

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 201313107  
Issue No.: 2017; 2026  
Case No.: [REDACTED]  
Hearing Date: January 31, 2013  
County: Wayne (19)

**ADMINISTRATIVE LAW JUDGE:** Alice C. Elkin

**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 January 31, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Assistance Payment Supervisor.

**ISSUE**

Did the Department properly close Claimant's Medicare Savings Program (MSP) case?

Did the Department properly provide Claimant with Medical Assistance (MA) coverage effective November 1, 2012, with a monthly deductible of \$792?

**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 recipient of MA and MSP benefits.
2. On July 20, 2012, the Department closed Claimant's MA case.
3. On October 20, 2012, the Department sent Claimant a Notice of case Action closing her MSP case effective November 1, 2012, based on Claimant's failure to return a completed redetermination.

4. On November 21, 2012, Claimant reapplied for MSP and MA benefits.
5. On an unverified date, the Department approved Claimant for MSP and MA benefits for November 1, 2012, ongoing.
6. On November 26, 2012, Claimant filed a request for hearing disputing the Department's actions.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 42 USC 601, *et seq.* The Department (formerly known as the Family Independence Agency) administers FIP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3101 through R 400.3131. FIP replaced the Aid to Dependent Children (ADC) program effective October 1, 1996.

The Food Assistance Program (FAP) [formerly known as the Food Stamp (FS) program] is established by the Food Stamp Act of 1977, as amended, and is implemented by the federal regulations contained in Title 7 of the Code of Federal Regulations (CFR). The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3001 through R 400.3015.

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 Adult Medical Program (AMP) is established by 42 USC 1315, and is administered by the Department pursuant to MCL 400.10, *et seq.*

The State Disability Assistance (SDA) program, which provides financial assistance for disabled persons, is established by 2004 PA 344. The Department of Human Services (formerly known as the Family Independence Agency) administers the SDA program pursuant to MCL 400.10, *et seq.*, and Mich Admin Code, R 400.3151 through R 400.3180.

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, the Child Care and Development Block Grant of 1990, and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

The program is implemented by Title 45 of the Code of Federal Regulations, Parts 98 and 99. The Department provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001 through R 400.5015.

When the hearing commenced, Claimant stated that she was satisfied with the Department's actions concerning her Food Assistance Program (FAP) benefits and was only concerned regarding her MSP and MA cases.

#### MSP Benefits

Claimant received MSP benefits for Additional Low-Income Medicare Beneficiaries (ALMB), which pays for a client's Medicare Part B premiums if the Department of Community Health determines that funding is available. BEM 165 (October 1, 2010), pp 1-2. Although Claimant's case initially closed on November 1, 2012, based on Claimant's failure to complete a redetermination, Claimant reapplied for MSP benefits on November 21, 2012, and the Department presented evidence that her application was approved for MSP-ALMB coverage as of November 1, 2012, which is consistent with Department policy. See BEM 165, p 3. Because the Department provided Claimant with ongoing, uninterrupted MSP-ALMB benefits, Claimant was not aggrieved by the Department's action concerning her MSP-ALMB benefits. (See Michigan Administrative Code R 400.903(1)).

#### MA Case

Claimant did not clearly identify the reason she requested a hearing in her November 26, 2012 request for hearing. The Request for Hearing referenced an October 20, 2012 Notice of Case Action. Although the Department did not include a copy of the Notice in the hearing file, it appears that the Notice only concerned Claimant's MSP case. However, in its hearing summary, the Department referenced the fact that Claimant's MA closed in July 2012. The eligibility summary presented by the Department shows that Claimant's MA case closed effective August 1, 2012, with Department action taken on July 20, 2012. Because a client must request a hearing concerning a Department action within 90 days of the date the Department notified the client of the action, Claimant's November 26, 2012 request for hearing was untimely to the extent it concerned the Department's closure of her MA case effective August 1, 2012. (See BAM 600 (January 1, 2013), p 4).

At the hearing, Claimant testified that she was concerned about her MA deductible. According to the Department, Claimant reapplied for MA on November 21, 2012, and was approved. Because the Department did not know when the Notice approving the application was sent, it was unclear if Claimant was notified of her deductible amount prior to her November 26, 2012 Request for Hearing. Because the Department failed to present any budget showing the calculation of Claimant's MA deductible, the Department failed to satisfy its burden of showing that it determined Claimant's MA eligibility in accordance with Department policy.


**DECISION AND ORDER**

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department  did act properly when it provided Claimant with ongoing MSP coverage.  did not act properly when it failed to satisfy its burden of showing that it determined Claimant's MA deductible in accordance with Department policy.

Accordingly, for the reasons stated on the record and above, the Department's decision is  AFFIRMED  REVERSED  AFFIRMED IN PART with respect to Claimant's MSP coverage AND REVERSED IN PART with respect to calculation of Claimant's MA deductible.

THE DEPARTMENT IS ORDERED TO DO THE FOLLOWING WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Begin recalculating Claimant's MA deductible, if any, as of November 1, 2012, ongoing; and
2. Notify Claimant in writing of its decision in accordance with Department policy.

  
**Alice C. Elkin**  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: February 5, 2013

Date Mailed: February 5, 2013

**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.

Claimant may request a rehearing or reconsideration for the following reasons:

- A rehearing **MAY** be granted if there is newly discovered evidence that could affect the outcome of the original hearing decision.
- A reconsideration **MAY** be granted for any of the following reasons:
  - misapplication of manual policy or law in the hearing decision,

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- typographical errors, mathematical error, or other obvious errors in the hearing decision that effect the substantial rights of the claimant:
- the failure of the ALJ to address other relevant issues in the hearing decision.

Request must be submitted through the local DHS office or directly to MAHS by mail at  
Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P. O. Box 30639  
Lansing, Michigan 48909-07322

ACE/hw

cc:

