

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

**IN THE MATTER OF:**

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

Reg. No.: 14-001491  
Issue No.: 2004  
Case No.: ██████████  
Hearing Date: June 2, 2014  
County: WAYNE-DISTRICT (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 June 2, 2014, from Detroit, Michigan. Participants on behalf of Claimant included 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 October 10, 2013, retroactive to August 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 October 10, 2013, Claimant's authorized representative (AR) (who is also the AHR) applied for MA benefits on behalf of the Claimant, retroactive to August 2013. See Exhibit 1, pp. 4-12.
2. On November 12, 2013, the Medical Review Team (MRT) found the Claimant not disabled. See Exhibit 1, pp. 16-17.
3. On November 27, 2013, the Department sent only the Claimant a Notice of Case Action notifying him that his MA application was denied effective July 1, 2013, due to him not being disabled. See Exhibit 1, pp. 13-15.

4. The Department failed to send Claimant's AHR the Notice of Case Action dated November 27, 2013.
5. On November 27, 2013, Claimant's AHR received a Facility Admission Notice, which stated Claimant's MA application was denied, but did not indicate the denial reasons. See Exhibit 1, p. 2.
6. On March 10, 2014, Claimant's AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1, p. 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 Title XIX of the Social Security Act, 42 USC 1396-1396w-5; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, Pub. L. No. 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152; and 42 CFR 430.10-.25. The Department (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (October 2013), p. 14. Upon certification, the Department automatically sends a notice of case action, information the client of the decision. BAM 105, p. 15.

Any person, regardless of age, or his/her authorized representative (AR) may apply for assistance. BAM 110 (July 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. 19.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (July 2013), p. 15. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 15. 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, pp. 15-16. The SOP can be extended 60 days from the date of deferral by the Medical Review Team. BAM 115, p. 16.

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. 23. If approved, the Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 23.

In this case, on October 10, 2013, Claimant's AR (who is also the AHR) applied for MA benefits on behalf of the Claimant, retroactive to August 2013. See Exhibit 1, pp. 4-12. On November 12, 2013, the MRT found the Claimant not disabled. See Exhibit 1, pp. 16-17. On November 27, 2013, the Department sent only the Claimant a Notice of Case Action notifying him that his MA application was denied effective July 1, 2013, due to him not being disabled. See Exhibit 1, pp. 13-15. The Department failed to send Claimant's AHR the Notice of Case Action dated November 27, 2013. On November 27, 2013, Claimant's AHR received a Facility Admission Notice, which stated Claimant's MA application was denied, but did not indicate the denial reasons. See Exhibit 1, p. 2.

Based on the foregoing information and evidence, the Department did not act in accordance with Department policy when it processed Claimant's MA application dated October 10, 2013, retroactive to August 2013.

First, it is determined that Claimant's AHR's hearing request is timely. See Exhibit 1, p. 1. On May 14, 2014, the Michigan Administrative Hearing System (MAHS) sent Claimant a letter indicating that the AHR's hearing request may not be timely. See Exhibit 1, p. 63. However, the evidence presented that the Department failed to send the AHR the Notice of Case Action dated November 27, 2013, which provided the denial reasons. See Exhibit 1, pp. 13-15. At the time of application, Claimant's application included the proper documentation that he had an AR. See Exhibit 1, pp. 7-12. As such, the Department failed to send the notice of the denial to Claimant's AR. See BAM 110, p. 9.

Moreover, the AR only received notice of denial via a Facility Admission Notice dated November 27, 2013, which also failed to state the denial reasons. See Exhibit 1, p. 2. Policy indicates that the Department informs the Claimant/AR of the denial reasons. See BAM 105, p. 15 and BAM 115, p. 23. The Department failed to provide the proper denial reasons as well. The evidence presented that the AHR did not receive proper notification of the MA denial. See BAM 105, p. 15 and BAM 115, p. 23. Therefore, Claimant's AHR's hearing request is timely because the AHR did not receive proper notice of the MA denial. See Exhibit 1, p. 2.

Second, as stated above, the evidence is sufficient that the Department did not act in accordance with Department policy when it processed the application because the AHR never received proper notification of the denial (e.g., Notice of Case Action dated November 27, 2013). Therefore, the Department will re-register and reprocess Claimant's MA application dated October 10, 2013, retroactive to August 2013, in accordance with Department policy. BAM 105, pp. 14-15; BAM 110, pp. 4 and 19; and BAM 115, pp. 15 -16 and 23.

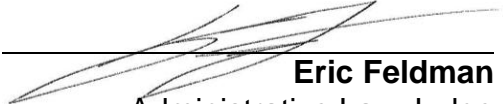
**DECISION AND ORDER**

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 processed Claimant's MA application dated October 10, 2013, retroactive to August 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 processing of Claimant's MA application dated October 10, 2013, retroactive to August 2013;
2. Begin issuing supplements to Claimant for any MA benefits he was eligible to receive but did not from August 2013, ongoing; and
3. Begin notifying Claimant and Claimant's AHR 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: **6/12/2014**

Date Mailed: **6/12/2014**

EJF/cl

**NOTICE OF APPEAL:** A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS may order a rehearing or reconsideration on its own motion.

MAHS may grant a party's Request for Rehearing or Reconsideration 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 party requesting a rehearing or reconsideration 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 this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, 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

CC:

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]