

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-014513  
Issue No.: 2011  
Case No.: [REDACTED]  
Hearing Date: November 20, 2014  
County: Wayne (35)

**ADMINISTRATIVE LAW JUDGE:** Christian Gardocki

**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 November 20, 2014, from Detroit, Michigan. Participants included [REDACTED] as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], Hearings Facilitator.

**ISSUE**

The issue is whether DHS properly did not process Claimant's medical expenses from 9/2010 and 10/2010 despite a previous administrative hearing decision ordering DHS to process the expenses.

**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 an unspecified date, DHS imposed a child support disqualification against Claimant for the months of 9/2010 and 10/2010.
2. On [REDACTED] an administrative hearing was held concerning the failure by DHS to process Claimant's medical expenses from 8/2010, 9/2010, 10/2010 and 2/2011.
3. On [REDACTED], a Hearing Decision (Exhibits 10-12) affirmed a DHS denial of medical expense processing from 8/2010 and reversed the DHS failure to process medical expenses from 10/2010, 11/2010, and 2/2011.

4. The Hearing Decision intended to reverse the DHS failure to process Claimant's medical expenses from 9/2010, 10/2010, and 2/2011.
5. Following the Hearing Decision dated [REDACTED], DHS processed Claimant's medical expenses from 2/2011.
6. Following the Hearing Decision dated [REDACTED], DHS denied processing of Claimant's medical expenses from 9/2010 and 10/2010 due to a child support disqualification.
7. On [REDACTED], Claimant's AHR requested a hearing to dispute an alleged DHS failure to process Claimant's medical expenses from 9/2010 and 10/2010.

### **CONCLUSIONS OF LAW**

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. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Claimant's AHR requested a hearing to dispute a failure by DHS to process medical expenses for the months of 9/2010 and 10/2010. DHS stated that the medical expenses were not processed because of a previously imposed child support disqualification.

The head of household and the parent of children must comply with all requests for action or information needed to establish paternity and/or obtain child support on behalf of children for whom they receive assistance, unless a claim of good cause for not cooperating has been granted or is pending. BEM 255 (10/2010), p. 1. The support specialist (i.e. OCS) determines cooperation for required support actions. *Id.*, p. 8.

For MA benefits, failure to cooperate without good cause results in member disqualification. *Id.*, p. 1. Disqualification includes member removal, as well as denial or closure of program benefits, depending on the type of assistance. *Id.*

During the hearing, Claimant's AHR initially expressed skepticism over the legitimacy of the child support disqualification. In support of the skepticism, Claimant's AHR reasonably noted that nearly four years had lapsed until DHS provided Claimant's AHR

with notice that a child support disqualification justified failing to process medical expenses for 9/2010 and 10/2010. Claimant's AHR's point is exceptionally reasonable.

Though there is immense reason to be annoyed by the DHS delay in notice, there is no compelling evidence that the child support disqualification was improper. Accordingly, it appears that DHS properly failed to process medical expenses towards a deductible for the months of 9/2010 and 10/2010.

It was not disputed that a previous administrative hearing was held concerning the very same medical expenses that DHS failed to process. The issue in the previous hearing concerned the timeliness of the medical expense submission. The previous hearing decision found that Claimant's AHR timely submitted medical expenses. DHS did not assert that Claimant's medical expenses could not be processed due to a child support disqualification.

The previous decision order should have ordered DHS to process Claimant's medical expenses from 9/2010 and 10/2010 subject to the finding that medical expenses were timely submitted. Instead, the presiding ALJ and author of the previous decision (yours truly) ordered DHS to apply submitted medical expenses towards a deductible. As it happened, Claimant did not have a Medicaid deductible for the months of 9/2010 and 10/2010 due to a child support disqualification.

It could be reasonably contended that the previous administrative order, as written, gives DHS no allowance for denying the processing of Claimant's medical expenses. If such an order was overly-broad, DHS should have disputed it through a rehearing or reconsideration; DHS failed to do so.

It is mildly tempting to affirm the DHS denial of medical expenses so as not to penalize DHS for a poorly drafted administrative order. It is highly tempting to reorder DHS to process Claimant's medical expenses because of a DHS failure to raise a child support disqualification within 4 years after medical expenses were incurred, including during and after an administrative hearing. It is most tempting to affirm the DHS denial of medical expenses based on the undisputed fact that Claimant was never eligible for the medical expense processing in the first place. It is found that DHS properly denied processing of Claimant's medical expenses for the months of 9/2010 and 10/2010 due to Claimant's disqualification for child support.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS properly denied of MA benefits to Claimant for 9/2010 and 10/2010 based on a child support disqualification.

The actions taken by DHS are **AFFIRMED**.



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

Date Signed: **12/4/2014**

Date Mailed: **12/4/2014**

CG / hw

**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:

