

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 2014-7430
Issue No.: 2004
Case No.: [REDACTED]
Hearing Date: January 15, 2014
County: Wayne (19)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 January 15, 2014, from Detroit, Michigan. Participants included [REDACTED] as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED] Manager.

ISSUE

The issue is whether DHS properly processed Claimant's Medicaid eligibility.

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 5/13, Claimant applied for MA benefits, including retroactive MA benefits from 4/2013.
2. Claimant's application noted a claim of disability and listed that Claimant had an authorized representative (AR).
3. On 5/13, DHS mailed a Notice of Case Action (Exhibits 1-2) to Claimant's AR which stated that Claimant was ineligible for Adult Medical Program (AMP) benefits due to excess income.

4. DHS did not determine Claimant's eligibility for Medicaid based on a claim of disability.
5. On 10/█/13, Claimant's AR (also Claimant's AHR) requested a hearing to dispute the failure by DHS to determine Claimant's Medicaid eligibility.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Prior to a substantive analysis of Claimant's hearing request, it should be noted that the request noted that Claimant required special arrangements to participate in the administrative hearing, specifically, a three-way telephone hearing. Claimant's AHR was granted permission to appear by telephone. Claimant's AHR stated that the special accommodation request was satisfied.

Claimant's AHR requested a hearing to compel the processing of Claimant's MA benefit application. Prior to a substantive analysis, it must be determined whether Claimant's AHR timely requested a hearing.

Claimant requested a hearing on 10/█/13 concerning a failure by DHS to evaluate Claimant for Medicaid. It was not disputed that DHS evaluated Claimant for AMP benefits and sent written notice of the denial on 5/24/13 (see Exhibits 1-2).

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. BAM 600 (7/2013), p. 5. The request must be received anywhere in DHS within the 90 days. *Id.*

An argument could be made that Claimant's AHR waited too long to request a hearing because a hearing request was submitted more than 90 days after DHS mailed a Notice of Case Action. The argument fails to factor that Claimant applied for MA benefits for the purpose of seeking Medicaid, not AMP. Though both are MA programs, an eligibility determination for one MA program is not an eligibility evaluation for other MA programs. The written notice sent by DHS did not inform Claimant of a Medicaid decision. The consequence of a DHS failure to mail written notice of a Medicaid determination to Claimant's AR is that the 90-day deadline to request a hearing never started. Accordingly, Claimant's hearing request is timely and Claimant is entitled to administrative review of the substantive dispute.

It was not disputed that Claimant's application alleged that Claimant was a disabled individual. It was not disputed that DHS did not factor Claimant's allegation of disability in determining her MA eligibility.

The Medicaid program is comprised of several sub-programs, which fall under one of two categories; one category is FIP-related and the second category is SSI-related. BEM 105 (10/2010), p. 1. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.*

DHS policy outlines detailed procedures for evaluating a client's MA benefit eligibility based on a claimed disability. Step one is that the client claims disability. BAM 815 (7/2013), p. 2. Once a client claims disability, DHS is to perform a 26-step procedure, which includes requesting medical documentation supporting disability. *Id.*

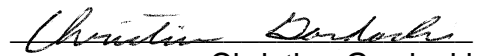
Rather than performing the lengthy disability evaluation, DHS only evaluated Claimant for AMP eligibility before denying Claimant's application. The failure to evaluate Claimant for Medicaid based on disability is reversible error.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for MA benefits. It is ordered that DHS perform the following actions:

- (1) reinstate Claimant's application dated 5/1/13 including Claimant's request for retroactive MA benefits from 4/2013; and
- (2) initiate processing of Claimant's application subject to the finding that Claimant alleged a claim of disability and must be evaluated for Medicaid based on a claim of disability.

The actions taken by DHS are **REVERSED**.


Christian Gardocki
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: 2/7/2014

Date Mailed: 2/7/2014

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

CG/hw

cc:

