

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 14-012553
Issue No.: 2007
Case No.: [REDACTED]
Hearing Date: December 04, 2014
County: JACKSON

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 4, 2014, from Lansing, Michigan. Participants on behalf of Claimant included his authorized hearing representative [REDACTED]. Participants on behalf of the Department of Human Services (Department) included ES [REDACTED] and AP Supervisor [REDACTED].

ISSUE

Did the Department properly deny Claimant's December 26, 2013, Medical Assistance application on July 7, 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. On September 2, 2013, Claimant was admitted to the hospital. During the month of September Claimant incurred \$ [REDACTED] of medical bills.
2. On October 1, 2013, Claimant signed an Authorization To Represent letter for [REDACTED].
3. On October 15, 2013, [REDACTED] submitted a retroactive Medical Assistance application on behalf of Claimant seeking coverage for his September 2013 medical expenses.
4. On December 2, 2013, the October 15, 2013 application was denied for failure to provide verification of income. (Pages 49-53)
5. On December 26, 2013, [REDACTED] filed an Assistance Application (DHS-1171) Filing Form. (Pages 44-48)

6. On January 3, 2014, Claimant and [REDACTED] were sent a Verification Checklist (DHS-3503) requesting that a completed retroactive application be submitted along with other verifications. The application and verifications were due on January 13, 2014. (Pages 54 & 55)
7. On January 13, 2014, [REDACTED] sent correspondence to the Department stating they were attempting to obtain a completed Assistance Application (DHS-1171) from Claimant and requesting a 10 day extension of time to provide the required application and verifications. (Page 56)
8. On January 14, 2014, Claimant and [REDACTED] were sent a Notice of Case Action (DHS-1605) stating Medical Assistance coverage was denied. The notice included a comment "There are no extensions when asking for a completed application." (Pages 57-61)
9. On January 23, 2014, another Medical Assistance application was submitted by [REDACTED] on Claimant's behalf. The cover letter states "If there was a Medicaid denial during the previous month, please consider this to be an updated Medicaid application for this individual." (Pages 11- 41)
10. On March 21, 2014, [REDACTED] submitted a hearing request about the January 14, 2014 denial of Medical Assistance coverage. In the request [REDACTED] asserted that the denial of the application was incorrect because "Per BAM 115 , when an application is denied "the application on file remains valid through the last day of the month after the month of the denial or termination". Since the 10/15/13 application was denied in December 2013, it remained a valid application given the timing of the application that was filed on 12/26/13. A new, additional DHS-1171 was not necessary and DHS should not have asked for it." (Pages 64 & 65)
11. On April 24, 2014, a hearing was conducted on the March 21, 2014 hearing request.
12. On May 16, 2014, a Hearing Decision was issued for the March 21, 2014 hearing request. The Department was ordered to reinstate and process the filing form and request any necessary documentation or application in accordance with BAM 130 if needed. (Pages 85-88)
13. On May 23, 2014, Claimant and [REDACTED] were sent an Appointment Notice (DHS-170) for an in person appointment on June 3, 2014. The purpose of the appointment was to update the October 15, 2013 application. (Page 89)
14. On June 3, 2014, no one came to the scheduled appointment to update the October 15, 2013 application.
15. On July 7, 2014, Claimant and [REDACTED] were sent a Benefit Notice (DHS-176) which stated Claimant was not eligible for Medical Assistance effective September 1, 2013 ongoing. (Page 94)

16. On September 11, 2014, [REDACTED] submitted hearing request about the July 7, 2014 denial. (Page 1)

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.

Jurisdiction

The first matter to outline is the jurisdictional limitation of this proceeding. Facts about events all the way back to September 2013 are relevant to the issues for resolution in this hearing. However, authority over Departmental actions involved in this case, DOES NOT extend prior to May 16, 2014.

Denial

On March 21, 2014, [REDACTED] submitted a hearing request about the January 14, 2014 denial of Medical Assistance coverage. In the request [REDACTED] asserted that the denial of the application was incorrect because "Per BAM 115, when an application is denied "the application on file remains valid through the last day of the month after the month of the denial or termination". Since the 10/15/13 application was denied in December 2013, it remained a valid application given the timing of the application that was filed on 12/26/13. A new, additional DHS-1171 was not necessary and DHS should not have asked for it."

On May 16, 2014, a Hearing Decision was issued for the March 21, 2014 hearing request. The Department was ordered to reinstate and process the filing form and request any necessary documentation or application in accordance with BAM 130 if needed.

Bridges Administration Manual (BAM) 115 Application Processing states:

APPLICATION AFTER DENIAL/ TERMINATION (PAGE 6)

All Programs

The following applies when an application is denied **or** eligibility is terminated before the month of a scheduled redetermination or end date:

The application on file remains valid through the last day of the month **after** the month of the denial or termination. To reapply during this time, the client/AR must do all of the following:

Update the information on the existing application.

Initial and date each page next to the page number to show that it was reviewed.

Re-sign and re-date the application on the signature page.

If eligibility exists, the updated application is valid until the originally scheduled redetermination or end date.

Reminder: An application *cannot* be updated or re-signed outside the local office except as part of a home call.

INTERVIEW MA Only (Page 18)

Do **not** require in-person interviews as a condition of eligibility.

Claimant's representative, [REDACTED] first asserts that the July 7, 2014 denial of the December 26, 2013 application was incorrect because BAM 115 does not require an in person interview as a condition of Medical Assistance eligibility. Claimant's representative has accurately cited one provision of BAM 115 which is listed immediately above. However, the in person interview required by the Department was not a factor of eligibility. The June 3, 2014 in person interview was required by the Department, in order to update a previously denied application for use as a new application. Those provisions are also cited above. The process of determining Claimant's Medical Assistance eligibility would not begin until the requirements of submitting a valid application were met.

Claimant's representative also asserts that updating the October 15, 2013 application was not necessary because another application had been submitted on January 23, 2014. The cover letter with that application did state "If there was a Medicaid denial during the previous month, please consider this to be an updated Medicaid application for this individual."

It is prudent to reiterate both the facts and purpose of updating the October 15, 2013 application before analyzing this argument. Denial of the October 15, 2013 application on December 2, 2013, was not appealed. Claimant's representative chose to submit a new application on December 26, 2014. Due to the ability to apply for three months of retroactive Medical Assistance, a new application during the month of December would include September 2013 and Claimant's medical bills of that month.

The provision in BAM 115 serves to reduce paperwork by allowing a denied application to be reused. When an application is updated, re-signed and re-dated in accordance with the provisions in BAM 115, the previously denied application date is still dead. The paper from the previous application is just being reused. The paper from the previous application is re-dated and re-signed. The date of the new application resulting from the update is the date the old paper was re-signed and re-dated.

The three month limitation for retroactive Medical Assistance is applicable to the date of the new application resulting from an update of a previous application. If the October 15, 2013 application had been re-signed and re-dated in December 2013, Medical Assistance eligibility for September 2013 could have been determined. Even if, the provisions of BAM 115 allowed the new paper application of January 23, 2014, to be considered an update of the October 15, 2013 application, January 23, 2014 would be the date of the newly created application. Retroactive Medical Assistance eligibility would be limited to October, November and December of 2013.

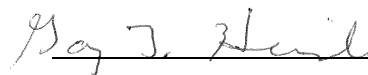
The May 16, 2014, Hearing Decision for the March 21, 2014 hearing request ordered the Department to reinstate and process the filing form and request any necessary documentation or application in accordance with BAM 130 if needed. The only filing form in all of these events was submitted on December 26, 2014. The March 21, 2014, hearing request states it is being submitted to appeal the denial of the "12/26/13 application." The September 11, 2014, hearing request states it is being submitted to appeal the "denial of the 12/26/13 application for Medicaid with retroactive coverage to September 2013."

In accordance with BAM 115, the application submitted on January 23, 2014, cannot be used as an update of the October 15, 2013 application to create a completed application of December 26, 2013. Arguments about the January 23, 2014 application are irrelevant to denial of the December 26, 2013 application.

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 complied with the May 16, 2014 Decision & Order and when it subsequently denied Claimant's December 26, 2013, Medical Assistance application on July 7, 2014.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.



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

Date Signed: **12/22/2014**

Date Mailed: **12/22/2014**

GFH/hj

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:

