

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

IN THE MATTER OF:



Reg. No.: 14-003020
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: July 31, 2014
County: Wayne-District 15

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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 July 31, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included [REDACTED], Eligibility Specialist.

ISSUE

Did the Department properly process Claimant's Medical Assistance (MA) case?

Did the Department properly begin Claimant's coverage for benefits under the Medicare Savings Program (MSP)?

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 is an ongoing recipient of MA benefits under the Ad-Care program.
2. Claimant had been receiving MSP benefits, but her MSP case closed in June 2013.
3. On April 7, 2014, Claimant reapplied for MSP benefits.
4. In a May 13, 2014, Health Care Coverage Determination Notice (HCC Notice), the Department notified Claimant that she was approved for MSP coverage effective

May 1, 2014 and that her eligibility was denied/closed from January 1, 2014 ongoing because she “did not apply for this person.”

5. On May 22, 2014, Claimant requested a hearing concerning the denial/closure of her MA case.

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, two issues arose during the course of the hearing: (i) the status of Claimant’s MA case, and (ii) when she was eligible for MSP coverage.

MA Case

Claimant was concerned because of the May 13, 2013 HCC Notice she received advising her of the closure/denial of her case and because she had been notified in May 2014 by a medical provider that her MA was not active.

At the hearing, the Department worker for Claimant’s case explained that, after Claimant requested retroactive MSP benefits and she attempted to activate such coverage, Claimant’s MA case was left uncertified. As a result, for a small period of time, Claimant appeared not to have active MA coverage. However, the worker recertified Claimant’s MA case once she became aware of the issue. An eligibility summary showed that Claimant was receiving ongoing, uninterrupted MA coverage under the MA program once her case was recertified on May 22, 2014. Therefore, the Department resolved the issue that resulted in Claimant’s MA case being temporarily inactive. Claimant testified that, after the incident in May 2014 when she was advised by her provider that she did not have MA coverage, she had received MA coverage. Her testimony supported the Department’s position that the MA issue had been resolved.

MSP Coverage

The Department testified that Claimant was approved for MSP coverage under the Qualified Medicare Beneficiaries (QMB) program, the most beneficial of the MSP

programs, covering a client's Medicare premiums (both Part A and Part B), Medicare coinsurances and Medicare deductibles. BEM 165 (April 2014), pp. 1-2.

QMB coverage for eligible clients begins the calendar month *after* the processing month, which is the month during which an eligibility determination is made. BEM 165, p. 3. In this case, Claimant applied for MSP coverage on April 7, 2014. It is not clear when the application was processed. However, the Department notified Claimant in the HCCC Notice that she was eligible for QMB coverage effective May 1, 2014. Because this is the earliest that she was eligible for QMB coverage in light of the April 7, 2014 application, the Department acted in accordance with Department policy in beginning Claimant's MA coverage effective May 1, 2014.

The Part B Buy-In program is used to pay Part B premiums. BAM 810 (April 2014), p. 7-8. The Part B buy-in effective date is the month QMB or SLMB coverage begins if the only basis for buy-in is MSP eligibility. BAM 810, p. 8. Because there was no evidence presented that the buy-in in Claimant's case was based on anything other than her MSP eligibility, the Part B buy-in effective date in Claimant's case was May 1, 2014.

At the hearing, Claimant testified that she had received reimbursement from the Social Security Administration (SSA) for her June 2014 Part B premium that had previously been deducted from her RSDI income and that the State had paid her Part B premium for July 2014. The Department testified that the buy-in date identified on Claimant's SOLQ was June 2014. It is unclear why the buy-in date was June 2014 in the SOLQ when the Part B buy-in effective date is May 1, 2014. Thus, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it failed to activate QMB coverage for Claimant for May 2014.

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 acted in accordance with Department policy when it resolved Claimant's MA issue and provided ongoing MA coverage but did not act in accordance with Department policy when it failed to activate QMB coverage for May 2014.

DECISION AND ORDER

Accordingly, the Department's MA decision is AFFIRMED IN PART with respect to Claimant's MA case and REVERSED IN PART with respect to activating Claimant's MSP coverage.

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 Claimant's QMB buy-in for May 2014.



Alice C. Elkin

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

Date Signed: **8/12/2014**

Date Mailed: **8/18/2014**

ACE / ttf

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:

