

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

IN THE MATTER OF:



Reg. No.: 15-001593
Issue No.: 2007
Case No.: [REDACTED]
Hearing Date: March 18, 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 March 18, 2015, from Detroit, Michigan. [REDACTED] testified and appeared as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Human Services (DHS) included [REDACTED], medical contact worker.

ISSUE

The issue is whether DHS failed to process Claimant's request for Medical Assistance (MA) following Claimant's approval for Retirement, Survivors, Disability Insurance (RSDI).

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 applied for MA benefits, including a request for retroactive MA benefits from 2/2012.
2. On [REDACTED], DHS received a Facility Admission Notice (Exhibit A1) concerning a Claimant hospitalization.
3. On [REDACTED], DHS denied Claimant's request for MA benefits, in part, based on a determination that Claimant was not disabled.

4. On [REDACTED], the Social Security Administration awarded disability benefits to Claimant, in part based on a determination that Claimant was disabled as of [REDACTED].
5. On [REDACTED], Claimant's AHR requested a hearing to dispute the DHS failure to process Claimant's MA eligibility from 2/2012.

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. DHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. DHS 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 requested a hearing to dispute an alleged DHS failure to process Claimant's MA eligibility concerning an allegedly submitted MA application from 2012. It was disputed whether Claimant submitted an MA application to DHS in 2012. It was not disputed that DHS received a Facility Admission Notice (Exhibit A1) concerning a Claimant hospitalization. The FAN included a DHS office date stamp of [REDACTED].

DHS receives FANs from hospitals. Typically, hospitals send the notices whenever there is a belief that an uninsured patient is potentially eligible for Medicaid eligibility. The hospital's goal in sending DHS admission notices is to get a hospital bill paid by Medicaid. The analysis will first examine whether the FAN qualifies as an application.

A request for assistance may be in person, by mail, telephone or an application can be obtained on the Internet. BAM 110 (12/2011), p. 1. Receipt of a completed MSA-2565-C, Facility Admission Notice, serves as a request for MA for all persons except: automatically eligible newborns, active MA recipients, or pending MA or FIP applicants. *Id.* p. 3. A completed MSA-2565-C, Facility Admission Notice, is a request for MA and must be registered. *Id.*, p. 16.

It is found that Claimant's Facility Admission Notice serves as a request for MA benefits. It must be then determined what DHS's obligation is in response to the request for MA benefits. Only one procedural obligation appears to be triggered by an MA request. The requester has the right to receive the appropriate application form. *Id.*, p. 1.

It is presumed that DHS did not mail Claimant an application form in response to Claimant's Facility Admission Notice submission. A proper remedy for an unfulfilled

request is to order DHS to mail the application to Claimant. Claimant's AHR's testimony suggested that receipt of an application is not a helpful remedy. Claimant's AHR contended that no application is needed because Claimant already submitted an application to DHS.

Claimant's AHR could not state with any certainty on what date that Claimant applied for MA benefits. Claimant's AHR could also not state whether Claimant or a third party submitted an application to DHS. Claimant's AHR's belief that an application was submitted to DHS rests on what DHS wrote on Claimant's Facility Admission Notice.

FANs include a section for DHS specialists to complete. "MRT denial" was written on Claimant's FAN, right next to the box where "denied" was checked. Claimant's AHR contended that an MRT (Medical Review Team) denial implies that Claimant was evaluated for disability by DHS near the time of the FAN submission. Claimant's AHR further contended that a denial of disability by MRT could only have occurred if DHS received an MA application on behalf of Claimant. Thus, Claimant's AHR contended, Claimant applied for MA benefits based on a claim of disability at or near the time of 2/2012.

DHS responded that Claimant did not apply for MA benefits in or near 2/2012. The DHS response was based on testimony that a search of the DHS computer database and Claimant's old casefile failed to uncover a Claimant MA application from 2012. The DHS testimony was credible. The DHS testimony was not highly persuasive evidence that Claimant application was not submitted in 2012 because DHS has been known to lose client applications. Further evidence must be considered to determine if DHS received an MA application from Claimant in 2012.

Typically, a client is the best source of information as to whether an application was submitted. Claimant did not appear for the hearing, however, he had a very good excuse. Claimant passed away on an unspecified date. Thus, Claimant's AHR can be excused for not presenting Claimant's testimony.

As it happened, Claimant was found to be disabled by SSA as of 1/2012. It is reasonably likely that Claimant would have applied for MA benefits near a time of hospitalization and during a period of disability. This evidence bolsters Claimant's AHR's claim that Claimant applied for MA benefits in or near to 2/2012.

Based on Claimant's approval by SSA for disability benefits and DHS' own statement, it is probable that Claimant applied for MA benefits shortly after Claimant's hospital discharge of [REDACTED]. The precise date of application is not known, however, it is probable that Claimant's application would have been submitted either during hospital admission or shortly thereafter. It is also probable that Claimant's application requested MA benefits from 2/2012 for the purpose of covering Claimant's hospitalization. For purposes of this decision, Claimant's application will be found to be [REDACTED] (the date of hospital discharge) including a retroactive MA request from 2/2012.

The analysis will proceed to determine the consequences of this finding. For purposes of this analysis, the DHS statement of "MRT denial" on Claimant's FAN is presumed to be accurate. An MRT denial essentially means that DHS denied Claimant's MA application based on a finding that Claimant was not disabled.

A person eligible for Retirement, Survivors and Disability Insurance (RSDI) benefits based on his disability or blindness meets the disability or blindness criteria. Disability or blindness starts from the RSDI disability onset date established by the Social Security Administration (SSA). BEM 260 (10/2011), p. 2. DHS is to process a previously denied application as if it is a pending application when all of the following are true:

- the reason for denial was that the MRT determined the client was not disabled or blind, and
- the SSA subsequently determined that the client is entitled to RSDI-based on his disability/blindness for some or all of the time covered by the denied MA application.

Id.

As noted above, Claimant was found disabled by SSA as of [REDACTED]. Claimant's SSA-found disability onset date justifies ordering DHS to reprocess Claimant's MA application from 2/2012.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHS improperly denied Claimant's application for MA benefits. It is ordered that DHS perform the following actions:

- (1) register Claimant's MA application dated [REDACTED] including a request for retroactive MA benefits from 2/2012; and
- (2) initiate processing of Claimant's eligibility subject to the finding that Claimant was disabled as of [REDACTED], as found by SSA.

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



Christian Gardocki
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **3/25/2015**
Date Mailed: **3/25/2015**

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 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:

