

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-003977
Issue No.: 2004
Case No.: [REDACTED]
Hearing Date: April 30, 2015
County: Wayne (35)

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 April 30, 2015, from Detroit, Michigan. [REDACTED] testified and appeared as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Health and Human Services (DHHS) included [REDACTED], hearing facilitator.

ISSUE

The issue is whether DHHS failed to process Claimant's medical expenses toward a Medicaid deductible.

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. For December 2013, Claimant was a Medical Assistance (MA) recipient eligible for Medicaid subject to a \$402/month deductible.
2. On [REDACTED], Claimant's AHR submitted to DHS Claimant's medical expenses from December 2013.
3. DHHS failed to process Claimant's submitted medical expenses.
4. On [REDACTED], Claimant's AHHR requested a hearing to dispute the DHHS failure to process Claimant's medical expenses to Claimant's deductible.

CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by the Title XIX of the Social Security Act, 42 USC 1396-1396w-5, and is implemented by 42 CFR 400.200 to 1008.59. The Department of Human Services (formerly known as the Family Independence Agency) administers the MA program pursuant to MCL 400.10 and MCL 400.105. Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM) and Department of Human Services Bridges Eligibility Manual (BEM) and Department of Human Services Reference Tables Manual (RFT).

Prior to a substantive analysis of the hearing request, it should be noted that the request noted special arrangements in order for Claimant to participate and/or attend the hearing; specifically, a 3-way telephone hearing was requested. The request was granted and the hearing was conducted accordingly.

Claimant's AHR requested a hearing to dispute the failure by DHHS to process medical expenses towards Claimant's Medicaid deductible for December 2013. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the deductible amount for the calendar month tested. BEM 545 (July 2013), p. 11. The group must report expenses by the last day of the third month following the month in which the group wants MA coverage. *Id.*

DHHS conceded Claimant received Medicaid subject to a \$402/month deductible (see Exhibit 1) for the benefit month of December 2013. The DHHS Hearing Summary alleged that Claimant never submitted medical expenses for December 2013. The Hearing Summary contended that there cannot be a failure to process medical expenses when a client does not submit them.

Claimant's AHR submitted a fax confirmation (Exhibit A1) dated [REDACTED]. The fax confirmation indicated that 2 pages were faxed to DHHS.

Claimant's AHR presented a cover sheet (Exhibit A2) dated [REDACTED] stating that Claimant was hospitalized in December 2013 and a medical bill was attached. The cover sheet matched a smaller version on the fax confirmation page. Claimant's AHR presented a bill (Exhibit A3) for Claimant dated [REDACTED] listing a \$1,122.91 in hospital charges. Claimant's AHR testified that the 2 pages included a cover sheet and a bill. Claimant's AHR also testified that the documents were faxed a second time to DHHS in February 2014 and provided a confirmation of that submission (the documents were not admitted as exhibits).

Claimant's AHR persuasively established that DHHS received proof of Claimant's medical expenses from December 2013 on [REDACTED]. Thus, the DHHS failure to process Claimant's medical expenses toward Claimant's Medicaid deductible was improper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHHS improperly failed to process Claimant's reported medical expenses. It is ordered that DHHS process Claimant's December 2013 medical expenses submitted to DHHS on [REDACTED] towards Claimant's Medicaid deductible. The actions taken by DHHS are **REVERSED**.



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

Date Signed: **4/30/2015**

Date Mailed: **4/30/2015**

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:

