

**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.: 14-011973
Issue No.: 2004
Case No.: ██████████
Hearing Date: December 08, 2014
County: Wayne-District 35

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 December 8, 2014, from Detroit, Michigan. Participants on behalf of Claimant included his Authorized Hearing Representative (AHR), ██████████ from ██████████. Participants on behalf of the Department of Human Services (Department) included ██████████, Hearings Facilitator.

ISSUE

Did the Department properly process Claimant's application for Medical Assistance (MA) benefits?

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 5, 2012, ██████ submitted an application for MA benefits, retroactive to February 2012 on behalf of Claimant.
2. In August 2012, ██████ submitted a hearing request on behalf of Claimant requesting that the Department process the above referenced application.
3. ██████ completed a hearing request withdrawal on the basis that the Department issued a Verification Checklist (VCL) on September 7, 2012.
4. In February 2013, ██████ submitted a hearing request on behalf of Claimant requesting that the Department finish processing the above referenced application,

as the requested verifications were returned and the Department had not issued a decision with respect to the application. (Exhibit B, p. 3)

5. On March 1, 2013, a Notice of Case Action was automatically generated and sent to ■■■■ informing ■■■■ that Claimant was ineligible for MA coverage for the period of February 1, 2012, ongoing under the Group 2 Caretaker Relatives (G2C) MA program based on a failure to verify requested information. The Notice also informs ■■■■ that for the period May 1, 2012, to May 31, 2012, Claimant was ineligible for MA coverage under the Group 2 Under 21 MA program based on a failure to verify requested information. (Exhibit 1)
6. On March 1, 2013, a pre-hearing conference was conducted during which the Department assured ■■■■ that the application was pending for determination. (Exhibit B, p. 4)
7. During the pre-hearing conference, the Department issued a VCL to ■■■■ dated March 1, 2013, with the due date of the requested proofs being March 11, 2013. (Exhibit B, pp. 1-2)
8. Relying on the issuance of the VCL, ■■■■ completed a hearing request withdrawal concerning the hearing request submitted in February 2013, as the Department was processing the application and making a determination regarding Claimant's eligibility for MA benefits.
9. On November 5, 2013, the Department sent ■■■■ a Notice of Case Action informing ■■■■ that for the period February 1, 2012, to April 30, 2012, Claimant was now approved for MA benefits under the Low Income Families (LIF) program. The Notice does not address Claimant's MA eligibility after April 30, 2012. (Exhibit A)
10. On September 25, 2014, ■■■■ submitted a hearing request on behalf of Claimant requesting that the Department finish processing the April 5, 2012, MA application arguing that the Department did not determine Claimant's ongoing MA eligibility for the period after April 30, 2012.

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.

Additionally, when the Department receives an application for assistance, it is to be registered and processed in accordance with Department policies. The date of application is the date the local office receives the required minimum information on an application or the filing form. BAM 110 (December 2011), pp.4-7,17-19. The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (April 2012), pp. 1,12-13. Retro MA coverage is available back to the first day of the third calendar month prior to the current application for FIP and MA applicants and persons applying to be added to the group. BAM 115, pp. 9-12.

The Department is to certify program approval or denial of the application within 45 days, unless an exception applies and upon certification of eligibility results, the Department is to notify clients in writing of positive and negative actions by generating the appropriate notice of case action, which is printed and mailed centrally from the consolidated print center. A negative action is a Department action to deny an application or to reduce, suspend or terminate a benefit. After processing an initial application, the Department will notify clients of the approval or denial. BAM 115, pp. 1, 12-19. BAM 220 (January 2011), p. 1.

In this case, ██████ requested a hearing disputing the Department's actions with respect to the processing of the April 5, 2012, MA application, retro to February 2012 that it submitted on Claimant's behalf. At the hearing, Claimant's AHR asserted that although on November 5, 2013, the Department did determine that Claimant was eligible for MA from February 1, 2012, to April 30, 2012, under the LIF program, the Department did not process Claimant's continued eligibility for MA for the period of May 1, 2012, ongoing. Claimant's hearing request indicated that Claimant had incurred medical expenses for the months of June 2012, July 2012, and August 2012.

At the hearing, the Department testified that according to the hearing summary, Claimant was determined to be ineligible for MA benefits for the period of May 1, 2012 to May 31, 2012, based on a failure to verify and that ██████ was notified with of the denial with the March 1, 2013 Notice of Case Action. (Exhibit 1). ██████ disputed the Department's testimony, arguing that the March 1, 2013, Notice of Case Action was invalidated with the issuance of the March 1, 2013, VCL and the subsequent November 5, 2013, Notice of Case Action in which Claimant was approved for MA from February 1, 2012 to April 30, 2012. ██████ presented documentation in support of its testimony. (Exhibits A and B).

After further review of the eligibility summary provided by the Department, Claimant's eligibility for MA for May 1, 2012, ongoing, was not determined after the Department issued a VCL on March 1, 2013. (Exhibit 2). Although the subsequent November 5,

2013, Notice of Case Action does approve Claimant for MA from February 1, 2012 to April 30, 2012, the Department testified that there was no Notice of Case Action sent with respect to Claimant's eligibility for May 1, 2012, ongoing. Rather than determine Claimant's MA eligibility for May 1, 2012, ongoing, as was done for the period from February 1, 2012 to April 30, 2012, the Department improperly relied on the March 1, 2013, Notice of Case Action as a basis for its assertion that Claimant was ineligible for MA for May 1, 2012, to May 31, 2012.

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 processed Claimant's MA application.

DECISION AND ORDER

Accordingly, the Department's 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. Register and process Claimant's April 5, 2012, application for MA, retroactive to February 2012, to determine Claimant's ongoing eligibility for MA benefits under the most beneficial category;
2. Issue supplements to Claimant for any MA coverage that he was entitled to receive but did not from February 2012, ongoing; and
3. Notify Claimant and [REDACTED] of its decision in writing.



Zainab Baydoun
Administrative Law Judge
for Maura Corrigan, Director
Department of Human Services

Date Signed: **01/02/2015**

Date Mailed: **01/02/2015**

ZB / tlf

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]