

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-43627
Issue No.: 4011
Case No.: [REDACTED]
Hearing Date: June 26, 2013
County: Wayne (82-82)

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 June 26, 2013, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]

[REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED]

ISSUE

Did the Department fail to process Claimant's January 4, 2013, application for State Disability Assistance (SDA) benefits, including cash assistance provider and Title XIX payments to the AHR?

FINDINGS OF FACT

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

1. Between December 28, 2012, and June 3, 2013, Claimant resided at an adult foster care (AFC) facility owned by the AHR.
2. On January 4, 2013, Claimant's AHR filed a filing form for Claimant which indicated that Claimant was filing an application for cash assistance and Food Assistance Program (FAP) benefits.

3. On January 4, 2013, Claimant filed an application for Medical Assistance (MA) and Food Assistance Program (FAP) benefits.
4. After being advised that the Department did not have the January 4, 2013, application, Claimant filed a February 21, 2013, application for cash assistance, MA and FAP.
5. The Department approved Claimant's February 21, 2013, application, granting Claimant MA coverage from February 1, 2013, and continued his monthly \$200 FAP benefits with the AHR as his authorized representative. The Department also approved Claimant's cash assistance application and authorized provider payments to the AHR.
6. On May 10, 2013, Claimant filed a request a hearing, appointing the AHR as his authorized hearing representative.

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 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.

At the hearing, the AHR clarified that the hearing was requested regarding the Department's failure to provide her, as Claimant's AFC provider, with provider payments and Title XIX payments she alleged she was eligible to receive from December 28, 2012, ongoing.

An AFC facility providing domiciliary or personal care to a resident is eligible for special living arrangement (SLA) provider payments when the AFC resident receives SDA. BAM 430 (October 2012), p. 1. Provider payments go directly to the provider. BAM 430, p. 1. In order for the SLA facility to be eligible for provider payments, the following conditions must be satisfied: (i) the SLA facility must be enrolled as a provider, (ii) there is an active SDA case **or** SDA was active for the period being authorized, **and** (iii) the SDA/SLA provider has an active assignment on the eligible SDA case. BAM 430, p. 1. After the case is opened, the Department authorizes the SDA/SLA provider to bill for provider payments for the time period the client is in that provider's facility, provided that (i) the Department's system shows either that SDA is currently active or that it was active for the period being authorized, (ii) the authorization begin date is no more than 10 days prior to the date of application (registration), and (iii) the authorization end date is within the previous or next 12 months. BAM 430, pp. 1-2.

At issue in this case is the begin date of the provider's authorization. The AHR testified that Claimant filed an application on January 4, 2013, that the Department misplaced, and contends that approval of this application would allow the provider payment authorization begin date to be December 28, 2012, when Claimant entered her AFC facility. Instead, the Department processed the subsequent application Claimant filed on February 21, 2013, after she was informed that the Department could not locate the January 4, 2013, application. The AHR testified that, as a result, she had not been authorized for provider payments prior to March 16, 2013.

At the hearing, the Department testified that after processing Claimant's February 21, 2013, SDA application, it located Claimant's January 4, 2013, application. The Department testified that it did not process the application for SDA benefits, including provider payments, because the application only requested FAP and MA for Claimant. A copy of the January 4, 2013, application shows that Claimant did not request cash assistance as a Department program benefit being sought. Exhibit 1, pp. A, C. However, the AHR signed and filed a filing form for Claimant on January 4, 2013, the same day that the application was filed, that stated that Claimant was applying for FAP and cash assistance. Exhibit 2. An application or filing form with the minimum information must be registered on the Department's system unless the client is already active for that program. BAM 110 (January 2013), p. 6. Because the Department was on notice through the filing form of Claimant's intent to apply for cash assistance, the Department did not act in accordance with Department policy when it failed to request that Claimant complete the application to identify cash assistance as a requested program and to process the application for SDA and provider payment eligibility. See BAM 115 (January 2013), pp. 4-5 (requiring the Department to allow a client to complete an incomplete application and to retain the original registration date regardless of how or when the application becomes complete). The Department must determine eligibility and benefit amounts for all requested programs. BAM 105 (November 2012), p. 11. In this case, the Department did not act in accordance with Department policy when it did not seek to have the January 4, 2013, application completed and when it failed to process the completed application.

At the hearing, the AHR was also concerned because the application was not processed for Title XIX payments. The Department testified that a client requesting provider payments may also be eligible for Title XIX payments if a referral from the Oakman District or a community organization identified the client's level of care. The Department further testified that, if a referral is not received but the client indicates that he has no income, the AFC is referred to community resources to obtain the necessary referral. See also BEM 615 (July 2010), p. 1 (providing that Department adult community placement workers determine the level of care for FC residents). The Department did not act in accordance with Department policy when it failed to process the AHR's eligibility for Title XIX payments in connection with the January 4, 2013, application.

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 not act in accordance with Department policy when it failed to process Claimant's January 4, 2013, application for provider payments and Title XIX payments.

Accordingly, the Department's decision is REVERSED.

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

1. Register Claimant's January 4, 2013, filing form and application;
2. Begin processing the application for Claimant's SDA eligibility and the AFC provider payment and Title XIX payment in accordance with Department policy and consistent with this Hearing Decision;
3. Authorize the AHR to bill for provider and/or Title XIX payments she is eligible to receive as of the January 4, 2013, application date;
4. Issue supplements to the AHR for any provider or Title XIX payments she is eligible to receive but has not; and
5. Notify the AHR of its decision in writing in accordance with Department policy.



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

Date Signed: July 9, 2013

Date Mailed: July 10, 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 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/pf

cc:

