



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: March 14, 2016
MAHS Docket No.: 15-023895
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 March 1, 2016, from Lansing, Michigan. Petitioner was represented by her authorized hearing representative [REDACTED]. The Department was represented by Lead Worker [REDACTED].

ISSUE

Did the Department properly process Petitioner's September 16, 2015 and September 29, 2015 Medical Assistance (MA) applications?

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 September 4, 2015, Petitioner signed an Authorization of Assistance Form providing [REDACTED] to serve as her authorized representative in pursuit of Medical Assistance (MA) benefits.
2. On September 16, 2015, Petitioner submitted a self-service application for Medical Assistance (MA).
3. On September 16, 2015, a Health Care Coverage Supplemental Questionnaire (DHS-1004) was sent directly to Petitioner. The Required information was due back by September 28, 2015.

4. On September 29, 2015, [REDACTED] submitted a Medical Assistance (MA) application on Petitioner's behalf via fax. The submission included a completed, Health Care Coverage Supplemental Questionnaire (DHS-1004) which Petitioner had signed on September 4, 2015. (Petitioner's Exhibit 1, pages 15-17)
5. On September 29, 2015, The Department indicated receipt of multiple verifications for Petitioner. (Department's Exhibit A, page 3)
6. On October 14, 2015, a Health Care Coverage Determination Notice (DHS-1606) was sent directly to Petitioner stating her application was denied for failure to provide supplemental questionnaire.
7. On December 9, 2015, [REDACTED] submitted this hearing request.

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.

Bridges Administration Manual (BAM) 130 Verification and Collateral Contacts provides the following guidance for case workers:

Timeliness of Verifications

Medicaid

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. Refer to policy in this item for citizenship verifications. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to two times.

At application, redetermination, ex parte review, or other change, explain to the client/authorized representative the availability of your assistance in obtaining needed information. Extension may be granted when the following exists:

The customer/authorized representative need to make the request. An extension should not automatically be given.

The need for the extension and the reasonable efforts taken to obtain the verifications are documented.

Every effort by the department was made to assist the client in obtaining verifications.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date.

Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a MDHHS representative are considered to be received the next business day.

Send a case action notice when:

The client indicates refusal to provide a verification, **or**
The time period given has elapsed.

In this case the initial Health Care Coverage Supplemental Questionnaire (DHS-1004) was sent directly to Petitioner and was due back by September 28, 2015. There is no evidence or assertion that Petitioner contacted the Department to request an extension of time to submit the questionnaire.

The completed Health Care Coverage Supplemental Questionnaire (DHS-1004) which Petitioner had signed on September 4, 2015, was not received by the Department until September 29, 2015. It was received one day after the September 28, 2015 due date. Bridges Administration Manual (BAM) 130, cited above provides that, under these circumstances, the Department could send a denial of the application on September 29, 2015. However, for reasons unknown, the Department DID NOT issue a denial until October 14, 2015. Bridges Administration Manual (BAM) 600 Hearings, at page 1 requires that a "client must receive a written notice of all case actions affecting eligibility or amount of benefits." Because the notice requirement was not met until October 14, 2015, Petitioner's September 16, 2015 application was pending until October 14, 2015.

With regard to receiving the September 29, 2015 application, Bridges Administration Manual (BAM) 110 Application Filing and Registration provides:

APPLICATION

Response to Applications

All Programs

An application or filing form, with the minimum information, must be registered on Bridges **unless** the client is already active for that program(s); see **REGISTERING APPLICATIONS** in this item.

If there is no record on Bridges, the system assigns individual ID number(s) and an application number.

Note: A person may withdraw an application at any time before it is disposed on Bridges; see **WITHDRAWN APPLICATION** in this item.

Multiple Applications

FIP, SDA, RCA, CDC and FAP

When an application is pending and additional application(s) are received prior to certification of the initial application, do **not** automatically deny the application(s). Do the following:

Review the information for impact on eligibility and benefit level.

Ensure the case record is documented with the additional application(s) received and note the application(s) used to determine eligibility and/or benefit levels.

Attach the additional application(s) to the initial application.

When the case is already active for program benefits and additional application(s) are received, the specialist **must** review the application for changes in circumstances. Additionally, the specialist **must** either complete a redetermination or deny the programs requested since they are already active.

SDA Only

Do **not** process an SDA application as interim assistance for a client with an application pending for FIP.

FAP Only

The local office must screen applications to identify those requiring expedited service at the time the household requests assistance. Information to identify those cases is provided on the assistance application.

SSI applicants and recipients may apply for FAP benefits at the Social Security Administration district office; see BAM 116. The local office must register the application upon receipt, using the procedures in BAM 116.

REGISTERING APPLICATIONS ALL PROGRAMS

Register a signed application or filing form, with the minimum information, within **one workday** for all requested programs.

CDC, MA and FAP

A photocopy or fax of an application or the filing form is acceptable.

REGISTRATION DISPOSITION

All Programs

All denials, including withdrawals, are recorded in Bridges.

An application or initial asset assessment pends in Bridges until eligibility determination and benefit calculation (EDBC) is run and the results are certified. Dispose of applications and initial asset assessments within the standard of promptness (SOP).

Petitioner's initial September 16, 2015 application was pending until October 14, 2015 when the eligibility determination was issued denying eligibility. Petitioner's second application was submitted on September 29, 2015, while the initial application was still pending. Bridges Administration Manual (BAM) 110 does not provide specific instructions for multiple Medical Assistance (MA) applications. However, it does direct that for all programs, an application "must be registered on Bridges **unless** the client is already active for that program."

On September 29, 2015, Petitioner was not active for Medical Assistance (MA). Bridges Administration Manual (BAM) 110 provides that a fax of an MA application is acceptable. BAM 110 further required that the September 29, 2015 application be registered. Once an application is registered, it must be processed. Regardless of whether the Department processed the September 29, 2015 application separate from, or as an amendment to the September 16, 2015 application, it had to be processed.

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 processed Petitioner's September 16, 2015 and September 29, 2015 Medical Assistance (MA) applications.

DECISION AND ORDER

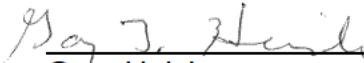
Accordingly, the Department's decision is **REVERSED**.

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. Re-register Petitioner's September 16 and 29, 2015 Medical Assistance (MA) applications.

- 2. Process the applications in accordance with Department policy to include issue a current notice of eligibility upon determination.

GH/nr



Gary Heisler
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

NOTICE OF APPEAL: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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

Petitioner






DHHS

[REDACTED]

Counsel for Complainant

[REDACTED]