

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2013-48982  
Issue No.: 2018  
Case No.: [REDACTED]  
Hearing Date: August 1, 2013  
County: Wayne (82-35)

**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 August 1, 2013, from Detroit, Michigan. Participants on behalf of Claimant included [REDACTED]

[REDACTED] Participants on behalf of the Department of Human Services (Department) included [REDACTED]

**ISSUE**

Did the Department properly process Claimant's eligibility for Medical Assistance (MA) benefits for October 2011 pursuant to Claimant's December 22, 2011, MA application and application for retroactive coverage to October 2011?

**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 December 22, 2011, Claimant's AHR, acting as Claimant's authorized representative, filed an MA application and retroactive MA application seeking MA coverage for Claimant from October 2011 ongoing.
2. On October 24, 2012, the Department sent Claimant and the AHR a Notice of Case Action approving Claimant for emergency-only MA for January 1, 2012, through October 31, 2012, ongoing but denying coverage for November 1, 2012, ongoing.

3. On May 15, 2013, the AHR filed a request for hearing alleging that the Department had failed to properly process the MA application with request for retroactive coverage to October 2011, noting that while it had received notice that MA coverage was active effective January 1, 2012, no determination of eligibility had been made for the retroactive month of October 2011.

### **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.

As a preliminary matter, the Department argued that it sent the AHR an October 24, 2012, Notice of Case Action concerning Claimant's application and the AHR's May 15, 2013, hearing request was not timely filed. The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. BAM 600 (February 2013), p. 4. The AHR acknowledged receiving the October 24, 2012, Notice of Case Action but noted that the Notice, while approving Claimant for MA for January 1, 2012, ongoing, did not address Claimant's retroactive MA application, specifically his MA eligibility for October 2011. Because the Department's October 24, 2012, Notice of Case Action did not address Claimant's October 2011 MA coverage, and the AHR's hearing request concerned the Department's failure to process the retroactive MA application specifically for October 2011, the AHR's hearing request was not untimely. Therefore, the merits of Claimant's request were considered at the hearing.

The Department contended at the hearing that Claimant's MA eligibility for October 2011 had been processed and a Notice of Case Action had been issued denying eligibility based on excess income. However, the Department acknowledged that the AHR served as Claimant's AR during the application process and it had not sent a copy of the Notice to the AHR. The AR assumes all the responsibilities of a client. BAM 110 (November 2012), p. 7. Accordingly, the Department should send all correspondence to the AR. See BAM 110 (November 2012), p. 8. Because the Department did not send any Notice of Case Action concerning Claimant's October 2011 MA eligibility to the AHR, the Department did not act in accordance with Department policy.

Furthermore, the Department's testimony that it had denied MA coverage on the basis of excess income is questionable, because, as the AHR pointed out, Department policy provides that a client with excess income who is otherwise eligible for MA may be eligible for MA subject to a deductible. BEM 545 (July 2011), pp. 2, 8-9. Because the

Department was aware that the AHR was requesting a hearing concerning Claimant's October 2011 MA eligibility but did not present any documentary evidence showing that an eligibility determination had been made, it also failed to establish that it acted in accordance with Department policy in processing the retroactive application.

**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 process Claimant's retroactive MA application and send notice of its decision to the AHR.

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. Reregister the December 22, 2011, MA application with application for retroactive MA coverage to October 2011;
2. Begin reprocessing the retroactive MA application;
3. Provide Claimant with the MA coverage he is eligible to receive from October 2011 ongoing;
4. Notify Claimant and the AHR in writing of its decision; and
5. Comply with each of the preceding steps in accordance with Department policy.



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

Date Signed: August 6, 2013

Date Mailed: August 7, 2013

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

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

ACE/pf

cc:

