# STATE OF MICHIGAN MICHIGAN ADMINISTRATIVE HEARING SYSTEM ADMINISTRATIVE HEARINGS FOR THE DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF:

Reg. No.: 2011-35238

Issue No.: <u>2013</u>

Case No.:

Hearing Date: July 6, 2011
DHS County: Oakland (63-02)



ADMINISTRATIVE LAW JUDGE: Andrea J. Bradley

## **HEARING DECISION**

This matter is before the undersigned Administrative Law Judge upon the Claimant's request for a hearing made pursuant to Michigan Compiled Laws 400.9 and 400.37, which govern the administrative hearing and appeal process. After due notice, a telephone hearing was conducted from Detroit, Michigan, on Wednesday, July 6, 2011. The Claimant appeared and testified.

appeared on behalf of the Department of Human Services (Department).

## <u>ISSUE</u>

Whether the Department properly terminated the Claimant's Medical Assistance (MA) application.

#### FINDINGS OF FACT

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

- On October 10, 2010, the Department approved the Claimant for MA benefits under a disability program with no medical review team process.
- 2. On April 4, 2011, the Claimant was scheduled for a telephone redetermination interview at 3:15 p.m. with the Department.
- 3. At the time of her redetermination interview, the Claimant did not indicate that she had any disabilities.
- 4. At the time of her redetermination for MA benefits, the Claimant did not indicate that she had any dependant children in the home.

- 5. The Department considered the Claimant for eligibility under various MA programs, including the Adult Medical Program (AMP).
- 6. There was an open enrollment period for AMP from October 1, 2010, through November 30, 2010.
- 7. At the time of the Claimant's redetermination, an enrollment freeze was in effect for the AMP program.
- 8. On April 11, 2011, the Department notified the Claimant that her MA was terminated because the MA case was originally approved in error and that the Claimant was not currently eligible for any MA programs.
- 9. On May 2, 2011, the Department received the Claimant's timely written request for hearing.

#### **CONCLUSIONS OF LAW**

The MA program is established by the Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department (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 Table Manual (RFT).

AMP is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department pursuant to MCL 400.10 *et seq.* Department policies are contained in BAM, BEM, and RFT.

In this case, Claimant was approved for MA benefits on October 10, 2010, without her case being submitted for the medical review team process. The Department testified that the original application was erroneously approved. At the time of her original application and redetermination interview, the Claimant was working, was under 65 years old, was not disabled, had no minor children in the home, and was not a caretaker.

At the time the Claimant applied for MA, the AMP had an open enrollment period. (See L Letter L-10-115.) Although the Claimant was not eligible for MA-P benefits at the time of her original application, AMP benefits were appropriate. Through no fault of her own, Claimant received MA coverage for a period of six months, when she should have received medical benefits under the AMP program. There is no dispute that the Department erred by approving the Claimant's October application for MA benefits

based on a disability, and it was not until redetermination that the Department discovered its error.

The Department testified that, at redetermination, it considered the Claimant for eligibility under various MA programs, including AMP. The Department further testified that, in April, Claimant was ineligible for AMP benefits because a program freeze was in effect. But, the Department failed to consider that the AMP program was, indeed, open at the time of the Claimant's original application, and had she been found otherwise eligible for that program, she should have continued to be considered for AMP benefits at the April redetermination. Therefore, the Department incorrectly determined that the Claimant was not eligible for AMP benefits.

In short, the Claimant was (and still is) only eligible for AMP benefits. The Claimant timely applied for medical benefits during an AMP open enrollment period. Accordingly, the Department had the ability to consider, and should have considered, the Claimant's original application under the AMP eligibility requirements. Under this scenario, the Department failed to establish it acted in accordance with Department policy when it terminated the Claimant's MA benefits. Accordingly, the Department's denial of Claimant's medical benefits is REVERSED.

## **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's termination of the Claimant's MA application is not upheld.

Accordingly, it is Ordered:

- 1. The Department's termination of the Claimant's MA benefits is REVERSED.
- 2. The Department shall re-process the Claimant's original application for MA benefits under the AMP program in accordance with Department policy.

- 3. The Department shall notify the Claimant in writing of the determination in accordance with Department policy.
- 4. The Department shall supplement the Claimant for any lost benefits she was otherwise eligible and qualified to receive from May 1, 2011, to the present in accordance with Department policy.

Andrea J. Bradley
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 21, 2011

Date Mailed: July 21, 2011

**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.

# AJB/pf

