

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No. 201117785  
Issue No. 2017  
Case No. [REDACTED]  
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 claimant's request for a hearing. After due notice, a telephone hearing was held on March 9, 2011. The claimant appeared and testified. On behalf of Department of Human Services (DHS), [REDACTED], and [REDACTED] appeared and testified.

**ISSUE**

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

**FINDINGS OF FACT**

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

1. Claimant was an ongoing MSP recipient.
2. Claimant received \$983/month in gross Retirement, Survivors, Disability, Insurance (RSDI) income.
3. On 12/17/10, DHS mailed Claimant a Notice of Case Action informing Claimant that her MSP eligibility was terminated effective 12/31/10 due to a failure to submit a Redetermination.
4. On 2/19/11, DHS mailed Claimant a Notice of Case Action informing Claimant that she was eligible for MSP benefits effective 1/1/11.
5. On 1/27/11, Claimant requested a hearing disputing the termination of MSP and Food Assistance Program (FAP) benefits.

6. Claimant testified that she did not intend to dispute 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 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 the financial resources to purchase them. MSP is part of the MA benefit program.

MSP programs offer three different degrees of assistance with payment toward a client's Medicare premium and deductibles. Qualified Medicare Beneficiaries (QMB) coverage pays for a client's Medicare premiums, deductibles and coinsurances. Specified Low Income Beneficiaries (SLMB) coverage pays for a client's Medicare Part B premium. Additional Low Income Beneficiaries (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 failure to submit a Redetermination. It does not matter whether the DHS decision was correct because DHS subsequently found Claimant eligible for MSP benefits beginning 1/1/11 which would have resulted in no lapse of MSP coverage.

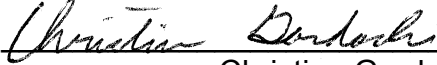
Though DHS approved Claimant's MSP benefits so that Claimant should not have suffered a lapse in coverage, Claimant's RSDI payment for 3/2011 was reduced by \$110 to cover Claimant's Medicare premium. DHS indicated that they can control whether Claimant is or is not eligible for MSP benefits but cannot control when Social Security Administration processes the MSP so that Claimant'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, Claimant will also receive a lump sum for the premiums that were improperly deducted.

From Claimant's perspective, she understandably 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 assist Claimant. Therefore,

the undersigned is inclined to dismiss Claimant's hearing request. It is expected that Claimant will be reimbursed for any reduced RSDI benefits. 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 conclusions of law, finds that DHS corrected Claimant's MSP eligibility so that Claimant should have no lapse in MSP coverage. 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 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.

CG/dj

cc:

