

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

IN THE MATTER OF:

[REDACTED]

Reg. No: 201427709
Issue No: 2001, 3000
Case No: [REDACTED]
Hearing Date: March 19, 2014
Oakland County DHS #3

ADMINISTRATIVE LAW JUDGE: Suzanne D. Sonneborn

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and MCL 400.37 upon Claimant's request for a hearing received by the Department of Human Services (Department) on February 14, 2014. After due notice, a telephone hearing was held on March 19, 2014 from Lansing, Michigan. Claimant appeared and provided testimony and Claimant's authorized representative, [REDACTED] [REDACTED] with Oakland County Welfare Rights, also appeared and provided testimony on Claimant's behalf. The Department was represented by [REDACTED] [REDACTED] an assistance payments worker with the Department's Oakland County office.

ISSUE

Whether the Department properly determined Claimant's eligibility for Medicaid and Medicare Savings Program benefits effective June 1, 2013?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. Claimant was receiving Ad-Care Medicaid and Medicare Savings Program (MSP) Qualified Medicare Beneficiaries (QMB) benefits and Food Assistance Program (FAP) benefits at all times relevant to this hearing.
2. On May 17, 2013, the Department notified Claimant that effective June 1, 2013, her MSP QMB medical coverage was being closed because she failed to timely return her redetermination paperwork.
3. On January 22, 2014, the Department notified Claimant that effective January 1, 2014, her Medicaid and MSP QMB medical coverage was being closed.

4. On February 14, 2014, Claimant submitted a hearing request protesting the closure of her MSP QMB coverage, as well as her FAP benefit allotment. (Request for a Hearing)
5. On February 21, 2014, the Department determined that, due to agency error, the Department had erroneously closed Claimant's MSP QMB for failure to return her redetermination paperwork when Claimant had returned such paperwork on May 30, 2013. The Department's error resulted in Claimant's Medicare Part B Premium amount having been taken out of her RSDI check effective June 1, 2013.
6. On February 21, 2014, the Department submitted a Help Desk remedy ticket request (#BR53958) to correct the computer error and issue Claimant supplemental QMB benefits for June 1, 2013 through January 31, 2014. (Department Hearing Summary)

CONCLUSIONS OF LAW

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The department will provide an administrative hearing to review the decision and determine the appropriateness of that decision. Department of Human Services Bridges Administrative Manual (BAM) 600 (2011), p. 1. The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in sections 400.901 to 400.951 of the Michigan Administrative Code (Mich Admin Code). An opportunity for a hearing shall be granted to an applicant who requests a hearing because his claim for assistance is denied. Mich Admin Code R 400.903(1).

The Medical Assistance (MA) program was established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Bridges Administrative Manual (BAM), the Bridges Eligibility Manual (BEM) and the Program Reference Manual (PRM).

The goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA). The local office is responsible for determining a Client's eligibility, calculating their level of benefits and protecting their rights. BAM 105.

Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2. This item describes the three categories that make up the Medicare Savings Programs. The three categories are:

1. Qualified Medicare Beneficiaries, also called full-coverage QMB and just QMB. Program group type is QMB.

2. Specified Low-Income Medicare Beneficiaries, also called limited-coverage QMB and SLMB. Program group type is SLMB.
3. Q1 Additional Low-Income Medicare Beneficiaries, also referred to as ALMB and as just Q1. Program group type is ALMB. BEM 165.

There are both similarities and differences between eligibility policies for the three categories. Benefits among the three categories also differ. Income is the major determiner of category. A person who is eligible for one of these categories cannot choose to receive a different Medicare Savings Program category. For example, a person eligible for QMB cannot choose SLMB instead. All eligibility factors must be met in the calendar month being tested. BEM 165.

QMB pays a client's Medicare premiums (Part A and B), coinsurance, and deductibles. SLMB pays a client's Medicare Part B premiums. And, ALMB pays Medicare Part B premiums provided funding is available. BEM 165, pp. 1-2. Income eligibility for any of the three categories exists when net income is within the limits found in RFT 242. BEM 165, p 6. Effective April 1, 2013, the net income limit for ALMB for a group size of one is \$1,293.00. RFT 242.

In this case, Claimant's QMB coverage ended as of June 1, 2013 because the Department concluded that Claimant failed to timely return her redetermination paperwork by the May 30, 2013 deadline. However, at the March 19, 2014 hearing, the Department's representative, Catherine Carroll, acknowledged that, due to Department error, the Department failed to properly process her redetermination paperwork and reinstate her QMB benefits. Consequently, the Department submitted a Help Desk remedy ticket request (#BR53958) on February 21, 2014 to correct the computer error and issue Claimant supplemental QMB benefits for June 1, 2013 through January 31, 2014. To date, the Help Desk remedy ticket remains unresolved.

In response to Ms. Carroll's testimony, Claimant testified that she would be satisfied with the resolution achieved by the expedited processing of the Help Desk remedy ticket. Claimant further testified that, because she is satisfied with the Department's intended redetermination of her FAP benefit amount, she no longer challenges the Department's actions regarding her FAP benefits and she would like to withdraw that portion of her hearing request.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997).

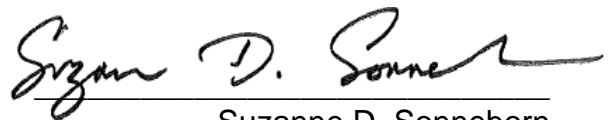
This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record and finds that, based on the competent, material, and substantial evidence presented during the March 19, 2014 hearing, the Department failed to properly process Claimant's MSP QMB medical coverage and approve Claimant for supplemental MSP QMB benefits to which she is entitled for the benefit period effective June 1, 2013 through January 31, 2014. This Administrative Law Judge further finds that, based on Claimant's withdrawal request, Claimant's hearing request regarding the FAP program is dismissed.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department failed to properly process Claimant's MSP QMB medical coverage and approve Claimant for supplemental MSP QMB benefits to which she is entitled for the benefit period effective June 1, 2013 through January 31, 2014. Accordingly, the department's actions in this regard are **REVERSED** and the department shall, within 10 days of the issuance of this Decision and Order, process Claimant's MSP QMB medical coverage and approve Claimant for supplemental MSP QMB benefits to which she is entitled for the benefit period effective June 1, 2013 through January 31, 2014 in accordance with the applicable department policy and the department shall take the necessary steps to ensure the computer problem is resolved.

The Administrative Law Judge further decides that Claimant's hearing request regarding the FAP program is **DISMISSED**.

It is **SO ORDERED**.



Suzanne D. Sonneborn
Administrative Law Judge
for Maura D. Corrigan, Director
Department of Human Services

Date Signed: March 27, 2014

Date Mailed: March 27, 2014

NOTICE OF APPEAL: The claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely Request for Rehearing or Reconsideration was made, within 30 days of the receipt date of the Decision and Order of Reconsideration or Rehearing Decision.

Michigan Administrative Hearing System (MAHS) may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. MAHS will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request (60 days for FAP cases).

A Request for Rehearing or Reconsideration may be granted 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 Department, AHR or the claimant 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 the hearing decision is mailed.

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 48909-07322

SDS/hj

cc:

