

**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.: 14-012498
Issue No.: 2001
Case No.: ██████████
Hearing Date: December 8, 2014
County: WAYNE-DISTRICT 35
(REDFORD)

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 8, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████; Claimant's mother ██████████; and Claimant's Authorized Hearing Representative (AHR), ██████████ ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████ Hearings Faciliator.

ISSUE

Did the Department properly provide Claimant with Medical Assistance (MA) coverage she is eligible to receive from January 2014 to September 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 is an ongoing recipient of MA benefits. See Exhibit 1, pp. 6-25.
2. From January 2014 to August 2014, Claimant received Group 2 Spend-Down (G2S) – MA coverage. See Exhibit 1, pp. 6-25.
3. For September 2014, Claimant received Plan First! Family Planning Program (Plan First!) - MA coverage. See Exhibit 1, p. 15.
4. On August 25, 2014, Claimant and the AHR filed a hearing request, protesting her MA benefits. 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.

Preliminary matter

First, Claimant's hearing request indicated that Claimant is an individual with a developmental disability and she collects Retirement, Survivors, and Disability Insurance (RSDI) from her father's work record. See Exhibit 1, p. 2. Claimant's hearing request argued that Claimant is entitled to full MA benefits under Group 2 (age, blind & disabled) and her income precludes her from having a deductible (spenddown). See Exhibit 1, p. 2. Finally, Claimant's hearing request indicated she is currently enrolled in Plan First! and she should have full regular MA. See Exhibit 1, p. 2.

At the hearing, the Department testified that Claimant at first had Plan First! coverage. Then, the Department testified that Claimant was converted to G2S coverage with a monthly deductible. Finally, the Department testified that Claimant was converted to G2S coverage without a deductible. It was discovered that the Department applied the G2S coverage without a deductible from January 2014 to August 2014; however, the Department was unable to apply G2S coverage for September 2014. Claimant still remains to this day with Plan First! coverage for September 2014. See Exhibit 1, p. 15.

Based on the foregoing information, this Administrative Law Judge (ALJ) will determine if the Department properly provided Claimant with MA coverage for September 2014. Both parties were in agreement with the G2S coverage the Department applied for January 2014 to August 2014. Claimant's AHR's only concern was for the benefit period of September 2014. Therefore, this ALJ finds that the Department acted in accordance with Department policy when it provided Claimant with G2S – MA coverage for January 2014 to August 2014.

Second, on September 5, 2014, the Department sent Claimant a Health Care Coverage Determination Notice (determination notice) notifying her that she is eligible for MA benefits from January 2014 to June 2014. See Exhibit 1, p. 4. However, it was discovered during the hearing that the Department did not send any determination

notice for the benefit periods of July 2014 to September 2014. It is unclear why the Department did not send any determination notice for this time period. 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. Because the evidence failed to indicate that Claimant received a notice of case action (i.e., determination notice) for the time period of September 2014 in accordance with Department policy, this ALJ will address if the Department properly determined Claimant's MA eligibility for September 2014. See BAM 600 (July 2014), pp. 4-6.

Plan First! – MA coverage

As stated above, Claimant's AHR argued that her Plan First! coverage provided by the Department was inadequate. Claimant's AHR argued that Claimant should be entitled to G2S coverage. In response, the Department did not dispute Claimant's AHR's argument. The Department testified that it in error provided Claimant with the Plan First! coverage and that she should have had G2S coverage. In fact, the Department submitted a help desk ticket to change MA coverage for July 2014, ongoing, to allow G2S for medical expenses to be entered. See Exhibit 1, p. 5. However, it appears that the Department was unable to convert the benefit month of September 2014.

The Plan First! Family Planning Program is a health coverage program operated by the Department of Community Health (DCH). BEM 124 (July 2014), p. 1. Plan First! will enable DCH to provide family planning services to women who would not have coverage for these services and do not have other comprehensive health insurance. BEM 124, p. 1.

Persons may qualify under more than one MA category. BEM 105 (January 2014), p. 2. Federal law gives them the right to the most beneficial category. BEM 105, p. 2. The most beneficial category is the one that results in eligibility or the least amount of excess income. BEM 105, p. 2.

Based on the foregoing information and evidence, the Department did not act in accordance with Department policy when it provided Claimant with MA coverage under the Plan First! program for September 2014. The Department agreed that it in error provided Claimant with the Plan First! coverage and that she should have had G2S coverage. In this case, both parties agreed that Claimant's most beneficial MA category is G2S. Nevertheless, there was no evidence presented in this case that the Department processed her eligibility for the most beneficial MA category for September 2014. BEM 105, p. 2. In the absence of such evidence, the Department has failed to satisfy its burden of showing that it acted in accordance with Department policy when it provided Claimant with MA coverage under the Plan First! program for September 2014. As such, the Department will redetermine Claimant's most beneficial MA category for September 2014. See BEM 105, p. 2.


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 (i) acted in accordance with Department policy when it provided Claimant with G2S – MA coverage for January 2014 to August 2014; and (ii) did not act in accordance with Department policy when it provided Claimant with MA coverage under the Plan First! program for September 2014.

Accordingly, the Department's MA decision is AFFIRMED IN PART with respect Claimant's MA benefits for January 2014 to August 2014 and REVERSED IN PART with respect to September 2014.

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. Reprocess Claimant's MA eligibility for September 2014;
2. Provide Claimant with the most beneficial MA coverage she is eligible to receive for September 2014; and
3. Notify Claimant of its decision.


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

Date Signed: **12/10/2014**

Date Mailed: **12/10/2014**

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]
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