

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

IN THE MATTER OF:

██████████
██████████
██████████

Reg. No.: 2014-32220
Issue No(s): 2003; 3000
Case No.: ██████████
Hearing Date: May 5, 2014
County: Wayne (43)

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 May 5, 2014, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's Authorized Hearing Representative (AH█████/guardian, ██████████). Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Assistant Payment Supervisor.

ISSUE

Did the Department properly close Claimant's Medicare Savings Program (MSP) - Qualified Medicare Beneficiaries (also known as full-coverage QMB) coverage effective March 1, 2014, ongoing?

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 – QMB coverage. See Exhibit 1.
2. On an unspecified date, the Department sent Claimant a redetermination which was completed and submitted by the AHR in February 2014.
3. On February 15, 2014, the Department sent Claimant a Notice of Case Action notifying her that her MSP – QMB coverage would close effective March 1, 2014, ongoing, due to her failure to submit a completed redetermination. See Exhibit 2.

4. On March 6, 2014, Claimant's AHR filed a hearing request, protesting the MSP – QMB closure and her Food Assistance Program (FAP) benefits. See Exhibit 1.
5. On March 18, 2014, the Department sent Claimant a Notice of Case Action notifying her that her MSP – QMB coverage was approved effective April 1, 2014, ongoing. See Exhibit 2.
6. On March 18, 2014, the Notice of Case Action also notified Claimant that her MSP - Additional Low-Income Medicare Beneficiaries (ALMB) was denied for March 2014. See Exhibit 2.
7. On March 31, 2014, Claimant's AHR submitted a withdrawal of the hearing request indicating that the Medical Assistance (MA) coverage was reinstated and the FAP benefits remain the same. See Exhibit 1.
8. On April 11, 2014, Claimant's AHR submitted a request to reinstate the original hearing request or if necessary, request a new hearing. See Exhibit 1. Claimant's AHR indicated that the MSP – QMB coverage was never reinstated for February 1, 2014, ongoing. See Exhibit 1.
9. In April 2014, the Michigan Administrative Hearing System (MAHS) accepted Claimant's request to reinstate the original hearing request (dated March 6, 2014) because Claimant's Medical Assistance (MA) issue is still in dispute.
10. On April 22, 2014, the MAHS sent Claimant a Notice of Hearing, which scheduled her for a hearing on May 5, 2014.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food Stamp Act of 1977, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Family Independence Agency) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001 to .3015.

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.

Preliminary matters

First, on March 6, 2014, Claimant's AHR filed a hearing request, protesting the MSP – QMB closure and her FAP benefits. See Exhibit 1. On March 31, 2014, Claimant's AHR submitted a withdrawal of the hearing request indicating that the MA coverage was reinstated and the FAP benefits remain the same. See Exhibit 1. However, during the hearing, Claimant testified that the MSP coverage was never reinstated. Thus, on April 11, 2014, Claimant's AHR submitted a request to reinstate the original hearing request or if necessary, request a new hearing. See Exhibit 1. Claimant's AHR indicated that the MSP – QMB coverage was never reinstated for February 1, 2014, ongoing. See Exhibit 1. In April 2014, the MAHS accepted Claimant's request to reinstate the original hearing request (dated March 6, 2014) because Claimant's MA issue is still in dispute. On April 22, 2014, the MAHS sent Claimant a Notice of Hearing, which scheduled her for a hearing on May 5, 2014.

Second, on March 28, 2014, the MAHS sent Claimant a letter which indicated that the hearing request did not bear her signature. See BAM 600 (March 2014), pp. 2-6. However, Claimant's AHR/guardian requested the hearing and also provided documentation that he is the guardian. See Exhibit 2. As such, the hearing proceeded accordingly because Claimant's AHR provided proper documentation. See Exhibit 2.

Third, the AHR requested a hearing in which he also disputed Claimant's FAP benefits. See Exhibit 1. Shortly after commencement of the hearing, Claimant's AHR was no longer disputing the FAP benefits. As such, Claimant's FAP hearing request is DISMISSED.

Fourth, Claimant's AHR testified that he was only disputing the closure of the MSP – QMB benefits. Moreover, on April 11, 2014, Claimant's AHR submitted correspondence in which he requested reinstatement of the original hearing request and also disputed the MSP – QMB closure effective February 1, 2014, ongoing. See Exhibit 1. However, a review of the Eligibility Summary indicated that Claimant had MSP – QMB coverage for February 2014. See Exhibit 1. The Eligibility Summary further indicated that the coverage was closed for March 2014 and was reinstated as of April 1, 2014, ongoing. See Exhibit 1. Based on the foregoing information, this hearing decision will only address Claimant's MSP – QMB coverage for March 1, 2014, ongoing.

