

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2013-45125
Issue No.: 2012
Case No.: [REDACTED]
Hearing Date: July 10, 2013
County: Wayne (82-55)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 July 10, 2013, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED].

ISSUE

Did the Department properly process Claimant's October 29, 2012, application for Medicare Savings Program (MSP) 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. On October 29, 2012, Claimant applied for MSP and Medical Assistance (MA) benefits.
2. The Department approved Claimant's MA application but did not process Claimant's application for MSP benefits.
3. On March 29, 2013, and April 29, 2013, Claimant filed requests for hearing concerning the Department's failure to process his October 2012 application for MSP coverage.

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), and Department of Human Services 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. MA includes MSP benefits.

Claimant filed two requests for hearing concerning the Department's failure to process an October 2012 application for MSP coverage. At the hearing, he clarified that he had been approved for Specified Low-Income Medicare Beneficiaries (SLMB) coverage from March 2013 ongoing based on a subsequent MSP application he filed but sought MSP coverage for November 2012 through February 2013.

MSP is an MA program and provides assistance in payment of Medicare expenses and is made up of three categories: Qualified Medicare Beneficiaries (QMB), SLMB, and Additional Low-Income Medicare Beneficiaries (ALMB). BAM 810 (October 2012), p. 1; BEM 165 (October 2012), p. 1. QMB pays a client's Medicare premiums (both Part B premiums and, for those few people who have them, Part A premiums), Medicare coinsurances and Medicare deductibles. BEM 165, pp. 1-2. SLMB pays Medicare Part B premiums only. BEM 165, p. 2. The Department must process an application for MSP within 45 days of the date the application is filed. BAM 115 (January 2013), p. 13.

At the hearing, the Department acknowledged that Claimant had filed an online application on October 29, 2012, requesting MA and MSP benefits, and, while it had approved the MA application providing Claimant with full-coverage MA, it had failed to process the application to determine Claimant's MSP eligibility. The Department subsequently processed Claimant's MSP eligibility for November 2012 ongoing but had been unable to activate coverage on its system. The Department testified that Help Desk Ticket BR-0015004 was created on June 5, 2013, requesting assistance from Lansing to process the application. Because the Department acknowledged that it had not timely processed Claimant's MSP application and activated coverage, the Department did not act in accordance with Department policy.

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 act in accordance with Department policy when it failed to timely process Claimant's MSP application and provide Claimant with coverage he was eligible to receive from November 2012 ongoing.

Accordingly, the Department's 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. Continue processing Claimant's October 29, 2012, MSP application, in accordance with Department policy;
2. Issue supplements to Claimant for any MSP benefits he was eligible to receive but did not from November 2012 through February 2013; and
3. Notify Claimant in writing of its decision in accordance with Department policy.



Alice C. Elkin
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: July 15, 2013

Date Mailed: July 15, 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 affect 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

2013-45125/ACE

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

ACE/pf

cc:

