

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-002985
Issue No.: 2001
Case No.: [REDACTED]
Hearing Date: April 30, 2015
County: Lapeer

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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, telephone hearing was held on April 30, 2015, from Lansing, Michigan. Participants on behalf of Claimant included [REDACTED]. Participants on behalf of the Department included [REDACTED].

ISSUE

Did the Department of Health and Human Services (Department) properly close the Claimant's Medical Assistance (MA) benefits for failing to meet the deductible for three consecutive months?

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 August 13, 2014, the Department sent the Claimant notice that her husband had been approved for Medical Assistance (MA) with a \$ [REDACTED] deductible effective August 1, 2014.
2. On January 7, 2015, the Department notified the Claimant that it would close her husband's Medical Assistance (MA) benefits effective February 1, 2015, for failing to meet this deductible for three consecutive months.
3. On February 19, 2015, the Department received the Claimant's request for a hearing protesting the closure of her husband's Medical Assistance (MA) benefits.

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 Family Independence Agency and the Department of Human Services) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

The Department will redetermine eligibility for active MA deductible cases at least every 12 months unless the group has not met its deductible within the past three months. If a MA group has not met its deductible in at least one of the three calendar months before that month and none of the members are eligible for the Medicare Savings Plan, the Department will automatically notify the group of closure. Department of Health and Human Services Bridges Eligibility Manual (BEM) 545 (January 1, 2015), p 11.

The Claimant's husband was a MA recipient with a \$ [REDACTED] deductible as of August 1, 2014. Department records show that verification of medical expenses was submitted to the Department in August of 2014.

On January 7, 2015, the Department notified the Claimant that her husband's MA benefits would close because no medical expenses had been received after August 22, 2014, and the husband had not met his deductible for three consecutive months. Department records indicate that medical expenses were submitted to the Department in January of 2015.

The Claimant testified that her husband is a Medicare and Medicare recipient and that there has been no change in the manner her husband's medical bills have been handled. The Claimant testified that her husband's medical bills have been submitted to the Department but that they were not applied towards his deductible.

This Administrative Law Judge finds that the Department has failed to establish that medical bills after August of 2014, were not submitted to the Department. The Department does not dispute that medical expenses were submitted in August of 2014, but the evidence does not support a finding that the husband's expenses after August of 2014, were not handled in manner that they could be applied towards his deductible in the following months.

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 closed the Claimant's Medical Assistance (MA) for failing to meet the deductible for three months.

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. Allow the Claimant a ten-day period to clarify medical expenses that her husband incurred since September 1, 2014.
2. Initiate a determination of the Claimant's eligibility for Medical Assistance (MA) as of September 1, 2014.
3. Provide the Claimant with a Notice of Case Action (DHS-1605) describing the Department's revised eligibility determination.
4. Issue the Claimant any retroactive benefits he may be eligible to receive, if any.



Kevin Scully
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **5/1/2015**

Date Mailed: **5/1/2015**

KS/las

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:

