

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

IN THE MATTER OF:

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Reg. No.: 14-006429
Issue No.: 2001
Case No.: ██████████
Hearing Date: October 6, 2014
County: WAYNE (35)

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 hearing was held on October 6, 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) included ██████████ Hearing Facilitator, and ██████████, Medical Contact Worker.

ISSUE

Did the Department properly determine Claimant's eligibility for Medical Assistance (MA) benefits for April 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 April 25, 2013, Claimant applied for MA benefits.
2. The Medical Review Team (MRT) determined that Claimant was not disabled.
3. Claimant did not meet any other criteria to receive MA benefits and his application was denied.
4. Claimant filed a Request for Hearing disputing the MRT decision.
5. On March 28, 2014, a Hearing Decision was issued which ordered the Department to reinstate Claimant's April 25, 2013 application and evaluate Claimant's eligibility for MA benefits.

6. The Department determined Claimant was eligible for MA benefits.
7. The Department received a medical expense for [REDACTED] as well as a Facility Admission Notice with an admission date of [REDACTED]
8. The Department authorized MA benefits for March 2013 but did not authorize MA benefits for April 2013.
9. On April 3, 2014, the Department sent Claimant a Health Care Determination Notice notifying him that his MA benefits had been approved for March 1, 2013 through March 31, 2014.
10. On June 30, 2014, Claimant's AHR filed a Request for Hearing 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.

On April 25, 2013, Claimant applied for MA benefits. The Medical Review Team (MRT) determined that Claimant was not disabled. As a result of the denial, Claimant filed a Request for Hearing disputing the MRT decision. On March 28, 2014, a Hearing Decision was issued which ordered the Department reinstate Claimant's April 25, 2013 application and evaluate Claimant's eligibility for MA benefits. The Department determined Claimant was eligible for MA benefits.

The Department acknowledged that it authorized MA benefits for Claimant for March 2013 but testified that it did not authorize MA benefits for Claimant for April 2013 because Claimant failed to provide any proof of medical expenses. The Department further explained that at the time of the prior Hearing Decision, Claimant was receiving Adult Medical Program (AMP) benefits. The Department stated that because Claimant was receiving AMP benefits, it could not comply with the Hearing Decision without an actual medical bill or proof that an expense was owed in April 2013. The Department provided its policy, BEM 545, as the basis for it not providing MA coverage in April

2013. A review of BEM 545 does not reveal any reference to procedures and/or requirements prior to allowing other MA coverage for a client who is receiving AMP benefits.

Claimant's AHR testified that a Facility Admission Notice was attached to the original April 25, 2013 application and was faxed to the Department on July 25, 2014 to comply with an email received from the Department. The Department acknowledged that a Facility Admission Notice was received on July 25, 2014. The Facility Admission Notice provided by Claimant's AHR showed an admission date of [REDACTED] and a discharge date of [REDACTED]. The Facility Admission Notice provided by Claimant's AHR also included a bill amount of \$29,325.20. The Facility Admission Notice included a statement of eligibility indicating Claimant had been approved and was signed by a Department representative. Although the Department representative who signed the Facility Admission Notice did not participate in the hearing, it was confirmed at the hearing that the person signing the form was a Department employee. The Facility Admission Notice provided by the Department was slightly different than that provided by Claimant's AHR. The Facility Admission Notice provided by the Department did not include a bill amount and also did not include an authorization by the Department.

Additionally, Department policy holds that persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility or the least amount of excess income. BEM 105 (October 2010), p. 2. A review of current policy reveals that this policy remains unchanged. BEM 105 (October 2014), p. 2. The Department testified that the AD Care MA category was more advantageous than the AMP category Claimant was in at the time of the Hearing Decision. Therefore, once the Department was ordered to evaluate Claimant's eligibility based upon the April 25, 2013 application, it should have provided Claimant with the most beneficial MA category. The Department testified that Claimant has been receiving AD Care coverage since June 2013 based upon the March 25, 2013 application. It remains unclear why the Department did not initially authorize the more beneficial coverage as of the date of application.

Notwithstanding this, the Department testified that the sole reason for not providing coverage in April 2013 was because Claimant failed to provide any proof of expenses in April 2013. It is found that Claimant did provide proof of medical expenses in April 2013 based upon the Facility Admission Notice provided by Claimant's AHR which showed an admission date of [REDACTED] and a discharge date of [REDACTED] with a bill amount of \$29,352.20. This is especially in light of the fact that the Department testified that the Facility Admission Notice with an admission date of [REDACTED] would have been acceptable to pay expenses incurred in March 2013 and because the document presented by Claimant's AHR contained an authorization by the Department.

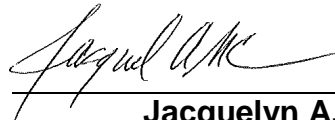
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with policy when it failed to provide MA coverage to Claimant for April 2013.

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. Provide Claimant with AD Care coverage for April 2013 and May 2013; and
2. Issue payments to providers for medical expenses incurred in April 2013 and May 2013.



Jacquelyn A. McClinton
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **10/14/2014**

Date Mailed: **10/14/2014**

JAM / 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;

