

**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.: 14-016398
Issue No.: 2004
Case No.: ██████████
Hearing Date: February 19, 2015
County: WAYNE-DISTRICT 76
(GRATIOT/SEVEN M)

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 three-way telephone hearing was held on February 19, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's Authorized Hearing Representative (AHR), ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Hearings Facilitator/Assistant Payment Supervisor; and ██████████ Assistant Payment Worker.

ISSUE

Did the Department properly process Claimant's retroactive Medical Assistance (MA) disability application for the period of January 1, 2014 to March 31, 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 April 17, 2014, the authorized representative (AR – who is also the AHR in this case) applied for MA benefits on behalf of the Claimant, retroactive to January 2014 (disability retroactive application). See Exhibit A, pp. 1-11.
2. Claimant was found eligible for the MA - Healthy Michigan Plan (HMP) coverage effective April 1, 2014, ongoing. See Exhibit 1, p. 1. As such, Claimant's AHR only disputed the retroactive MA application for January 2014 to March 2014 (retroactive period).

3. On an unspecified date, the Department indicated that it denied Claimant's MA retroactive period for two reasons: (1) the Medical Review Team (MRT) did not find Claimant disabled; and (2) there was no open enrollment for the Adult Medical Program (AMP).
4. The Department failed to present any evidence that a Notice of Case Action and/or a Health Coverage Determination Notice was sent to Claimant and the AHR notifying them of the denial.
5. On October 27, 2014, Claimant's AHR filed a hearing request, protesting the Department's failure to process the MA/retroactive application. 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.

As a preliminary matter, Claimant was found eligible for the MA - HMP coverage effective April 1, 2014, ongoing. See Exhibit 1, p. 1. Claimant's AHR only disputed the retroactive MA application for January 2014 to March 2014. As such, this Administrative Law Judge (ALJ) will only address Claimant's retroactive MA application.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (April 2014), p. 15.

Any person, regardless of age, or his/her authorized representative (AR) may apply for assistance. BAM 110 (January 2014), p. 4. The AR assumes all the responsibilities of a client. BAM 110, p. 9. AR's must give their name, address, and title or relationship to the client. BAM 110, p. 9. To establish the client's eligibility, they must be familiar enough with the circumstances to complete the application, answer interview questions, and collect needed verifications. BAM 110, p. 9. The Department must register a signed application or filing form, with the minimum information, within one workday for all requested programs. BAM 110, p. 19.

The DHS-3243, Retroactive Medicaid Application, is used along with the DHS-1171, DHS-4574 or DCH-0373 for retro MA applications. BAM 110, p. 4. Only one DHS-3243 is needed to apply for one, two or three retro MA months. BAM 110, p. 4.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (March 2014), p. 14. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 15. However, there are exceptions to these benefit programs for processing times, which are described as follows: 90 days for MA categories in which disability is an eligibility factor. BAM 115, p. 15. The SOP can be extended 60 days from the date of deferral by the Medical Review Team (MRT). BAM 115, p. 15.

Retro MA coverage is available back to the first day of the third calendar month prior to the criteria listed in BAM 115. BAM 115, p. 11. A person might be eligible for one, two or all three retro months, even if not currently eligible. BAM 115, p. 12. A separate determination of eligibility must be made for each of the three retro months. BAM 115, p. 13.

If the group is ineligible or refuses to cooperate in the application process, the Department certifies the denial within the standard of promptness and sends a DHS-1605, Client Notice, or the DHS-1150, Application Eligibility Notice, with the denial reason(s). BAM 115, p. 22. Medicaid and AMP denials receive a DHS-1606, Health Care Coverage Determination Notice. BAM 115, pp. 22-23. The Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 23. The Department sends the DHS-1606 detailing Medicaid approvals. BAM 115, p. 23.

In this case, the Department indicated that it denied Claimant's MA retroactive period for two reasons: (1) MRT did not find Claimant disabled; and (2) there was no open enrollment for the Adult Medical Program (AMP). During the hearing, the Department provided different dates in regards to when the Department denied the retroactive application. However, the Department failed to present any evidence that a Notice of Case Action and/or Health Coverage Determination Notice was sent to Claimant and the AHR notifying them of the denial. In fact, Claimant's AHR testified that they did not receive any form of correspondence relating to the application (i.e., Verification Checklist or denial notice). Therefore, the evidence is unclear if whether the Department properly processed Claimant's retroactive application in accordance with Department policy.

Based on the foregoing information and evidence, the Department failed to satisfy its burden of showing that it properly processed Claimant's MA retroactive disability application for the period of January 1, 2014 to March 31, 2014. See BAM 105, p. 15; BAM 110, pp. 4-19; and BAM 115, pp. 11-23. As stated above, the Department failed to present any evidence that it processed Claimant's retroactive MA application in accordance with Department policy. The Department did not present any evidence that

a Health Care Coverage Determination Notice was sent to the AHR/Claimant informing them of the denial. See BAM 115, p. 22. Thus, the Department will (re)register and (re)process Claimant's MA retroactive disability application for January 1, 2014 to March 31, 2014 in accordance with Department policy.


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 failed to satisfy its burden of showing that it properly processed Claimant's MA retroactive disability application for the period of January 1, 2014 to March 31, 2014, in accordance with Department policy.

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. Initiate (re)registration and (re)processing of Claimant's MA retroactive disability application for the period of January 1, 2014 to March 31, 2014;
2. Begin issuing supplements to Claimant for any MA benefits she was eligible to receive but did not from January 1, 2014 to March 31, 2014; and
3. Begin notifying Claimant and Claimant's AHR of its MA decision in accordance with Department policy.


Eric Feldman
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **2/25/2015**

Date Mailed: **2/25/2015**

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]