

4. On April 7, 2015, the AHR submitted a facility admission notice, DHS-2565, seeking payment of medical expenses incurred by ██████ in March 2014 (Exhibit D).
5. On April 9, 2015, the Department denied the DHS-2565 and notified the AHR of the denial (Exhibit F).
6. On May 13, 2015, the AHR filed a hearing request disputing the Department's actions.

CONCLUSIONS OF LAW

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

As a preliminary matter, it is noted that the Department argued that the AHR's hearing request was not timely submitted. A hearing request must be filed with the Department within 90 calendar days of the date written notice of case action is sent by the Department. BAM 600 (April 2015), p. 6. In this case, the Department action at issue is the Department's denial of the facility admission notice. The Department sent its denial of the facility admission notice to the AHR on April 9, 2015. The AHR requested a hearing disputing this denial on May 13, 2015. Because the AHR's hearing request was filed within 90 days of the Department action at issue, the AHR's hearing request was timely submitted. Therefore, the merits of the AHR's claim are addressed.

The evidence in this case established that ██████ was covered under a G2U MA program in March 2014, when she incurred medical expenses. BEM 545 (July 2013), p. 11. An individual with Group 2 MA coverage is eligible for MA when allowable medical expenses exceed the individual's excess income, or deductible. BEM 545, p. 1. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the month being tested. BEM 545, p. 11. The individual must report expenses by the last day of the third month in which the group wants MA coverage. BEM 545, p. 11. Periods of MA coverage are added each time the individual meets the deductible. BEM 545, p. 11.

In this case, the AHR acknowledges that [REDACTED] had MA subject to a monthly deductible in March 2014 and admits it first submitted in April 2015 [REDACTED] medical bills for expenses incurred in March 2014. Because medical bills were not submitted by June 30, 2014, the last day of the third month after the expenses were incurred, the medical bills were not timely submitted. Therefore, the Department acted in accordance with Department policy when it denied the facility admission notice.

At the hearing, the AHR argued that, because it had filed the June 2014 MA application indicating that [REDACTED] had medical expenses in March 2014, the requested month for retroactive coverage, the Department had an affirmative duty to request verification of expenses. The AHR presented no Department policy in support of its position. To the contrary, BEM 545 puts the responsibility for reporting and verifying medical expenses for deductible cases on the client. The Department's obligation with respect to MA applications filed by clients with active MA cases is limited to situations where the client has requested benefits she is not currently receiving, including eligibility for a new program or MA category. BAM 115 (July 2014), p. 8. In this case, [REDACTED] had G2U MA coverage in March 2014. The AHR did not present any evidence that under the June 2014 application [REDACTED] was seeking, or was eligible for, MA coverage under a different category. Under these facts, the Department did not have any affirmative duty to request additional verifications from Claimant.

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 acted in accordance with Department policy when it denied payment of [REDACTED] March 2014 medical expenses.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.



Alice C. Elkin
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **6/30/2015**

Date Mailed: **7/01/2015**

ACE / pf

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:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]