

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 201320519
Issue No.: 2018
Case No.: [REDACTED]
Hearing Date: May 7, 2013
County: Oakland (04)

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

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 May 7, 2013 from Lansing, Michigan. Claimant's attorney/conservator, [REDACTED] [REDACTED]) appeared on behalf of Claimant. Participants on behalf of Department of Human Services (Department) included [REDACTED] (Assistance Payments Worker).

ISSUE

Did the Department properly process Claimant's application for Medical Assistance (MA or "Medicaid") and Retroactive Medicaid?

FINDINGS OF FACT

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

1. On July 27, 2012, the Department received an Assistance Application (DHS-1171) Retroactive Medicaid Application (DHS-3243) prepared by Claimant's attorney requesting MA and Retroactive MA for May 2012, June 2012 and July 2012.
2. The Department did not process the DHS-1171 and DHS-3243.
3. On September 19, 2012, the Department received another Assistance Application (DHS-1171) and Retroactive Medicaid Application (DHS-3243) also prepared by Claimant's attorney requesting MA and Retroactive MA.

4. The Department processed the applications using September, 2012 as the date of receipt and, for purposes of retroactive MA, used June 2012, July 2012 and August 2012.
5. On December 12, 2012, Claimant's attorney requested a hearing because the Department refused to process the retroactive MA based on the July 27, 2012 applications, but instead used the September 19, 2012 application for MA retro for June 2012, July 2012 and August 2012.

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.

A request for assistance may be in person, by mail, telephone, email or online. BAM 110. The DHS-1171 may be used for all MA categories. BAM 110. The DHS-3243, Retroactive Medicaid Application, is used along with the DHS-1171, DHS-4574 or DCH-0373 for retro MA applications. BAM 110. Only one DHS-3243 is needed to apply for one, two or three retro MA months. BAM 110.

The date of application is the date the local office receives the required minimum information on an application or the filing form. BAM 110. Policy requires the Department record the date of application on the application or filing form. BAM 110.

Electronically filed applications include all applications filed online in MI Bridges, faxed, or emailed. BAM 110. **For MA applications filed electronically, the date of the application is the submission date regardless of the time received. BAM 110.**

An application or filing form, with the minimum information, must be registered on Bridges unless the client is already active for that program(s). BAM 110. All applications, redeterminations, referrals, initial asset assessments, member adds and program adds must be registered on Bridges. BAM 110.

For all programs, policy requires the Department register a signed application or filing form, with the minimum information, within **one workday** for all requested programs. BAM 110.

Retro MA coverage is available back to the first day of the third calendar month prior to: (1) the current application for FIP and MA applicants and persons applying to be added to the group; (2) the most recent application (not redetermination) for FIP and MA

Recipients; (3) for SSI, entitlement to SSI; (4) for department wards the date DHS received the court order for a department ward; (5) for title IV-E and special needs adoption assistance recipients entitlement to title IV-E or special needs adoption assistance. BAM 115.

Exception: A person might be eligible for one, two or all three retro months, even if not currently eligible. The DHS-3243, Retroactive Medicaid Application, is used to apply for retro MA. Only one DHS-3243 is needed to apply for one, two or all three retro MA months. A separate determination of eligibility must be made for each of the three retro months. BAM 115.

For all programs, the standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115. Department employees are instructed to process applications and requests for member adds as quickly as possible, with priority to the earliest application date. BAM 115. The Department must certify program approval or denial of the application within 45 days. BAM 115.

The dispute in the instant matter concerns Claimant's retroactive MA coverage for May, 2012. The Department concedes that it received Claimant's faxed application for MA on July 27, 2012 but indicated that the worker "never received this application." The Department processed Claimant's second application received on or about September 19, 2012.¹ According to the Department, Claimant is not entitled to May 2012 retro MA because the September, 2012 application only provides for coverage for the prior three months of June, July and August of 2012. Claimant, on the other hand, contends that the Department should have processed the July applications which seek retro MA which includes coverage for May, 2012.

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The Department has provided evidence that Claimant's attorney faxed the application to the Department on July 27, 2012. The record contains a fax cover sheet which indicated that 45 total pages were faxed to the Department on July 27, 2012 but the confirmation indicates that only 26 pages were transmitted. Although there is a discrepancy between the fax cover sheet (45 pages) and the fax transmittal report (26 pages), this Administrative Law Judge believes that there is no issue that 26 pages were received by the Department. This Administrative Law Judge further finds Claimant's contention the 26 pages received by the Department on July 27, 2012 included the DHS-1171 and the DHS-3243. The Department did not properly process these documents by the standard of promptness (SOP). The Department's explanation that the applications were not provided to the Department worker is insufficient.

¹ The Department's hearing summary indicates that the applications were faxed to the Department on September 4, 2012 but the actual applications contained in the hearing packet indicate they were received by Oakland County DHS on September 19, 2012.

Based on the competent, material, and substantial evidence presented during the hearing, this Administrative Law Judge finds that the Department erred when it failed to process Claimant's July 27, 2012 applications for MA and Retro MA.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did not act properly when it failed to properly and timely process Claimant's July 27, 2012 applications for MA and Retro MA.

Accordingly, the Department's MA 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. Initiate the re-register, recertification and reprocessing of the July 27, 2012 application for MA and Retro MA.

/s/ _____
C. Adam Purnell
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 13, 2013

Date Mailed: May 14, 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

CAP/aca

cc:

