

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

**IN THE MATTER OF:**

██████████  
██████████  
██████████

Reg. No.: 14-018020  
Issue No.: 2004  
Case No.: ██████████  
Hearing Date: March 05, 2015  
County: Wayne-District 19 (Inkster)

**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 March 5, 2015, from Detroit, Michigan. Participants on behalf of Claimant included her 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 March 13, 2014, ██████ submitted an application for MA benefits, retroactive to January 2014 on behalf of Claimant. (Exhibit 1)
2. On May 29, 2014, ██████ submitted a hearing request on behalf of Claimant requesting that the Department process the above referenced application.

**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 (January 2014), pp.4-7,18-19. The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (March 2014), pp. 1,12-15. 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. 11-12.

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, 22-23;BAM 220 (January 2014), p. 1.

In this case, █████ requested a hearing disputing the Department's failure to process the MA application it submitted on behalf of Claimant. At the hearing, the Department testified that the application was received; however, it was not processed because Claimant was eligible and actively receiving MA benefits under the Healthy Michigan Plan (HMP) at the time the application was received. The Department testified that Claimant was a previously active recipient of MA benefits under the Adult Medical Program (AMP) and that when the HMP became available, Claimant's coverage changed to the HMP, including the retro months requested. It remained unexplained by the Department how Claimant could have received HMP benefits at the time the application was submitted and for the retro period, if the HMP was not active until April 2014.

Furthermore, BAM 110 provides that when a case is already active for program benefits and additional application(s) are received, the Department must review the application

for changes in circumstances and either complete a redetermination or deny the programs requested since they are already active. BAM 110, p.8.

In this case, [REDACTED] provided documentation establishing that Claimant alleged a disability on the application submitted. (Exhibit 1). [REDACTED] asserted that it was seeking MA benefits for Claimant under a disability based program and that a medical determination by the Medical Review Team (MRT) was needed. The Department confirmed that it did not send Claimant or [REDACTED] a Health Care Coverage Determination Notice or any information concerning the Department's decision with respect to the application. There was also no evidence presented that the Department forwarded Claimant's application to the MRT for a disability determination.

Additionally, BEM 105 provides that persons may qualify under more than one MA category and federal law gives persons the right to the most beneficial category which is considered the category that results in eligibility or the least amount of excess income. BEM 105 (January 2014), p.2. The Department must consider all the MA category options in order for the client's right of choice to be meaningful. BEM 105, p.2.

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 failed to process 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 March 13, 2014, application for MA, retroactive to January 2014, to determine Claimant's eligibility for MA benefits under the most beneficial category;
2. Provide Claimant with any MA coverage that she was entitled to receive but did not from January 2014, ongoing; and
3. Notify Claimant and [REDACTED] of its decision in writing.



**Zainab Baydoun**  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **04/01/2015**

Date Mailed: **04/01/2015**

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:

