

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 2014-7542  
Issue No.: 2004  
Case No.: [REDACTED]  
Hearing Date: May 1, 2013  
County: Wayne (35)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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, an in-person hearing was held on May 1, 2014, from Redford, Michigan. Participants included [REDACTED] as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Hearing Facilitator. [REDACTED], Manager, appeared for DHS, via telephone.

**ISSUE**

The issue is whether DHS properly failed to issue payments for Claimant's submitted medical expenses.

**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 an unspecified date in [REDACTED], Claimant was hospitalized.
2. Claimant's hospitalization continued into [REDACTED].
3. On an unspecified date, Claimant applied for Medical Assistance (MA) benefits.
4. On an unspecified date, DHS approved Claimant for Medicaid for the months of 12/2011 and 1/2012.

5. On an unspecified date, Claimant's medical expense creditor attempted to bill DHS for Claimant's medical expenses from 12/2011 and 1/2012.
6. DHS has yet to approve Claimant's medical expenses from 12/2011 and 1/2012.
7. On 10/11/13, Claimant's AHR requested a hearing to dispute the DHS failure to pay Claimant's medical expenses from 12/2011 and 1/2012.

### **CONCLUSIONS OF LAW**

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. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Prior to a substantive analysis of Claimant's AHR's hearing request, it should be noted that the request noted special arrangements in order to participate in the hearing; specifically, an in-person hearing was requested. Claimant's AHR's request was granted and the hearing was conducted accordingly.

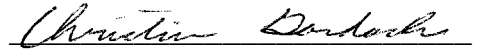
Claimant's AHR requested a hearing to dispute a failure by DHS to process Claimant's medical bills for Claimant from 12/2011 and 1/2012. It was not disputed that Claimant was eligible for Medicaid for the months of 12/2011 and 1/2012.

Providers must use MA billing procedures to obtain payment for services performed. BAM 402 (10/2012), p. 8. Billings should be submitted within 12 months from the date of service. *Id.* Exceptions to the 12 month billing policy can be made if the delay is caused by agency error or as a result of a court or administrative hearing decision. *Id.* Form MSA-1038, Request for Exception to the Twelve Month Billing Limitation for Medical Services, is an internal document and must be completed by local office staff to begin the exception process. *Id.*

It was not disputed that DHS processed an MSA-1038 for 12/2011, not for 1/2012. It was also not disputed that Claimant's unpaid hospital bill concerned a period of stay, which included the later days of 12/2011 into the early days of 1/2012. Claimant's AHR hypothesized that billing for 12/2011 and 1/2012 could occur until DHS processed an MSA for both calendar months. DHS policy is silent on such circumstances; thus, Claimant's AHR's contention was not verifiable. When factoring that DHS conceded a failure to process an MSA for Claimant's 1/2012 expenses, the AHR hypothesis was exceptionally reasonable. It is found that DHS erred in failing to process an MSA-1038 for Claimant's medical expenses.

**DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS failed to process payment of medical expenses for Claimant. It is ordered that DHS process an MSA-1038 for Claimant for the benefit month of 1/2012. The actions taken by DHS are **REVERSED**.



Christian Gardocki  
Administrative Law Judge  
for Maura Corrigan, Director  
Department of Human Services

Date Signed: 5/12/2014

Date Mailed: 5/12/2014

**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.

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

CG/hw

cc:

