



4. On August 5, 2014, the Department sent only the Claimant a benefit notice notifying him that his application dated May 22, 2014 and retroactive request for February 2014 was denied. See Exhibit 1, pp. 16-17.
5. The Department failed to send the AHR the benefit notice at the same time it sent the notice to the Claimant.
6. On November 20, 2014, Claimant's AHR filed a hearing request, protesting the Department's failure to process the MA application. See Exhibit 1, p. 2.
7. On December 1, 2014, the Department sent the AHR the benefit notice; however, the AHR indicated it was not currently dated and it had the original generated date of August 5, 2014. See Exhibit 1, p. 1.

### **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.

As a preliminary matter, the Michigan Administrative Hearing System (MAHS) made attempts to contact the Department in order for the Department to participate in the administrative hearing, but to no avail. Thus, the hearing proceeded with only Claimant's AHR present.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (April 2014), p. 15. Any person, regardless of age, or his/her authorized representative (AR) may apply for assistance. BAM 110 (January 2014), p. 4. The Department must register a signed application or filing form, with the minimum information, within one workday for all requested programs. BAM 110, p. 19. The AR assumes all the responsibilities of a client. BAM 110, p. 9. AR's must give their name, address, and title or relationship to the client. BAM 110, p. 9. To establish the client's eligibility, they must be familiar enough with the circumstances to complete the application, answer interview questions, and collect needed verifications. BAM 110, p. 9.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (March 2014), p. 14. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 15. However, there are exceptions to these benefits programs for processing times, which are described as follows: 90 days for MA categories in which disability is an eligibility factor. BAM 115, p. 15. The SOP can be extended 60 days from the date of deferral by the Medical Review Team (MRT). BAM 115, p. 15.

Moreover, if the group is ineligible or refuses to cooperate in the application process, the Department must certify the denial within the standard of promptness and also send a DHS-1605, Client Notice, or the DHS-1150, Application Eligibility Notice, with the denial reason(s). BAM 115, p. 22. Medicaid and Adult Medical Program (AMP) denials receive a DHS-1606, Health Care Coverage Determination Notice. BAM 115, pp. 22-23. If approved, the Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 23. The Department sends the DHS-1606 detailing Medicaid approvals. BAM 115, p. 23.

Based on the foregoing information and evidence, the Department failed to properly process Claimant's MA application dated May 22, 2014, retroactive to February 2014. The evidence presented that the Department failed to send the benefit notice dated August 5, 2014 to the AHR at the same time it sent it to the Claimant. On December 1, 2014, the Department sent the AHR the benefit notice; however, the AHR indicated it was not currently dated and it had the original generated date of August 5, 2014. See Exhibit 1, p. 1. The AHR was concerned that its ninety-day hearing request timeline to dispute the MRT denial is in jeopardy. Nevertheless, the evidence presented that the Department failed to process Claimant's MA application/retroactive request in accordance with Department policy. The AR (who is the AHR in this case) assumes all the responsibilities of a client and the Department failed to send the denial notice to the AR in August of 2014. BAM 110, p. 9. Moreover, the Department failed to be present at the hearing to rebut the AHR's testimony. As such, the Department failed to process Claimant's MA application and retroactive application in accordance with Department policy. See BAM 105, pp. 4 and 15; BAM 110, pp. 4 and 19; BAM 115, pp. 14-15 and 22-23. The Department will process Claimant's MA application and retroactive request.


### **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 did not act in accordance with Department policy when it improperly processed Claimant's MA application dated May 22, 2014, retroactive to February 2014.

Accordingly, the Department's MA 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. Re-register and initiate reprocessing of Claimant's MA application dated May 22, 2014, retroactive to February 2014;
2. Begin issuing supplements to Claimant for any MA benefits he was eligible to receive in accordance with Department policy; and
3. Notify Claimant and Claimant's AHR of its decision in accordance with Department policy.

  
Eric Feldman  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **4/10/2015**

Date Mailed: **4/10/2015**

EJF/tm

**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]  
[REDACTED]  
[REDACTED]