

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201236607  
Issue No.: 2000  
Case No.: [REDACTED]  
Hearing Date: August 2, 2012  
County: Wayne DHS (31)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**SETTLEMENT ORDER**

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 August 2, 2012, from Detroit, Michigan. [REDACTED]

[REDACTED] appeared as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Specialist. It should be noted that an in-person hearing was originally requested by Claimant's AHR. Claimant's AHR agreed to waive the in-person request on the record.

**ISSUE**

The issue is whether DHS properly failed to process Claimant's eligibility for Medical Assistance (MA) benefits for 8/2009.

**FINDINGS OF FACT**

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

1. On 9/16/09, Claimant applied for MA benefits including retroactive MA benefits for 8/2009.
2. DHS subsequently denied Claimant's MA benefit eligibility leading Claimant to request an administrative hearing.
3. At an administrative hearing dated 10/19/11, DHS agreed to process Claimant's eligibility for MA benefits from 9/2009 including retroactive MA benefit eligibility for 8/2009.

4. A Settlement Order dated 11/1/11 ordered DHS to process Claimant's MA benefit eligibility for 9/2009 including retroactive MA benefits from 8/2009.
5. DHS has yet to process Claimant's 8/2009 MA benefit eligibility.
6. On 2/21/12, Claimant's AHR requested a hearing to dispute the failure of DHS to process Claimant's 8/2009 MA benefit eligibility.

### **CONCLUSIONS OF LAW**

Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Reference Tables Manual (RFT), and the State Emergency Relief Manual (ERM).

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.

The law provides that disposition may be made of a contested case by stipulation or agreed settlement. MCL 24.278(2). In the present case, Claimant requested a hearing to dispute a failure by DHS to process payments for medical expenses incurred in 8/2009. It was not disputed that Claimant was eligible for payment of the medical expenses per a previous administrative hearing order dated 11/1/11. Despite the previous order, DHS has yet to process any payments for Claimant's medical expenses from 8/2009.

Typically, authorizing medical expenses for MA benefit eligibility requires DHS to only approve a client for MA benefits for a given month on their database. The payment of medical expenses is more complicated when the approval occurs more than 12 months following a benefit month.

Generally, medical billings should be submitted within 12 months from the date of service. BAM 402 at 8. Exceptions to the 12 month deadline are allowed in various circumstances such as DHS delay and administrative decisions. *Id.* For cases when an exception is merited, DHS specialists are to complete an MSA-1038, Request for Exception to the Twelve Month Billing Limitation For Medical Services to begin the exception process. *Id.*

DHS noted that Claimant's MA eligibility was approved for 8/2009, but no medical expenses can be paid because DHS has not started the exceptions procedure. Soon after commencement of the hearing, the parties testified that they had reached a settlement concerning the disputed action. Consequently, DHS agreed to complete the MSA-1038 so that the exceptions procedure can begin. Claimant's AHR agreed to the

DHS proposal. As the agreement appears to comply with DHS regulations, the settlement among the parties shall be accepted.

**DECISION AND ORDER**

The Administrative Law Judge concludes that the Department and Claimant have come to a settlement regarding Claimant's request for a hearing.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING:

- complete the MSA-1038 so that Claimant's incurred medical expenses from 8/2009 are eligible for DHS payment.



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

Date Signed: August 3, 2012

Date Mailed: August 3, 2012

**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. (60 days for FAP cases).

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.

CG / hw

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