

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

**IN THE MATTER OF:**

[REDACTED]

Reg. No.: 15-009816  
Issue No.: 2001  
Case No.: [REDACTED]  
Hearing Date: July 20, 2015  
County: MACOMB-DISTRICT 12

**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 July 20, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, [REDACTED] and Claimant's husband/Authorized Hearing Representative (AHR), [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department or DHHS) included [REDACTED] Hearing Facilitator.

**ISSUE**

Did the Department properly process Claimant's Medical Assistance (MA) application in April of 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 [REDACTED] Claimant and her spouse (the AHR) applied for MA benefits and Claimant did not indicate that she was disabled.
2. On [REDACTED], Claimant reapplied for MA benefits and indicated that she was disabled.
3. On [REDACTED], the Department sent Claimant a Health Care Coverage Determination Notice (determination notice) notifying her that her MA application was denied effective [REDACTED], ongoing, because she was not blind, disabled, pregnant, parent/caretaker relative of a dependent child or meet age requirements. See Exhibit A, pp. 10-11. The Department indicated that the determination notice

dated [REDACTED], addressed the denial of Claimant's application dated [REDACTED]

4. The Department acknowledged that it erred in the denial of the application dated [REDACTED] because the Department failed to process her disability determination. See Exhibit A, p. 1.
5. On [REDACTED], Claimant/AHR filed a hearing request, protesting the Department's action. See Exhibit A, pp. 2-6.

### **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.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (April 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. All new applications must be registered. BAM 110, p. 21. However, once an application for any program is pending or active, use the Add Program case action in the Department's system (Bridges) to add an additional program(s) to the existing case. 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.

In this case, the Department acknowledged that it erred in the denial of the application dated [REDACTED] because the Department failed to process her disability determination. See Exhibit A, p. 1. Even though the determination notice indicated she was not disabled, the Department never considered her disability as an eligibility factor. See Exhibit A, pp. 10-11. It should be noted that the Department indicated that Claimant's MA based on disability application is currently pending using the original application date of [REDACTED].

Based on the foregoing information and evidence, the Department failed to properly process Claimant's MA application dated [REDACTED] in accordance with Department policy. The Department acknowledged that it failed to process Claimant's disability as an eligibility factor. As such, the Department will reprocess Claimant's MA application in accordance with Department policy. BAM 105, p. 17; BAM 110, pp. 4 - 21; and BAM 115, p. 15, 16, 23, and 24.

### **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 improperly denied Claimant's MA application effective [REDACTED], ongoing.

Accordingly, the Department's decision MA 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. Initiate re-registration and reprocessing of Claimant's MA application dated [REDACTED];
2. Begin issuing supplements to Claimant for any MA benefits she was eligible to receive but did not from [REDACTED], ongoing; and

3. Notify Claimant/AHR of its decision.



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

Date Signed: **7/23/2015**

Date Mailed: **7/23/2015**

EF / 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:

