

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-6794
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: April 17, 2013
County: Oakland (63-02)

ADMINISTRATIVE LAW JUDGE: Jonathan W. Owens

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, an in-person hearing was held on April 17, 2013, in Madison Heights, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly process Claimant's request for Medical Assistance (MA)?

FINDINGS OF FACT

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

1. The Department agreed previously to process an old bill and consider coverage for September 2010.
2. On October 15, 2012, Claimant filed a hearing request to prompt processing of a spend-down request for the month of October 1, 2010.
3. On [REDACTED], a facility admission notice was processed on behalf of Claimant.
4. On March 19, 2012, the Department sent
 Claimant Claimant's Authorized Representative (AR)
notice of the denial. closure.

CONCLUSIONS OF LAW

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

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.

In the instant case, Claimant's representative submitted a hospital bill for the months of [REDACTED]. The Department issued a notice of case action on [REDACTED] regarding benefits being activated for the month of [REDACTED]. Claimant's representative filed a hearing request to prompt the Department to process the request for activation of a spend down for the month of [REDACTED].

At hearing, the Department presented the basis for not considering the bill submitted for the [REDACTED] spend-down was based upon a business practice. The Department was unable to cite a specific policy or law upon which to base their decision. The Department representative presented an email response from the policy office regarding the situation. The Department sent the following to the policy office:

"Need the policy for this in living arrangement and facility Job Aide. The facility page is used to determine the dates the facility can bill. Facility cannot bill for date of discharge per policy. I have a hearing and the client was discharged from the hospital 10-1. I entered that as At Home and 9/30 as out of facility. IMN says the hospital has medical bills for 10-1. They now want a hearing. I looked could not find that in policy." Department Exhibit 1, p. 6.

The policy office response was as follows:

"This is a gray area not exactly provided in BEM and BAM. It is a Business Process." Department Exhibit 1, p. 6.

The Department cites a Living Arrangement and Facility Screens Job Aide created/updated on April 26, 2011, as the basis for the business process being applied. Relevant policy regarding a claimant's hospital stay is as follows:

Inpatient Hospital

Determine each qualified fiscal group member's allowable hospital expenses for the month.

- If expenses incurred by **one qualified fiscal group member** for one admission **equal or exceed** the excess income, income eligibility exists for the entire month.

Enter the excess income on CIMS as a hospital patient-pay amount for that member for the month tested. See BEM 547 for details.

- If this is a **past** month, stop.
- If this is the **processing** month, income eligibility does not exist beyond this month. The group has or continues to have a deductible. Go to “deductible.”
- If expenses incurred by **one qualified fiscal group member** for one admission are **less** than the excess income, go to 5.

BEM 545 (September 2010), p. 3.

The Department has the burden to demonstrate the actions taken were completed in accordance with policy/law. In the instant case, the Department has failed to supply policy/law in place for [REDACTED]. Instead, the Department attempts to rely on a Business Process created or updated after the timeframe in question.

After reviewing the evidence submitted, this Administrative Law Judge finds the Department failed to process the bill submitted for the month of [REDACTED] in accordance with 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. did not act properly.

Accordingly, the Department’s AMP FIP FAP MA SDA CDC decision is AFFIRMED REVERSED for the reasons stated on the record.

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

1. Process Claimant’s request for MA benefits for the month of [REDACTED] in accordance with policy;

2. Issue a written determination.


Jonathan W. Owens
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 6, 2013

Date Mailed: May 6, 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,
 - typographical errors, mathematical error, or other obvious errors in the hearing decision that affect the substantial rights of the claimant:
 - 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

JWO/pf

cc:

