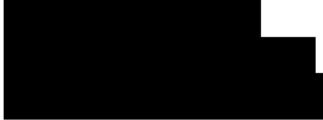


STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:



Reg. No.: 201010222  
Issue No.: 2026  
Case No.: [REDACTED]  
Load No.: [REDACTED]  
Hearing Date: September 13, 2010  
Oakland County DHS (02)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon the claimant's request for a hearing. After due notice, a telephone hearing was held on September 13, 2010. Harold Finman appeared and testified on behalf of Claimant. On behalf of Department of Human Services (DHS), Trudy Stortz, Specialist, appeared and testified.

**ISSUE**

Whether DHS properly failed to process an allegedly submitted medical bill toward Claimant's Medicaid subject to a \$952/month deductible.

**FINDINGS OF FACT**

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

1. Claimant was an ongoing Medical Assistance (MA) benefit recipient since at least 4/2008.
2. As of 4/2008 (and the following 12 months), DHS determined that Claimant was eligible for Medicaid subject to a \$952/month deductible.
3. On an unspecified date; believed to be in 9/2008, Claimant underwent an unspecified medical procedure performed by a hospital.
4. The hospital subsequently billed Claimant for approximately \$5,000 for the performance of the unspecified medical procedure.
5. Claimant submitted the medical bill to DHS in 11/2008.

6. The medical bill was not appropriately forwarded to Claimant's specialist and DHS took no action on the medical bill.
7. Claimant resubmitted the medical bill in 10/2009.
8. The medical bill was again not appropriately forwarded to Claimant's specialist and DHS took no action on the medical bill.
9. Claimant requested a hearing on 11/2/09 objecting to the failure by DHS to apply Claimant's submitted medical bill toward his deductible amount

### **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 (formerly known as the Family Independence Agency) 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 Reference Tables Manual (RFT).

MA provides medical assistance to individuals and families who meet financial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who otherwise would not have financial resources to purchase them.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. BEM 545 at 9. The client must report medical expenses by the last day of the third month following the month in which the group wants MA coverage. *Id.*

In the present case, for benefit month 9/2008, Claimant's spouse was eligible for Medicaid subject to a \$952/month deductible. Claimant's spouse contended that he mailed a medical bill to DHS in 11/2008. He also testified that the bill was for a medical expense from the prior three months, presumably 9/2008. It was further testified that he resubmitted the bill in 10/2009 after not hearing from DHS in the prior eleven months.

Claimant's spouse was unable to submit the medical bill in issue at the hearing because he says he already submitted the original bill to DHS. Claimant's spouse was also

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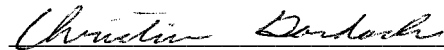
asked why he took eleven months before resubmitting the bill after his alleged submission in 11/2008; he responded that he made numerous attempts to contact DHS about the processing of the medical bill but to no avail.

The DHS specialist contended that DHS did not receive any medical bills from Claimant in 2008 or 2009. Based on the testimony of both parties, the DHS contention is very believable. Though DHS did not concede that Claimant submitted the medical bill timely, DHS generously agreed to process the medical bill toward Claimant's deductible if Claimant submitted the bill by 10/31/10. The below order reflects this settlement.

**DECISION AND ORDER**

The actions taken by DHS are REVERSED. The Administrative Law Judge, based upon the above findings of fact and agreement of the parties, finds that DHS failed to properly process Claimant's medical bill toward his deductible. It is ordered that Claimant shall submit the medical bill to DHS by 10/31/10 and if Claimant timely submits the bill, DHS shall consider the medical bill to have been submitted in 11/2008. DHS shall process the medical bill toward Claimant's deductible in accordance with their policies.

/s/



Christian Gardocki  
Administrative Law Judge  
For Ismael Ahmed, Director  
Department of Human Services

Date Signed: September 22, 2010

Date Mailed: September 22, 2010

**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.

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