

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-23261
Issue No.: 2028
Case No.: [REDACTED]
Hearing Date: June 12, 2013
County: Emmet

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 June 12, 2013 from Lansing, Michigan. Claimant's Authorized Hearing Representative, [REDACTED] [REDACTED] personally appeared and provided testimony. Participants on behalf of Department of Human Services (Department) included [REDACTED] [REDACTED] [REDACTED] (Eligibility Specialist).

ISSUE

Did the Department properly determine Claimant's eligibility for Medical Assistance (MA) or "Medicaid" coverage?

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 active for MA-Other Health y Kids (OHK) with a group size of 9 at all relevant times.
2. On June 18, 2012, the Department mailed Claimant a Notice of Case Action (DH-1605) which closed MA-OHK benefits for Claimant's daughter ([REDACTED] [REDACTED] effective July 1, 2012. According to the DHS-1605, the closure was due to Claimant's failure to timely return a redetermination form.
3. In July, 2012, the Department discovered that it had closed [REDACTED]'s MA-OHK case in error.
4. On December 27, 2012, the Department mailed Claimant a Notice of Case Action (DHS-1605), which formally reinstated [REDACTED]'s MA-OHK case effective May 1, 2012.

5. On January 9, 2013, Claimant requested a hearing because she had a billing dispute with [REDACTED] who refused to cover [REDACTED]'s \$ [REDACTED] dental bill incurred on November 27, 2012. According to [REDACTED] [REDACTED] was not covered prior to December 1, 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.

The Medicaid program is comprised of several sub-programs or categories. One category is FIP recipients. BEM 105. Another category is SSI recipients. BEM 105. There are several other categories for persons not receiving FIP or SSI. BEM 105. However, the eligibility factors for these categories are based on (related to) the eligibility factors in either the FIP or SSI program. BEM 105. Therefore, these categories are referred to as either FIP-related or SSI-related. BEM 105.

For purposes of MA in general, the terms Group 1 and Group 2 relate to financial eligibility factors. BEM 105. For Group 1, net income (countable income minus allowable income deductions) must be at or below a certain income limit for eligibility to exist. BEM 105. The income limit, which varies by category, is for nonmedical needs such as food and shelter. BEM 105. Medical expenses are not used when determining eligibility for FIP-related and SSI-related Group 1 categories. BEM 105. For Group 2, eligibility is possible even when net income exceeds the income limit. BEM 105. This is because incurred medical expenses are used when determining eligibility for FIP-related and SSI-related Group 2 categories. BEM 105.

Other Healthy Kids (OHK) is a FIP-related Group 1 MA category. BEM 131. MA-OHK is available to a person who is under age 19 when net income does not exceed 150% of the poverty level. BEM 131.

Here, Claimant requested a hearing because she has a billing dispute involving [REDACTED] following her daughter ([REDACTED]). Claimant states that she wants somebody to pay for her dental bill either [REDACTED] or the Department of Human Services. The Department readily admits that it erred when it determined on June 18, 2012 that Claimant's daughter ([REDACTED]) was no longer eligible for benefits under the MA-OHK program. [REDACTED] was always eligible for MA-OHK. On or about July 1, 2012, the Department purportedly reinstated [REDACTED]'s MA-OHK case, but did not mail correspondence to Claimant regarding the reinstatement. According to the Department worker who attended the hearing, Claimant was advised via telephone in July, 2012 that [REDACTED]'s MA-OHK case was reinstated. On November 27, 2012, Claimant took [REDACTED] to the dentist for treatment and received a bill in the amount of \$ [REDACTED]. According to both

Claimant and the Department, ██████████ refuses to cover the bill because Claimant's coverage is effective December 1, 2012, but is not retroactive back to May 1, 2012.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). The weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). Moreover, it is for the fact-finder to gauge the demeanor and veracity of the witnesses who appear before him, as best he is able. See, e.g., *Caldwell v Fox*, 394 Mich 401, 407; 231 NW 2d 46 (1975); *Zeeland Farm Services, Inc v JBL Enterprises, Inc*, 219 Mich App 190, 195; 555 NW2d 733 (1996).

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. The Department does not challenge Claimant's position regarding ██████████'s MA-OHK eligibility. There is no dispute that the Department erred when it closed ██████████'s MA-OHK case, but the Department corrected the error when it later reinstated ██████████'s MA-OHK eligibility. Based on the competent, material, and substantial evidence presented during the hearing, this Administrative Law Judge finds that the Department initially erred when it closed Claimant's MA-OHK case, but acted appropriately when it later corrected the error by reinstating the case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above Findings of Fact and Conclusions of Law, finds that the Department did act properly when it reinstated Claimant's MA-OHK eligibility.

Accordingly, the Department's FAP decision is **AFFIRMED**.

To the extent Claimant has requested a hearing regarding a pending billing dispute with Delta Dental; this Administrative Law Judge shall forward this matter to the Department of Community Health (DCH) for determination and possible resolution.

IT IS SO ORDERED.

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

Date Signed: June 25, 2013

Date Mailed: June 25, 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/las

cc:

