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

IN THE MATTER OF:

Reg. No: 201146444

Issue No: 2026

Case No:

Hearing Date: September 15, 2011

Ingham County DHS



ADMINISTRATIVE LAW JUDGE: Corey A. Arendt

### **HEARING DECISION**

This matter is before me 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 15, 2011. Hearing Representative and witness appeared on behalf of the Claimant.

and appeared on behalf of the Department.

## <u>ISSUE</u>

Whether the Department properly excluded a June 15, 2011 bill from being billed to Medicaid?

### FINDINGS OF FACT

I find as material fact, based upon the competent, material and substantial evidence on the whole record:

- 1. At all times pertinent to this hearing, the Claimant had Medical Assistance (MA) coverage.
- On or around June 17, 2010, the Claimant met her MA deductable.
- 3. On June 15, 2010 and June 19, 2010, the Claimant received treatment from a hospital. (Department Exhibits D, E).
- 4. On August 24, 2010, L&S submitted the Claimant's bills from June 15, 2010 and June 19, 2010 to a Department Worker (MARA worker).
- 5. On December 29, 2010, L&S submitted a letter to the Department. The letter indicated L&S had submitted the Claimant's bills from June 15, 2010 and June 19, 2010 and was asking if the Department needed additional information to put coverage on with the Patient Pay amount. (Department Exhibit H, I).

- 6. On February 11, 2011, the Department contacted L&S and indicated the Claimant's deductable had already been met on June 17, 2010, therefore the June 19, 2010 medical expense could be billed to Medicaid. The Department also indicated the June 15, 2011 medical expense was not submitted timely and could not be used to meet the deductable within the month of that service.
- 7. On July 12, 2011, L&S on behalf of the Claimant requested a hearing to prompt the Ingham County Department of Human Services to enter correct Medicaid coverage for the Claimant.

## **CONCLUSIONS OF LAW**

The client has the right to request a hearing for any action, failure to act or undue delay by the department. BAM 105. The department provides an administrative hearing to review the decision and determine its appropriateness. BAM 600.

The regulations that govern the hearing and appeal process for applicants and recipients of public assistance in Michigan are contained in the Michigan Administrative Code (Mich Admin Code) Rules 400.901 through 400.951. An opportunity for a hearing shall be granted to a recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. Mich Admin Code 400.903(1).

The MA program was established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies for the MA programs are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Bridges Reference Manual (BRM), and the Reference Tables Manual (RFT).

The MA program is also referred to as Medicaid. BEM 105. The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. BEM 105. The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. BEM 105. Another category is SSI recipients. BEM 105. There are several other categories for persons not receiving FIP or SSI. BEM 105. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. BEM 105. Therefore, these categories are referred to as either FIP-related or SSI-related. BEM 105.

Periods of MA coverage are added each time the group meets its deductible. BEM 545. Each calendar month is a separate deductible period. BEM 545. The first deductible period:

- Cannot be earlier than the processing month for applicants.
- Is the month following the month for which MA coverage is authorized for recipients. BEM 545.

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According to policy, the fiscal group's monthly excess income is called a deductible amount. BEM 545. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. BEM 545.

The group must report expenses by the last day of the third month following the month in which the group wants MA coverage. BEM 545. Department policy BAM 130 explains verification and timeliness standards. BEM 545.

Here, the Claimant's representatives provided credible and unrebutted testimony indicating they submitted to the Department the Claimant's June 15, 2010 medical receipts in a timely manner.

Therefore, based on material, competent and substantial evidence, I find the Department improperly entered the Claimant's Medicaid coverage in the system.

# **DECISION AND ORDER**

Based upon the above findings of fact and conclusions of law, I have decided the department did not act in accordance with policy in determining the claimant's MA coverage.

The Department's is ordered to initiate a redetermination of the Claimant's MA coverage beginning June 15, 2010.

It is SO ORDERED.

/s/
Corey A. Arendt
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: September 16, 2011

Date Mailed: September 19, 2011

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**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 60 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt 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.

#### CAA/cr

CC:

