IN THE MATTER OF:

Reg. No.:   201354165
Issue No.:   2012
Case No.:   ▮▮▮▮▮▮▮▮
Hearing Date: July 24, 2013
County: Wayne County (#15)

ADMINISTRATIVE LAW JUDGE: MICHELLE HOWIE

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 conducted on Wednesday, July 24, 2013, from Detroit, MI. Participant on behalf of Claimant was ▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮. Participant on behalf of Department of Human Services (Department) was ▮▮▮▮▮▮▮ (Eligibility Specialist).

ISSUE

Whether the Department properly processed the Claimant's application for Medical Assistance (MA) benefits?

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 Claimant is deceased and did not participate in the hearing process.

2. L & S Associates was appointed by the probate court as special representative to handle the Medicaid application matter.

3. On March 22, 2012, the Department received an application for Medicaid on behalf of Claimant, from the Detroit Medical Center during Claimant's admission into the hospital.

4. Claimant was determined disabled by Social Security Administration as of April 1, 2012.

5. On June 19, 2013, the Department received a written hearing request from L& S Associates as Authorized Hearing Representative (AHR) for Claimant to prompt the processing of Claimant's MA application to apply coverage for April 2012.

CONCLUSIONS OF LAW

The Department of Human Services (DHS) 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 this case, the DMC hospital submitted an MA application on behalf of Claimant. Claimant subsequently filed for SSI benefits in May 2012 and was awarded entitlement to benefits based on disability as of April 1, 2012. Claimant passed away on July 2, 2012. The Department worker testified that the March 22, 2012 MA application was denied the same day submitted (3/22/12) because there was no claim of disability and Claimant did not meet the criteria for other MA programs. The application was not submitted to the Medical Review Team (MRT) for a disability determination.

The receipt of an MA application from a hospital on behalf of a client automatically indicates a request for MA benefits based on disability. If the Department is not clear about the intent of an application it has the responsibility to send a verification checklist requesting necessary information is submitted within 10 days to properly process the application before issuing a denial. Here, this was not done. Further, policy provides that the Department is to process a previously denied MA application as if it is a pending application when the Department determined a Claimant not disabled, and SSA subsequently determined the client disabled for some of all of the time covered by the denied application. BEM 260 (October 2011), p.2.

At hearing, the Department presented insufficient testimonial or documentary evidence, such as the application, VCL, Notice of Case Action or other documentation to support the action taken on the MA application. Therefore, the Department did not establish by a preponderance of the evidence that it acted in accordance with policy with regards to the processing of Claimant's MA application.

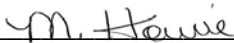Accordingly, the Department's action is Not Upheld.

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 establish that it acted properly when it processed Claimant's March 22, 2012 application for MA benefits.

Accordingly, the Department's ☒ MA determination is hereby, **REVERSED**.

Accordingly, the Department is ORDERED to do the following within 10 DAYS of the date of mailing of this Decision and Order:

1. The Department shall re-register the March 22, 2012 MA application based on disability and process in accordance with Department policy.

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M. Howie

Michelle Howie
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

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Date Signed: 8/2/2013

Date Mailed: 8/2/2013

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

MH/hw

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