MSP coverage

Medicaid coverage includes Medicare cost-sharing benefits, meaning it will pay for Medicare Part B premiums or Part A and B premiums, coinsurances, and deductibles for certain Medicaid recipients. BAM 810 (July 2013), p. 1.

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. BEM 105 (January 2014), p. 1. Medicaid is also known as Medical Assistance (“MA”). BEM 105, p. 1.

The Medicare Savings Programs are SSI-related MA Categories. BEM 165 (October 2013), 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.

In this case, Claimant was an ongoing recipient of MSP – QMB coverage. See Exhibit 1. On an unspecified date, the Department sent Claimant a redetermination. Claimant’s AHR testified that he received the redetermination; however, he was unable to complete the form until mid-February 2014 due to illness. On February 15, 2014, the Department sent Claimant a Notice of Case Action notifying her that her MSP – QMB coverage would close effective March 1, 2014, ongoing, due to her failure to submit a completed redetermination. See Exhibit 2. At this point, Claimant’s AHR testified that he requested a hearing to dispute the closure, but also testified that he completed the redetermination and faxed it to the Department in February 2014. The Department was unsure if it received the completed redetermination.

Subsequent to the hearing request, on March 18, 2014, the Department sent Claimant a Notice of Case Action notifying her that her MSP – QMB coverage was approved effective April 1, 2014, ongoing. See Exhibit 2. Moreover, the Hearing Summary indicated that the benefits were reinstated as of March 17, 2014, and that the Claimant has received all benefits and there has not been an interference with coverage. See Exhibit 1. Based on this information, it appears that the Department received the redetermination as all benefits were reinstated; however, no such documentary evidence was provided. It should be noted that MSP coverage was not reinstated for March 2014 and it only was reinstated for April 1, 2014, ongoing. See Eligibility Summary and Notice of Case Action, Exhibits 1 and 2.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (January 2014), p. 7. This includes completion of necessary forms. BAM 105, p. 7.

A complete redetermination is required at least every 12 months. BAM 210 (October 2013), p. 1. For MA cases, benefits stop at the end of the benefit period unless a redetermination is completed and a new benefit period is certified. BAM 210, p. 2.

A redetermination/review packet is considered complete when all of the sections of the redetermination form including the signature section are completed. BAM 210, p. 10. When a complete packet is received, the Department records the receipt in its system as soon as administratively possible. BAM 210, p. 10. If the redetermination is submitted through MI Bridges, the receipt of the packet will be automatically recorded. BAM 210, p. 10.

For MA cases, benefits are not automatically terminated for failure to record receipt of the redetermination packet. BAM 210, p. 10.

Based on the foregoing information and evidence, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it improperly closed Claimant's MSP – QMB coverage effective March 1, 2014, ongoing.

First, the evidence presented that the end of the benefit period for the MSP coverage was February 28, 2014. This is based on Claimant's MSP benefits closing effective March 1, 2014, due to her failure to submit the redetermination. See Exhibit 2.

Second, Claimant's AHR credibly testified that he submitted the completed redetermination via fax in February 2014, which was before the end of the benefit period. Moreover, the evidence presented that the redetermination was received because the Hearing Summary stated that all of the benefits have been reinstated and there has not been an interference with coverage. See Exhibit 1. Nevertheless, the Department failed to satisfy its burden of showing that it properly closed the benefits effective March 1, 2014. It should be noted that the Department even testified that it appeared that a MSP eligibility determination is needed for March 2014. Because Claimant's AHR credibly testified that the redetermination was submitted before the end of the benefit period (February 28, 2014), the Department did not act in accordance with Department policy when it closed Claimant's MSP - QMB case effective March 1, 2014, ongoing. BAM 105, p. 7 and BAM 210, pp. 1-10.

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 acted in accordance with Department policy when it improperly closed Claimant's MSP – QMB coverage effective March 1, 2014, ongoing.

Accordingly, the Department's MSP 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. Reinstate Claimant's MSP case as of March 1, 2014;
2. Begin recalculating the MSP budget for March 1, 2014, ongoing, in accordance with Department policy;
3. Issue supplements to Claimant for any MSP benefits she was eligible to receive but did not from March 1, 2014, ongoing; and

4. Notify Claimant in writing of its MSP decision in accordance with Department policy.

IT IS ALSO ORDERED that Claimant's FAP hearing request (dated March 6, 2014) is **DISMISSED**.



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

Date Signed: May 8, 2014

Date Mailed: May 8, 2014

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides or has its principal place of business in the State, 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 48909-07322

EJF/cl

cc:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]