaining MA-covered items).
- Reimbursement for transportation for episodic medical services and pharmacy visits that has already been provided.
- Transportation costs for long-term care (LTC) residents. LTC facilities are expected to provide transportation for services outside their facilities.
- Transportation costs to meet a client's personal choice of provider for routine medical care outside the community when comparable care is available locally. Encourage clients to obtain medical care in their own community unless referred elsewhere by their local physician.
- DCH authorized transportation for clients enrolled in managed care is limited.

The claimant is disputing the department's action to disallow his requested medical deductions for travel to and from Florida (from Michigan) and transportation in the State of Florida for appointments the claimant had. Department policy states a medical expense is only allowable if properly reported and verified. BEM 545. The claimant submitted several pages of handwritten notes indicating mileage he claims he traveled. However, it is noted that some of the claimant's notes indicate the appointments were for a lawyer or to the DHS office. These are clearly not medical expenses. Further, the claimant provides no documentation to show where, when or what these appointments were for. The claimant must provide acceptable verifications, which he has failed to do.

Further, BAM 825 states that medical transportation will only be authorized after it has been determined that it is not otherwise available and that it is the least expensive means suitable to the client's needs. Policy specifically forbids the coverage of transportation costs to meet a client's personal choice of provider for routine medical

care outside the community when comparable care is available locally. The claimant testified that he stays in Florida for a portion of the year. While the claimant might choose to go to Florida because he enjoys it and might see a qualified medical professional while he is in Florida, this is his personal choice. There is no evidence that the same care is not available locally. The department is not required to pay for his transportation to and from Florida and to and from appointments in Florida because he chooses to stay part of the year in that state.

Thus, the department properly determined the claimant's expenses were not allowable as they were not the least expensive means suitable to client's needs. Further, the claimant failed to verify the disallowed expenses with proper receipts/documentation, as required by department policy.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly found the claimant had not provided appropriate documentation to verify the claimant met his MA deductible for March, April and May, 2009.

Accordingly, the department's determination is UPHeld. SO ORDERED.

/s/

Suzanne L. Morris
Administrative Law Judge
On behalf of Marlene Magyar
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: 3/11/11

Date Mailed: 3/11/11

NOTICE: Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the mailing of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

[REDACTED]

[REDACTED]

[REDACTED]