

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

IN THE MATTER OF:

██████████
██████████
████████████████████

Reg. No.: 15-006524
Issue No.: 2001; 2004
Case No.: ██████████
Hearing Date: June 3, 2015
County: MACOMB-DISTRICT 20
(WARREN)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on June 3, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant's son/guardian, ██████████. Participants on behalf of the Department of Health and Human Services (Department or DHHS) included ██████████, Hearings Facilitator.

ISSUE

Did the Department properly process Claimant's Medical Assistance (MA) application dated March 23, 2015?

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 March 23, 2015, Claimant applied for MA benefits. See Exhibit B, pp. 1-11. In the application, Claimant indicated that she is disabled. See Exhibit B, p. 6.
2. In the application, Claimant reported that her husband is paid as follows: ██████████ hourly; works ██████ hours a week; and is paid weekly. See Exhibit B, p. 8. This resulted in an annual income of approximately ██████████.
3. Claimant is currently in a nursing home.

4. On March 24, 2015, the Department sent Claimant a Health Care Coverage Determination Notice (determination notice) notifying her that she was not found eligible for MA benefits. See Exhibit A, pp. 3-4.
5. The Department erred in processing Claimant's MA application because it failed to determine her MA eligibility based on disability.
6. On April 20, 2015, Claimant's guardian and the Authorized Hearing Representative (AHR) filed a hearing request, protesting the Department's action. See Exhibit A, p. 2.

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, Claimant's AHR failed to be present for the hearing. Nevertheless, Claimant's guardian testified on the record that he withdrew/revoked the AHR's authority to represent the Claimant. Therefore, Claimant's guardian/son proceeded with the hearing without the AHR present. See Exhibit 1, pp. 1-2 (Letter of Full Guardianship).

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (January 2015), p. 17. Any person, regardless of age, or his/her authorized representative (AR) may apply for assistance. BAM 110 (July 2014), p. 4. The Department must register a signed application or filing form, with the minimum information, within one workday for all requested programs. BAM 110, p. 19.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (January 2015), p. 15. For MA applications, the Department certifies the program approval or denial of the application within 45 days. BAM 115, p. 15. However, there are exceptions to these benefits programs for processing times, which are described as follows: 90 days for MA categories in which disability is an eligibility factor. BAM 115, pp. 15-16. The SOP can

be extended 60 days from the date of deferral by the Medical Review Team (MRT). BAM 115, p. 16.

Moreover, if the group is ineligible or refuses to cooperate in the application process, the Department must certify the denial within the standard of promptness and also send a DHS-1605, Client Notice, or the DHS-1150, Application Eligibility Notice, with the denial reason(s). BAM 115, p. 23. Medicaid denials receive a DHS-1606, Health Care Coverage Determination Notice. BAM 115, p. 23. If approved, the Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, p. 24. The Department sends the DHS-1606 detailing Medicaid approvals. BAM 115, p. 24.

Based on the foregoing information and evidence, the Department failed to properly process Claimant's MA application dated March 23, 2015. The Department acknowledged that it erred in processing Claimant's MA application because it failed to determine her MA eligibility based on disability. In fact, Claimant indicated in her application that she is disabled. See Exhibit B, p. 6. As such, the evidence presented that Claimant's MA application was not processed in accordance with Department policy because disability was an eligibility factor. See BAM 115, pp. 15-16. It was discovered, though, that Claimant's MA application based on disability was reprocessed and is currently pending verification. See Exhibit A, p. 7. As such, the Department is ordered to re-register and reprocess Claimant's MA application dated March 23, 2015, if not already completed. See BAM 105, p. 17; BAM 110, pp. 4 and 19; BAM 115, pp. 15-16 and 23-24.

It should be noted that this Administrative Law Judge (ALJ) will not address Claimant's MA denial based on excess income (i.e., eligibility for the Healthy Michigan Plan) due to the Department already being ordered to reprocess Claimant's application.

DECISION AND ORDER

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 did not act in accordance with Department policy when it failed to properly process Claimant's MA application dated March 23, 2015, in accordance with Department policy.

Accordingly, the Department's MA 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. Re-register and initiate reprocessing of Claimant's MA application dated March 23, 2015 (if not already completed);

2. Begin issuing supplements to Claimant for any MA benefits she was eligible to receive in accordance with Department policy (if not already completed); and
3. Notify Claimant of its decision.



Eric Feldman
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **6/5/2015**

Date Mailed: **6/5/2015**

EJF/tm

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]