

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

IN THE MATTER OF:

██████████
████████████████████
██████████

Reg. No.: 2014-33037
Issue No(s): 2004
Case No.: ██████████
Hearing Date: April 30, 2014
County: Wayne (35)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

Following Claimant's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a three-way telephone hearing was held on April 30, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant and Claimant's Authorized Hearing Representative (AHR), ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Hearings Facilitator.

ISSUE

Did the Department properly process Claimant's Medical Assistance (MA) application dated April 4, 2013, retroactive to January 2013?

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 April 4, 2013, Claimant's authorized representative (AR) (who is also the AHR) applied for MA benefits based on disability on behalf of the Claimant and also sought retroactive coverage to January 2013.
2. On August 19, 2013, the Department sent Claimant a Medical Determination Verification Checklist (medical packet), which was due back by August 29, 2013. See Exhibit 1.
3. After two subsequent extensions, the AHR submitted all necessary verifications on September 17, 2013. See Exhibit 1.

4. On November 5, 2013, the Department sent only the Claimant and not the AR a Notice of Case Action notifying him that his MA application based on disability was denied effective December 1, 2013. See Exhibit 1.
5. On March 19, 2014, Claimant's AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1.
6. Subsequent to the hearing request, on March 25, 2014, the Department faxed to the AHR the Notice of Case Action dated November 5, 2013. See Exhibit 1.

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), Department of Human Services Reference Tables Manual (RFT), and Department of Human Services Emergency Relief Manual (ERM).

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (March 2013), p. 11. The Department records and documents each eligibility determination for which it certifies approval or denial on its system certification screen. BAM 105, p. 12. Upon certification, the Department automatically sends a notice of case action, information the client of the decision. BAM 105, p. 12.

Any person, regardless of age, or their authorized representative (AR) may apply for assistance. BAM 110 (January 2013), p. 4. The Department must register a signed application or filing form, with the minimum information, within one workday for all requested programs. BAM 110, p. 16.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (January 2013), p. 12. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 13. However, there are exceptions to these benefits programs for processing times, which are described as follows: 90 days for MA categories in which disability is an eligibility factor. BAM 115, p. 13. The SOP can be extended 60 days from the date of deferral by the Medical Review Team. BAM 115, p. 13.

Moreover, if the group is ineligible or refuses to cooperate in the application process, the Department must certify the denial within the standard of promptness and also send a DHS-1605, Client Notice, or the DHS-1150, Application Eligibility Notice, with the

denial reason(s). BAM 115, p. 18. If approved, the Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 19.

In this case, on April 4, 2013, Claimant's AR (who is also the AHR) applied for MA benefits based on disability on behalf of the Claimant and also sought retroactive coverage to January 2013. On August 19, 2013, the Department sent Claimant a medical packet, which was due back by August 29, 2013. See Exhibit 1. After two subsequent extensions, the AHR submitted all necessary verifications on September 17, 2013. See Exhibit 1. On November 5, 2013, the Department sent only the Claimant and not the AR a Notice of Case Action notifying him that his MA application based on disability was denied effective December 1, 2013. See Exhibit 1. The Department did not dispute that it failed to send the AR the denial notice timely. See Hearing Summary, Exhibit 1. On March 19, 2014, Claimant's AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1. Subsequent to the hearing request, on March 25, 2014, the Department faxed to the AHR the Notice of Case Action dated November 5, 2013. See Exhibit 1

Even though the AHR subsequently received the denial notice, Claimant's AHR still argued that the Department failed to properly process the application. Claimant's AHR testified that the denial notice was effective December 1, 2013, ongoing. However, the AHR testified that the application was dated April 4, 2013, retroactive to January 2013. The AHR contended that the notice failed to address Claimant's eligibility for these time periods (January 2013, ongoing). The Department testified it was unsure why the notice failed to address the application period. However, the Department testified that Claimant had ongoing Adult Medical Program (AMP) coverage for April 2013, ongoing. The AHR, though, testified that they were seeking hospitalization expenses, which AMP would not assist with.

Based on the foregoing information and evidence, the Department failed to properly process Claimant's MA application dated April 4, 2013, retroactive to January 2013. It appears that the Department partially processed Claimant's MA application because it determined that he was not disabled effective December 1, 2013, ongoing. See Exhibit 1. However, the Notice of Case Action failed to address Claimant's MA based on disability application for April 2013, retroactive to January 2013. The evidence presented that the Department failed to properly process Claimant's MA based on disability application and determine Claimant's eligibility from April 2013, retroactive to January 2013. As such, the Department will re-register and reprocess Claimant's MA application dated April 4, 2013, retroactive to January 2013, in accordance with Department policy. See BAM 105, pp. 11 - 12; BAM 110, pp. 4 and 16; and BAM 115, pp. 12 - 13 and 18 - 19.

DECISION AND ORDER

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not

act in accordance with Department policy when it failed to properly process Claimant's MA application dated April 4, 2013, retroactive to January 2013.

Accordingly, the Department's MA decision is REVERSED.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Initiate re-registration and reprocessing of Claimant's MA application dated April 4, 2013, retroactive to January 2013;
2. Begin issuing supplements to Claimant for any MA benefits Claimant was eligible to receive but did not from January 2013, ongoing; and
3. Begin notifying Claimant and Claimant's AR in writing of its MA decision in accordance with Department policy.



Eric Feldman
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: May 8, 2014

Date Mailed: May 8, 2014

NOTICE OF APPEAL: 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.

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).

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.

2014-33037/EJF

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

EJF/cl

cc: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]