

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 14-019667  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: July 8, 2015  
County: Wayne (15)

**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 July 8, 2015, from Detroit, Michigan. [REDACTED] testified and appeared as Claimant's authorized hearing representative (AHR). The hearing began approximately 40 minutes after its scheduled start time of 9:00 a.m. The hearing was completed without the participation of a Michigan Department of Health and Human Services (MDHHS) representative.

**ISSUE**

The issue is whether MDHHS properly evaluated Claimant for the most beneficial Medical Assistance (MA) program.

**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 [REDACTED], Claimant submitted to MDHHS an Assistance Application requesting MA benefits.
2. As of [REDACTED], Claimant was under 21 years of age.
3. On an unspecified date, MDHHS approved Claimant for MA benefits through the Plan First! category.
4. On [REDACTED], Claimant's AHR requested a hearing to dispute the failure by MDHHS to consider Claimant for the most beneficial MA program.

## CONCLUSIONS OF LAW

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. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MDHHS policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), and Department of Human Services Reference Tables Manual (RFT).

Claimant's AHR alleged, without rebuttal, that MDHHS approved Claimant for Plan First!, effective January 2014. Plan First! is an insurance offering family planning services which may include diagnostic evaluation, drugs, and supplies, for voluntarily preventing or delaying pregnancy. BEM 124 (January 2014), p. 3. Claimant's AHR contended that MDHHS should have evaluated Claimant under the MA category of Group-2 Under 21 years (G2U).

G2U is available to a person who is under age 21 and meets the eligibility factors in BEM 132, BEM 132 (July 2013), p. 1. Claimant's AHR credibly testified that Claimant was under 21 years of age as of January 2014, the first month of MA benefits in dispute.

MDHHS provides the order in which MA programs are to be considered. Among MAGI-related MA categories, Plan First! is the 8<sup>th</sup> best option. BEM 105 (January 2014), p. 3. The 10<sup>th</sup> option is group 2-under 21 years (G2U). *Id.*, p. 4.

Technically, MDHHS complied with their stated MAGI-related MA category processing order. Though MDHHS followed their MAGI-related MA category orders in issuing Plan First! to Claimant, it is less certain that Plan First! was the most beneficial program for Claimant.

Persons may qualify under more than one MA category. BEM 105 (January 2014), p. 2. Federal law gives them the right to the most beneficial category. *Id.* The most beneficial category is the one that results in eligibility or the least amount of excess income. *Id.* The category that is "most beneficial" is interpreted to be decided by a client, and not by a standard processing order.

It is presumed that Claimant prefers G2U coverage to Plan First! because Claimant incurred a medical expense that was not covered by Plan First! coverage. It is also presumed that the medical expense would be covered by G2U. Assuming the truth of these presumptions, then G2U would be the most beneficial MA category to Claimant. If G2U is a more beneficial MA category for Claimant, it is irrelevant the order that MDHHS prescribes concerning MA category processing.

It is found that G2U is the most beneficial MA category for Claimant. The only presented evidence indicated that MDHHS has not evaluated Claimant for G2U eligibility. The failure by MDHHS to evaluate Claimant for her most beneficial MA category is reversible error.

### **DECISION AND ORDER**

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that MDHHS failed to properly process Claimant's MA application. It is ordered that MDHHS perform the following actions:

- (1) reevaluate Claimant's MA eligibility, effective January 2014, subject to the finding that G2U is the most beneficial MA category for Claimant; and
- (2) initiate an upgrade of MA coverage if Claimant is found eligible for a more beneficial MA category.

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



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**Christian Gardocki**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **7/8/2015**

Date Mailed: **7/8/2015**

CG / hw

**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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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:

