

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

IN THE MATTER OF:

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Reg. No.: 2013-66108
Issue No.: 2018
Case No.: ██████████
Hearing Date: October 24, 2013
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 24, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's Authorized Hearing Representative (AHR), ██████████ and ██████████, Benefit Caseworker/witness. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████ Assistant Payment Worker.

ISSUES

Did the Department properly close Claimant's Medical Assistance (MA) benefits effective August 1, 2013, ongoing?

Did the Department properly process Claimant's incurred medical expenses/bills effective May 2013, ongoing?

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 receiving Group 2 Spend-Down (G2S) MA coverage with a monthly \$1,554 deductible. Exhibit 1.
2. On June 11, 2013, the Department sent Claimant a Redetermination, which was due back by July 1, 2013. Exhibit 1.

3. The G2S MA coverage has a Redetermination date of July 31, 2013. See Exhibit 1.
4. Claimant failed to submit a completed Redetermination by the due date.
5. On July 20, 2013, the Department sent Claimant a Notice of Case Action notifying him that his G2S MA coverage was denied effective August 1, 2013, ongoing, due to the failure to submit a completed redetermination. Exhibit 2.
6. On August 2, 2013, Claimant's AHR filed a hearing request, disputing the Department's action. See Exhibit 1.
7. On an unspecified date, Claimant reapplied for MA benefits.
8. On October 22, 2013, the Department sent Claimant a Notice of Case Action notifying him that he was approved for AD-Care Medicaid with no deductible for August and September 2013. Exhibit 2.
9. On October 23, 2013, the Department sent Claimant a Notice of Case Action notifying him that, effective October 1, 2013, he would receive G2S MA coverage with a monthly \$1,554 deductible. Exhibit 2.

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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

Preliminary matters

First, on October 23, 2013, the Department sent Claimant a Notice of Case Action notifying him that, effective October 1, 2013, he would receive G2S MA coverage with a monthly \$1,554 deductible. Exhibit 2. This Notice of Case Action is subsequent to Claimant's August 2, 2013, hearing request. Thus, Claimant would have to file another hearing request if he is disputing the deductible amount for October 1, 2013, ongoing. See BAM 600 (July 2013), pp. 4-5.

Second, Claimant's AHR testified that he also requested a hearing regarding other MA expenses incurred by the Claimant from March 2013, ongoing. See Exhibit 1. Claimant's AHR testified that Claimant's other incurred medical expenses were outside

the living facility. Claimant's AHR testified this included Claimant's supplies that he has not been able to receive due to the denial of the other incurred medical expenses. BAM 600 lists the hearings the Michigan Administrative Hearing System (MAHS) may grant, i.e. denial of an application and/or supplemental payments, reduction in the amount of program benefits or service, suspension or termination of program benefits or service. BAM 600, p. 3. Claimant's request does not fall within any of these categories. Thus, this hearing decision will not address Claimant's other incurred MA expenses by the Claimant from March 2013, ongoing. BAM 600, p. 3.

Third, Claimant's AHR requested a hearing disputing the MA denial. See Exhibit 1. Claimant was receiving Group 2 Spend-Down (G2S) MA coverage with a monthly \$1,554 deductible. Exhibit 1. On June 11, 2013, the Department sent Claimant a Redetermination, which was due back by July 1, 2013. Exhibit 1. The G2S MA coverage has a Redetermination date of July 31, 2013. See Exhibit 1. Claimant failed to submit a completed Redetermination by the due date. On July 20, 2013, the Department sent Claimant a Notice of Case Action notifying him that his G2S MA coverage was denied effective August 1, 2013, ongoing, due to the failure to submit a completed redetermination. Exhibit 2. On August 2, 2013, Claimant's AHR filed a hearing request, disputing the Department's action. See Exhibit 1. On an unspecified date, Claimant reapplied for MA benefits. On October 22, 2013, the Department sent Claimant a Notice of Case Action notifying him that he was approved for AD-Care Medicaid for August and September 2013. Exhibit 2.

Based on the foregoing information, Claimant's MA benefits have been restored and there is no issue to address in regards to the MA closure. The Department did close Claimant's MA benefits effective August 1, 2013, ongoing, which the Notice of Case Action (dated July 20, 2013) addressed. See Exhibit 2. However, during the hearing, it was discovered that Claimant reapplied for MA benefits and he was approved for MA AD-Care effective August and September 2013. See Exhibit 2. This Notice of Case Action regarding the approval of MA-AD care for August and September 2013 was sent on October 22, 2013. See Exhibit 2. Even though this coverage was approved more than 2 months after the closure, there was technically no loss of benefits. A review of Claimant's Eligibility Summary shows that he has no loss of MA benefits. See Exhibit 2. Due to there being no loss of benefits, this hearing decision will not address Claimant's MA closure. See BAM 600, pp. 4-5.

MA expenses

G2S is an SSI-related Group 2 MA category. BEM 166 (October 2010), p. 1. MA is available to a person who is aged (65 or older), blind or disabled. BEM 166, p. 1. All eligibility factors must be met in the calendar month being tested. BEM 166, p. 1.

AD-Care is an SSI-related Group 1 MA category. BEM 163 (October 201), p. 1. This category is available to persons who are aged or disabled (AD). BEM 163, p. 1. All eligibility factors in this item must be met in the calendar month being tested. BEM 163, p. 1.

At the hearing, Claimant's witness testified that he submitted Claimant's incurred medical expenses for May to July 2013 several times; however, the expenses were not processed and/or applied to the MA deductible. It appeared that the Department did not receive the submitted medical expenses. However, Claimant's witness provided evidence that the incurred medical expenses/bills were submitted to the Department. See Exhibit A. It should be noted that Department agreed to reprocess the submitted medical expenses from May 2013, ongoing.

Based on this information, the Department failed to properly process Claimant's incurred medical expenses effective May 2013, ongoing. Claimant's witness provided credible testimony and evidence that he submitted such expenses to be applied towards Claimant's deductible. The Department will be ordered to process the medical expenses/bills, in which the Department agreed to do as well.

DECISION AND ORDER

Accordingly, the Department's MA decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. The Department shall process Claimant's incurred medical expenses/bills effective May 2013, ongoing, subject to Claimant resubmitting such incurred bills and in accordance with Department policy.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: November 6, 2013

Date Mailed: November 6, 2013

NOTICE OF APPEAL: 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 or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

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).

A Request for Rehearing or Reconsideration may be granted when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The Department, AHR or the claimant must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date the hearing decision is mailed.

The written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-07322

EJF/cl

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]