

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

**IN THE MATTER OF:**



Reg. No.: 2011-43370  
Issue No.: 2009  
Case No.: [REDACTED]  
Hearing Date: March 29, 2012  
County: Delta

**ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong**

**HEARING DECISION**

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 following Claimant's request for a hearing. After due notice, a telephone hearing was held on March 29, 2012, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of Department of Human Services (Department) included [REDACTED].

**ISSUE**

Did the Department properly deny Claimant's request for Retro-Medicaid?

**FINDINGS OF FACT**

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

1. On May 26, 2011, a hearing was held in this case on this issue wherein the Administrative Law Judge (ALJ) found Claimant's hearing request was untimely.
2. Claimant's timely request for a Rehearing was filed on July 11, 2011. After a review, Claimant's request for a Rehearing was granted because the ALJ erred in finding the hearing request was untimely during the May 26, 2011 hearing.
3. Claimant filed an application for Medicaid on July 15, 2011.

4. The department processed the MA application on August 12, 2010, and mailed Claimant a DHS-3503 Verification Checklist on August 12, 2010, with a due date of August 23, 2010.
5. On August 17, 2010, Claimant received the Verification Checklist, and contacted the life insurance company and requested the life insurance policy be irrevocably assigned to the funeral home.
6. On August 24, 2010, the life insurance company wrote Claimant explaining they received the inquiry regarding surrendering the life insurance policy and needed a written request. (Department Exhibit 2).
7. On August 30, 2010, Claimant faxed a written request to the insurance company to surrender the life insurance policy. (Department Exhibit 4).
8. On September 14, 2010, the life insurance company processed the cash surrender of Claimant's life insurance policy. (Department Exhibit 8).
9. On September 21, 2010, the department received a copy of the cash surrender of Claimant's life insurance policy.
10. Claimant was approved for MA beginning October 1, 2010.

### **CONCLUSIONS OF LAW**

The Medical Assistance (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 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 contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), and the Reference Tables Manual (RFT).

Claimant is requesting Retro-MA be approved for the months of July, August and September, based not only on the approval of MA beginning October 1, 2010, but on the date of their original application of July 15, 2010.

During the course of the lengthy hearing, the department admitted that policy dictates the department has 10 days to process an MA application, which admittedly they did not. Claimant argues that had the department followed their own policy and processed the application timely, Claimant would have received MA coverage beginning in July 2010. In addition, when the department was asked if the family surrendered the insurance policy in August, the department said that was correct, but that the department could not process the surrender until they received the explanation of clam benefits from the insurance company on September 21, 2010, which once input into Bridges, approved Claimant's MA beginning October 1, 2010.

Based on the department's initial delay in processing Claimant's MA July 15, 2010, this Administrative Law Judge finds the department improperly denied Claimant's Retro-MA to July 2010.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the department erred in determining Claimant was not eligible for Retro-MA according to departmental policy.

Accordingly, the department's action is REVERSED, and this case is returned to the local office to determine whether Claimant met all of the other financial and non-financial eligibility factors necessary to qualify for Retro-MA during the months of July 2010, August 2010, and September 2010.

It is SO ORDERED.

/s/ \_\_\_\_\_  
Vicki L. Armstrong  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: 4/3/12

Date Mailed: 4/3/12

**NOTICE:** Michigan Administrative Hearing System (MAHS) 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. MAHS 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.

VLA/ds

