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

### IN THE MATTER OF:

Reg. No.: 13-000224 Issue No.: 2004 Case No.: Hearing Date: County:

August 14, 2014 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 August 14, 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

Whether the Department processed Claimant's Medical Assistance (MA) application dated October 4, 2012, retroactive to August 2012?

# **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 4, 2012, the Authorized Representative (AR, who is also the AHR (hereinafter referred to as "AHR")) applied for MA benefits on behalf of the Claimant, retroactive to August 2012. Exhibit 1, pp. 3-68.
- 2. The Department failed to register and process Claimant's MA application.
- 3. On June 25, 2013, Claimant's AHR filed a hearing request, protesting the Department's failure to process the application. See Exhibit 1, p. 2.

#### **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 (September 2012), p. 11. Any person, regardless of age, or their authorized representative (AR) may apply for assistance. BAM 110 (October 2012), 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 (October 2012), p. 12. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 12. 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. 12. 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. 18.

In this case, on October 4, 2012, the AHR applied for MA benefits on behalf of the Claimant, retroactive to August 2012. Exhibit 1, pp. 3-68. During the hearing, the Department acknowledged that it, in error, failed to register and process Claimant's MA application.

Based on the foregoing information and evidence, the Department failed to register and process Claimant's application dated October 4, 2012, retroactive to August 2012. Thus, the Department did not act in accordance with Department policy and it will

process Claimant's application. BAM 105, p. 11; BAM 110, pp. 4 and 16; and BAM 115, pp. 12 – 13 and 18.

## 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 process Claimant's MA application dated October 4, 2012, retroactive to August 2012.

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 registration and processing of Claimant's MA application dated October 4, 2012, retroactive to August 2012;
- 2. Begin issuing supplements to Claimant for any MA benefits Claimant was eligible to receive but did not from August 1, 2012, 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: 8/22/2014

Date Mailed: 8/22/2014

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:	