STATE OF MICHIGAN

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

IN THE MATTER OF:

Reg. No. 201117785 Issue No. 2017

Case No.

Hearing Date: March 9, 2011

Wayne County DHS (57)

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 c laimant's request for a hearing. After due notice, a telephone hearing was held on Marc h 9, 2011. The claimant appeared and testified. On behalf of Department of Hum an Services (DHS), appeared and testified.

ISSUE

Whether Claimant suffered any lapse in M SP eligibility due to an improper termination by DHS.

FINDINGS OF FACT

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

- Claimant was an ongoing MSP recipient.
- Claimant received \$983/month in gros s Retirement, Survivors, Disability, Insurance (RSDI) income.
- 3. On 12/17/10, DHS mailed Claimant a Noti ce of Cas e Action informing Claim ant that her MSP eligibility was terminated effective 12/31/10 due to a failur e to submit a Redetermination.
- 4. On 2/19/11, DHS mailed Claimant a Notice of Case Action informing Cla imant that she was eligible for MSP benefits effective 1/1/11.
- 5. On 1/27/11, Claimant r equested a hearing dis puting the termination of MSP and Food Assistance Program (FAP) benefits.

2 201117785/CG

6. Claimant testified that she did not intend to disput e any issue concerning her FAP benefits.

7. Claimant's 3/2011 RSDI income was reduced by \$110 to pay for Claimant's Part B Medicare premium.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is estab lished by Title XIX of the Social Sec urity Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (formerly kn own as the Family Independence Agency) administers the MA program pursuant to MCL 400.10, *et seq.*, and MC L 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 indi viduals and families who meet fi nancial and nonfinancial eligibility factors. The goal of the MA program is to ensure that essential health care services are made available to those who other wise would not have financial resources to purchase them. MSP is part of the MA benefit program.

MSP programs offer three different degree s of assistance with payment toward a client's Medicare premium and deductibles. Qualified Medicar e Benefic iaries (QMB) coverage pays for a client's Medicare premiums, deductibles and c oinsurances. Specified Low Income Benefic iaries (SLMB) coverage pays for a client's Medicare Part B premium. Additional Low Income Beneficiari es (ALMB) coverage pays for a client's Medicare Part B premium if DHS funding is available.

In the present case, DHS initially terminated Claimant's MSP benefits effective 12/31/10 due to Claimant's alleged fa ilure to submit a Redetermination. It does not matter whether the DHS decision was correct because DHS subs equently found Claim ant eligible for MSP benefits beginning 1/1/11 which would have resulted in no la pse of MSP coverage.

Though DHS approv ed Claimant's MSP benefits so that Claimant should not hav e suffered a lapse in coverage, Claimant's RSDI pay ment for 3/2011 was reduced by \$110 to cover Claim ant's Medicare premium. DHS indicated that they can control whether Claimant is or is not eligible for MSP benefits but cannot control when Social Security Administration processes the MSP so that Claim ant's RSDI payments are not reduced. The undersigned could not find any DHS regulations advising of a typical timeline for MSP eligibility to be effective but DHS stated that in their experience it may take a couple of months before Claimant begins receiving her full RSDI amount. DHS also indicated that around the time Claimant receives her full RSDI, Claim ant will also receive a lump sum for the premiums that were improperly deducted.

From Claimant's perspective, she underst andably wants to be reimbursed for her reduced 3/ 2011 RSDI benefit and for her future RSDI benefits to not be reduced. Claimant is entitled to both of these things. However, as DHS corrected their improper MSP termination, there is nothing more that DHS can do to ass ist Claimant. Therefore,

3 201117785/CG

the undersigned is inc lined to dismiss Claim ant's hearing request. It is expected that Claimant will be reim bursed for any reduce d RSDI be nefits. Claimant may request a hearing on a future date if she is not properly reimbursed for the reduced RSDI benefits.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusion sof law, finds that DHS corrected Claimant's MSP eligibility so that Claimant should have no lapse in MSP cover age. As Claimant suffered no lapse in MSP eligibility there is no adverse action to Claimant's benefits. Accordingly, Claimant's hearing request is DISMISSED.

Christian Gardocki
Administrative Law Judge
For Maura Corrigan, Director
Department of Human Services

Date Signed: 03/16/11

Date Mailed: 03/18/11

NOTICE: Administrative Hearings may or der 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 Hear ings will not orde rarehearing 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 ti mely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

CG/dj

CC:

