

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

IN THE MATTER OF:



Reg. No.: 14-001028
Issue No.: 2001;2004
Case No.: [REDACTED]
Hearing Date: May 27, 2014
County: WAYNE-DISTRICT 19

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 telephone hearing was held on May 27, 2014, from Detroit, Michigan. Participants on behalf of Claimant included his Authorized Hearing Representative (AHR), [REDACTED] ([REDACTED]). A representative from the Department of Human Services (Department) did not appear for the hearing, and the hearing was held in the absence of the Department.

ISSUE

Did the Department properly process Claimant's Medical Assistance (MA) 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. Claimant was an ongoing recipient of MA benefits under a deductible based program.
2. Claimant submitted medical bills to the Department to verify that he had incurred sufficient medical expenses to meet his deductible for the month of June 2013. (Exhibit A)
3. The Department failed to process the medical bills and apply them towards Claimant's deductible.

4. On March 20, 2014, [REDACTED] filed a hearing request on behalf of Claimant, disputing the Department's actions.

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.

Additionally, deductible is a process which allows a client with excess income to become eligible for Group 2 MA if sufficient allowable medical expenses are incurred. Each calendar month is a separate deductible period. BEM 545 (July 2013), p. 10. To meet a deductible, a MA client must report and verify allowable medical expenses that equal or exceed the deductible amount for the calendar month being tested by the last day of the third month following the month in which client wants MA coverage. BEM 545, p. 11. The Department is to add periods of MA coverage each time the group meets its deductible. BEM 545, p.11.

In this case, Claimant was approved for MA benefits under a deductible based program. Claimant submitted medical bills to the Department to verify that he had incurred sufficient medical expenses to meet his deductible for the month of June 2013. (Exhibit A). The Department did not appear for the hearing; however, the Hearing Summary prepared for the hearing was read into the record. According to the Hearing Summary, the Department requested MA coverage in Bridges beginning June 1, 2013, however, Bridges approved MA coverage beginning June 20, 2013.

At the hearing, Claimant's AHR testified that as of the hearing date, MA coverage had not been approved for Claimant for the month of June 2013 and that the medical expenses submitted had not been applied to Claimant's deductible. [REDACTED] presented the medical expenses and the Facility Admission Notice for Claimant's June 15, 2013, hospitalization for review at the hearing, as well as fax confirmation that the documents were sent to and received by the Department. (Exhibit A).

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 failed to

satisfy its burden of showing that it acted in accordance with Department policy in processing Claimant's medical expenses and applying to his deductible for June 2013.

DECISION AND ORDER

Accordingly, the Department's 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. Process any medical expenses incurred and apply them towards Claimant's MA deductible for June 2013, ongoing;
2. Issue supplements to Claimant for any MA benefits that he was entitled to receive but did not from June 2013, ongoing; and
3. Notify Claimant and [REDACTED] of its decision in writing.



Zainab Baydoun

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

Date Signed: **6/11/2014**

Date Mailed: **6/11/2014**

ZB / tlf

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:

