

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

IN THE MATTER OF:

[REDACTED]

MAHS Reg. No.: 15-023381
Issue No.: 3001; 2001
Agency Case No.: [REDACTED]
Hearing Date: February 18, 2016
County: OAKLAND-DISTRICT 4

ADMINISTRATIVE LAW JUDGE: Jonathan Owens

HEARING DECISION

Following Petitioner'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 February 18, 2016, from Pontiac, Michigan. The Petitioner appeared with her representative, [REDACTED], from [REDACTED]. The Department was represented by [REDACTED], Department Supervisor.

ISSUE

Did the Department properly process the Petitioner's request for Food Assistance Program (FAP) and Medical Assistance (MA) benefits?

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 October 1, 2013, the Petitioner was approved for MA-Group 2 Caretaker Relative Medicaid, effective August 2013, with a [REDACTED] deductible.
2. On December 17, 2013, a notice was mailed to the Petitioner indicating as of February 1, 2014, her MA case would close due to not meeting the deductible for three consecutive months.
3. On April 17, 2014, the Petitioner applied for MA benefits including retro months and FAP benefits.

4. On May 16, 2014, the Petitioner filed a hearing request regarding her FAP application denial. This request for hearing was not forwarded to MAHS.
5. On July 28, 2014, the Petitioner contacted the Department regarding an outstanding bill for February 2014.
6. The Department discovered that the MA application which included retro had not been fully processed, and the retro months were not added to the case.
7. On July 28, 2014, the Department attempted to add the retro months. The Department was unable to activate coverage due to a system error.
8. The Department submitted a help desk ticket to resolve the matter.
9. In March 2015, the help desk ticket was resolved.
10. On April 22, 2015, a request for exception to the twelve month billing limitation was submitted.
11. On May 1, 2015, the request for exception was approved.
12. Sometime following the exception approval, the MA activated for the month of February 2014 was deactivated and coverage for that month was eliminated.
13. On December 2, 2015, the Department met with the Petitioner and her representative. The issue expressed by the representative at this meeting is the bill that has not been paid by MA.
14. On December 3, 2015, a hearing request was filed.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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.

In this case, the Petitioner's MA benefits were ended effective February 2014, after she had not met her spend down amount for three months in a row. The Petitioner filed a new application on April 17, 2014, requesting MA coverage including retro MA back to February 2014. In this same application, the Petitioner requested FAP benefits. The Department inadvertently activated MA coverage without addressing the request for retro MA. The Department also denied FAP benefits based on income.

On May 16, 2014, the Petitioner filed a hearing request protesting the denial of FAP benefits. This request was faxed to the Department. The Department failed to process this hearing request. This request for hearing was not sent to MAHS for processing. The Petitioner testified that she protested the denial based on the Department failing to remove income from her household, which was seasonal. The Department did not dispute this at hearing. The Department's representative at hearing was not the worker involved with the original case action. The Department did testify that the income from the seasonal job could have been verified by other means than the employer. The Department's representative agreed that the FAP benefits appear to have been improperly processed based upon the information presented.

The Petitioner's MA benefits were not processed according to policy. The Department admitted this and indicated they had taken steps to have the coverage activated back to February 2014. The Department's representative testified that steps were taken to have the coverage added. The coverage had been in fact added to the system, but due to a now known issue in BRIDGES, the coverage added in May 2015 was removed shortly after being added to BRIDGES. The Department did not dispute that the coverage should be added for the Petitioner. The Department in fact had submitted a new help ticket, and did request that the ticket be moved along. The Department provided at hearing the new help desk ticket that had been filed (BR0228271).

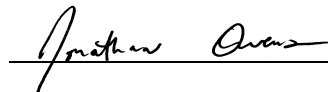
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to act in accordance with policy when processing the Petitioner's application for MA and FAP benefits. The Department has admitted and has been working to resolve the MA issue and activate appropriate coverage for the Petitioner back to February 2014. The Department was unable to demonstrate at hearing that the FAP benefits were properly processed. The Petitioner did provide adequate evidence to demonstrate she had properly requested a hearing to dispute the denial of FAP benefits and presented testimony, which was unrefuted as to why the benefits were improperly denied.

DECISION AND ORDER

Accordingly, the Department's decision is **REVERSED** with respect to MA and FAP benefits.

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. The Department is to continue efforts to process and add appropriate MA coverage back to February 2014;
2. Issue a notice when the appropriate MA coverage has been properly added to BRIDGES;
3. Process the Petitioner's application for FAP benefits dated April 17, 2014; and
4. Determine eligibility for FAP benefits back to the application date and supplement for FAP benefits if eligible.



Jonathan Owens
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **2/29/2016**

Date Mailed: **2/29/2016**

JWO/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:

