

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

**IN THE MATTER OF:**

██████████  
██████████████████  
██████████████  
██████████████████

Reg. No.: 14-011282  
Issue No.: MEDICAID - ELIGIBILITY  
Case No.: ██████████  
Hearing Date: November 19, 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 November 19, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's Authorized Hearing Representative (AHR)/son-in-law, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████ Hearings Facilitator.

**ISSUE**

Did the Department properly close Claimant's Medicare Savings Programs (MSP) September 1, 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 an ongoing recipient of MSP – Qualified Medicare Beneficiaries (QMB) coverage. See Exhibit 1, pp. 11-14.
2. On July 29, 2014, the Department sent Claimant a Health Care Coverage Determination Notice (determination notice) notifying Claimant that her MSP benefits would close effective September 1, 2014 because she is not eligible and she is not enrolled in Medicare Part A. See Exhibit 1, pp. 4-5.
3. On August 27, 2014, Claimant filed a hearing request, protesting the MSP closure. 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.

Medicare is a federal health insurance program administered by the Social Security Administration (SSA). BAM 810 (April 2014), p. 1. Medicare has three parts: Part A, hospital insurance (HI), and Part B, supplementary medical insurance (SMI), Part D, prescription drug coverage. BAM 810, p. 1. A person receiving Medicare may have to pay a monthly premium for his Medicare. BAM 810, p. 1. A person is also responsible for some of the cost of Medicare-covered services. BAM 810, p. 1. These costs are called coinsurances and deductibles. BAM 810, p. 1.

Medicaid coverage includes Medicare cost-sharing benefits. BAM 810, p. 1. This means Medicaid pays Medicare Part B premiums or Part A and B premiums, coinsurances and deductibles for certain Medicaid recipients. BAM 810, p. 1. A person who can receive Medicare Part A free of charge is encouraged to apply for it. BAM 810, p. 1.

The Medicare Savings Programs are SSI-related MA Categories. BEM 165 (April 2014), p. 1. The three Medicare Savings Programs are Qualified Medicare Beneficiaries (also known as full-coverage QMB); Specified Low-Income Medicare Beneficiaries (also referred to as limited coverage QMB and SLMB); and Additional Low-Income Medicare Beneficiaries (also known as ALMB or Q1). BEM 165, p. 1.

QMB pays for Medicare premiums (note: QMB pays Medicare Part B premiums and Part A premiums for those few people that have them), Medicare coinsurances, and Medicare deductibles. BEM 165, p. 2.

In this case, Claimant was an ongoing recipient of MSP – Qualified Medicare Beneficiaries (QMB) coverage. See Exhibit 1, pp. 11-14. The Department indicated that Claimant's Medicare Part A was terminated on September 1, 2013 for nonpayment of premiums and her Medicare Part B was terminated on December 1, 2013 for nonpayment. See SOLQ, Exhibit 1, pp. 6-8. However, a review of Claimant's Eligibility Summary indicated that her MSP – QMB ended in August 2014. See Exhibit 1, p. 13.

Nevertheless, on July 29, 2014, the Department sent Claimant a determination notice notifying Claimant that her MSP benefits would close effective September 1, 2014 because she is not eligible and she is not enrolled in Medicare Part A. See Exhibit 1, pp. 4-5. On August 27, 2014, Claimant filed a hearing request, protesting the MSP closure. See Exhibit 1, p. 2.

At the hearing, the Department testified that Claimant is not eligible for any MSP benefits because she is not enrolled in Medicare Part A. The Department argued that Claimant receives no Social Security income (i.e., RSDI), she has no Medicare premium, and she is not disabled. The AHR argued that he would like the Claimant to continue receiving MSP coverage. The AHR did not dispute that Claimant is not disabled, and she does not receive Social Security Income. It should be noted that the AHR presented Claimant's online MA benefits details description. See Exhibit A, p. 1. Exhibit A showed that Claimant received MA – AD –Care in December 2013 and she is also getting MSP – QMB in December 2013 (with a review date in July 2014). See Exhibit A, pp. 1-3.

There are four provisions under which a person can be eligible for Medicare Part A. BAM 810, p. 1. The four provisions are listed in detail in BAM 810. See BAM 810, pp. 1-3.

A person receiving Retirement, Survivors, and Disability Insurance (RSDI) or Railroad Retirement benefits is usually enrolled in Part A automatically if he is eligible. BAM 810, p. 3.


Additionally, a person is eligible for Part B if he: is eligible for Part A, or is at least age 65, lives in the U.S., and is either a U.S. citizen or an alien lawfully admitted for permanent residence who has lived in the U.S. five consecutive years. BAM 810, p. 3. Generally, a person who is eligible for Part B and is enrolled in Part A is automatically enrolled in Part B. He may refuse Part B. BAM 810, p. 4.

Based on the foregoing information and evidence, the Department properly closed Claimant's MSP – QMB benefits effective September 1, 2014. The evidence presented that Claimant is not eligible for MSP benefits because she is not eligible for Part A or that she did not even have a Medicare premium at the time of closure. See Exhibit 1, p. 6 and BAM 810, pp. 1-3. Even though Claimant's Eligibility Summary indicated her QMB coverage ended in August 2014, the evidence showed that her Medicare Part A was terminated on September 1, 2013 for nonpayment of premiums and her Medicare Part B was terminated on December 1, 2013 for nonpayment. See SOLQ, Exhibit 1, pp. 6-8. It was unclear why Claimant received such coverage in the past; nevertheless, this Administrative Law Judge's (ALJ) jurisdiction is based on the effective closure date of September 1, 2014 (determination notice dated July 29, 2014). See Exhibit 1, pp. 4-5. At the time of the determination notice, the evidence presented that Claimant was not eligible for MSP coverage.

**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 acted in accordance with Department policy when it properly closed Claimant's MSP coverage effective September 1, 2014.

Accordingly, the Department's MSP decision is AFFIRMED.

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

Date Signed: **11/21/2014**

Date Mailed: **11/21/2014**

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]  
[REDACTED]  
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