

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No: 2013-13951  
Issue No: 2026  
Case No: [REDACTED]  
Hearing Date: April 10, 2013  
Roscommon County DHS

**ADMINISTRATIVE LAW JUDGE:** Corey A. Arendt

**HEARING DECISION**

This matter is before me pursuant to MCL 400.9 and MCL 400.37 upon the Claimant's request for a hearing. After due notice, a telephone hearing was held on April 10, 2013. Participants on behalf of Claimant included [REDACTED] [REDACTED]. Participants on behalf of the Department of Human Services (Department) included [REDACTED] [REDACTED].

**ISSUE**

Whether the Department properly applied a January 23, 2012 medical bill that was submitted on October 19, 2012 to future deductibles rather than applying it to the January 23, 2012 deductible?

**FINDINGS OF FACT**

I find as material fact, based upon the competent, material and substantial evidence on the whole record:

1. At all times pertinent to this hearing, the Claimant had Medical Assistance (MA) coverage.
2. On or January of 2012, the Claimant underwent a medical procedure.
3. On or around October 19, 2012, the Claimant received a bill from the January 2012 medical procedure.
4. On October 19, 2012, the Claimant submitted the medical bill to the Department.
5. On October 19, 2012, the Department sent the Claimant a notice of case action. The notice indicated the Department was considering the January 2012 bill as an "old bill" and applying it to future MA deductible amounts.
6. On November 1, 2012, the Claimant requested a hearing to dispute the medical bill and how it was applied.

## CONCLUSIONS OF LAW

The client has the right to request a hearing for any action, failure to act or undue delay by the department. BAM 105. The department provides an administrative hearing to review the decision and determine its appropriateness. BAM 600.

The regulations that govern the hearing and appeal process for applicants and recipients of public assistance in Michigan are contained in the Michigan Administrative Code (Mich Admin Code) Rules 400.901 through 400.951. An opportunity for a hearing shall be granted to a recipient who is aggrieved by an agency action resulting in suspension, reduction, discontinuance, or termination of assistance. Mich Admin Code 400.903(1).

The MA program was established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies for the MA programs are contained in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM), the Bridges Reference Manual (BRM), and the Reference Tables Manual (RTM).

Periods of MA coverage are added each time the group meets its deductible. BEM 545. Each calendar month is a separate deductible period. BEM 545. The first deductible period:

- Cannot be earlier than the processing month for applicants.
- Is the month following the month for which MA coverage is authorized for recipients. BEM 545.

According to policy, the fiscal group's monthly excess income is called a deductible amount. BEM 545. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. BEM 545.

**The group must report expenses by the last day of the third month following the month in which the group wants MA coverage.** BEM 545. Department policy BAM 130 explains verification and timeliness standards. BEM 545.

Here, there is no dispute as to when the medical bill were submitted to the Department (October 19, 2012). This in and of itself means the Department properly applied the bill for future MA determinations as required by BEM 545.

That being said, when I reviewed the bill, I found some troubling information on the bill itself. During the hearing, the Claimant indicated he did not receive the bill until approximately October 19, 2012. The bill however is marked March 5, 2012 for services that were rendered in January and February of 2012. I am confused as to why the billing date reads March 5, 2012 as opposed to a date in October of 2012.

However, because the bill was not submitted to the Department until October 19, 2012, the Department acted according to policy in their application of the bill for future MA deductible considerations. Accordingly, I **affirm** the Department's actions in this matter.

**DECISION AND ORDER**

I find, based upon the above findings of fact and conclusions of law that the Department acted in accordance with policy in applying the old medical bill.

The Department's actions are **AFFIRMED**.



Corey A. Arendt  
Administrative Law Judge  
for Maura D. Corrigan, Director  
Department of Human Services

Date Signed: April 11, 2013

Date Mailed: April 11, 2013

**NOTICE:** Administrative Hearings 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. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 60 days of the filing of the original request.

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.

CAA/las

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