

**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.: 14-012273
Issue No.: 2001
Case No.: ██████████
Hearing Date: December 11, 2014
County: WAYNE-DISTRICT 19
(INKSTER)

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 telephone hearing was held on December 11, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Eligibility Specialist.

ISSUE

Did the Department properly deny Claimant's retroactive Medical Assistance (MA) application for March 2014 to May 2014?

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 pregnant for the months of March 2014 to May 2014.
2. On June 4, 2014, Claimant applied for MA benefits, retroactive to March 2014 to May 2014. See Exhibit 2, pp. 1-9.
3. In the application, Claimant indicated she is pregnant with an expected due date of October 6, 2014. See Exhibit 2, p. 3.
4. On August 14, 2014, the Department sent Claimant a Health Care Coverage Determination Notice (determination notice) notifying her that she is not eligible for MA benefits from March 2014 to May 2014. See Exhibit 1, p. 3. The

determination notice indicated Claimant was not eligible because she is not blind, disabled, pregnant, parent/caretaker relative of a dependent child or meet age requirements. See Exhibit 1, pp. 3-4.

5. Effective June 1, 2014, ongoing, Claimant was found eligible for the Low-Income Family (LIF) – MA coverage. See Exhibit 1, p. 6.
6. On September 18, 2014, Claimant filed a hearing request, protesting the MA denial for the time period of March 2014 to May 2014. 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.

In the present case, on August 14, 2014, the Department denied Claimant's retroactive MA application based on her not being blind, disabled, pregnant, parent/caretaker relative of a dependent child or meeting age requirements. See Exhibit 1, pp. 3-4. However, it was not disputed that Claimant was pregnant for the retroactive months of March 2014 to May 2014. Thus, it is unclear why the Department indicated she is not eligible based on not being pregnant. In fact, Claimant indicated she was pregnant in the application. See Exhibit 2, p. 3.

The DHS-3243, Retroactive Medicaid Application, is used along with the DHS-4574 or DCH-1426 for retro MA applications. BAM 110 (July 2014), p. 4. Only one DHS-3243 is needed to apply for one, two or three retro MA months. BAM 110, p. 4.

Retro MA coverage is available back to the first day of the third calendar month prior to:

- The current application for FIP and MA applicants and persons applying to be added to the group.
- The most recent application (not renewal) for FIP and MA recipients.
- For SSI, entitlement to SSI.
- For department wards.
- For Title IV-E and special needs adoption assistance recipients.

BAM 115 (July 2014), pp. 11-12.

Additionally, the Department determines eligibility for each retro MA month separately. BAM 115, p. 13. To be eligible for a retro MA month, the person must:

- Meet all financial and nonfinancial eligibility factors in that month, and
- Have an unpaid medical expense incurred during the month, or
 - Note: Do not consider bills that the person thinks may be paid by insurance as paid bills. It is easier to determine eligibility sooner rather than later.
- Have been entitled to Medicare Part A.

BAM 115, p. 13. There is also no asset test for Modified Adjusted Gross Income (MAGI) – related MA categories. BAM 115, p. 13. Financial eligibility policies might affect a pregnant woman's eligibility for retro months. BAM 115, p. 13.

Based on the foregoing information and evidence, the Department improperly denied Claimant's retroactive MA application for the benefit periods of March 2014 to May 2014.

First, retro MA coverage is available back to the first day of the third calendar month prior to the current application for FIP and MA applicants and persons applying to be added to the group or the most recent application (not renewal) for FIP and MA recipients. Claimant's most recent application dated June 4, 2014, clearly allows her to apply/receive MA coverage back from March 2014 to May 2014 (third calendar month prior to the current application). See Exhibit 2, p. 1 and BAM 115, p. 13.

Second, upon certification of eligibility results, the Department automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. BAM 220 (July 2014), p. 1. A notice of case action must specify the action(s) being taken by the department; the reason(s) for the action; the specific manual item which cites the legal base for an action or the regulation or law itself; etc... See BAM 220, p. 2; see also the Michigan Department of Community Health, MAGI Related Eligibility Manual, Chapter 13.1 - Notice of Case Action, p. 27. In this case, the Department did not state the proper denial reason(s) for the determination notice. Specifically, the determination notice found Claimant not eligible for benefits because she was not pregnant, when in fact she was pregnant. See Exhibit 1, p. 3 and BAM 220, p. 1. As such, the Department will redetermine Claimant's MA eligibility for March 2014 to May 2014. This Administrative Law Judge (ALJ) will not determine, though, if Claimant is eligible for the retro months. The Department still has to redetermine Claimant's eligibility for each retro month. See BAM 115, p. 13.


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 improperly denied Claimant's MA retroactive application for the time period of March 2014 to May 2014.

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. Redetermine Claimant's Retroactive MA eligibility for March 2014 to May 2014;
2. Issue supplements to Claimant for any MA benefits she was eligible to receive but did not from March 2014 to May 2014; and
3. Notify Claimant of its MA decision in accordance with Department policy.


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

Date Signed: **12/16/2014**

Date Mailed: **12/16/2014**

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 48909-8139

CC:

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