

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.: 2011-9937
Issue No.: 2026
Case No.: [REDACTED]
Hearing Date: January 27, 2011
Wayne County DHS (41)

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 January 27, 2011. [REDACTED] of [REDACTED], [REDACTED] ([REDACTED]) appeared and testified as Claimant's authorized hearing representative (AHR). On behalf of Department of Human Services (DHS), [REDACTED], Manager, appeared and testified.

ISSUE

Whether DHS timely processed Claimant's submitted medical bills toward Claimant's already calculated 10/2009 Medicaid deductible.

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 an unspecified date, DHS determined that Claimant is eligible for Medicaid subject to a \$773/month deductible.
2. On an unspecified date, medical bills from 10/2009 were timely submitted to DHS which were intended to be applied toward Claimant's 10/2009 MA deductible.
3. As of 1/27/11, DHS has still failed to process the 10/2009 medical bills due to technical issues and is awaiting assistance from the help desk to resolve the technical issues.
4. On 11/24/10, Claimant's AHR requested a hearing disputing the failure by DHS to apply the 10/2009 medical bills toward Claimant's deductible.

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 financial resources to purchase them.

A recipient with excess income for ongoing Medicaid may still be eligible for Medicaid under the deductible program. Clients with a Medicaid deductible may receive Medicaid if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. The fiscal group's monthly excess income is called the deductible amount. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month. BEM 545 at 9. The client must report medical expenses by the last day of the third month following the month in which the group wants MA coverage. *Id.*

The present case presented no disputed facts. Both parties agreed that DHS is required to process previously submitted medical bills to meet Claimant's 10/2009 deductible of \$773. DHS testified that technical issues are causing delay to the processing of Claimant's medical bills.

The undersigned was unable to locate a specific standard of promptness for the processing of medical bills. The best timeframe provided by DHS regulations states that specialists must act on a change reported by means other than a tape match within 15 workdays after they are aware of the change. BAM 220 at 5.

Documents submitted with the case file indicate that medical bills were submitted no later than 6/30/10. As of 1/27/10, DHS conceded that Claimant's medical bills have not yet been processed. It is found that DHS exceeded the time permitted by their policies to process Claimant's medical bills and that Claimant is entitled to a remedy to expedite this processing.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS exceeded their standard of promptness to process Claimant's medical bills toward a 10/2009 Medicaid deductible. It is ordered that DHS shall process Claimant's previously submitted medical bills. The actions taken by DHS are REVERSED.

Christian Gardocki

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

Date Signed: 1/31/2011

Date Mailed: 1/31/2011

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.

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