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

SHELLY EDGERTON DIRECTOR



Date Mailed: May 2, 2016 MAHS Docket No.: 16-003180

ADMINISTRATIVE LAW JUDGE: Vicki Armstrong

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, an in-person hearing was held on April 27, 2016, in Flint, Michigan. Petitioner, represented by Authorized Hearing Representative for the Department of Health and Human Services (Department) was represented by Hearing Facilitator testified on behalf of the Department. Department Exhibit A, pages 1-20 was admitted.

The record was closed at the conclusion of the hearing.

<u>ISSUE</u>

Did the Department properly determine Petitioner was not eligible for the Medicare Savings Program because it was in a prior year?

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 30, 2015, Petitioner submitted her Redetermination for the Medicare Savings Program. (Dept Exh. A, pp 5-10).
- 2. On January 16, 2016, the Department in **Example 1** requested a Help Desk ticket on Petitioner's behalf, explaining that the County had made an error in closing Petitioner's Medicare Savings Program on October 31, 2015, because

Petitioner had submitted her Redetermination on October 30, 2015, and the Department did not process it. (Dept. Exh. A, p 15).

- 3. On January 27, 2016, the Help Desk advised the Department in that Additional Low-Income Medicare Beneficiaries (ALMB) under the Medicare Savings Program cannot be approved for a prior year, unless the Petitioner requests a hearing and the Judge orders it. (Dept. Exh. A, pp 15-16).
- 4. On February 19, 2016, the Department processed Petitioner's Medicare Savings Program for October, 2015. (Dept Exh. A, p 1).
- 5. On March 4, 2016, Petitioner's Authorized Hearing Representative submitted a request for a hearing.

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.

Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2. BEM 165, p 1 (1/1/2015). Additional Low-Income Medicare Beneficiaries (ALMB) is one of three categories making up the Medicare Savings Programs. BEM 165, p 1. If a client's net income is over 120% of the poverty level, but not over 135% of the poverty level, the client is eligible for ALMB. BEM 165, p 1. All eligibility factors must be met in the calendar month being tested. BEM 165, p 1. ALMB pays Medicare Part B premiums provided funding is available. BEM 165, p 2.

In this case, the Department acknowledged that Petitioner met the requirements of the Medicare Savings Program and in fact, was eligible for the Medicare Savings Program for the months of November and December, 2015, due to her receipt of Retirement, Survivors, Disability Income benefits.

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 closed Petitioner's Medicare Savings Program beginning November 1, 2015.

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. Redetermine Petitioner's Medicare Savings Program eligibility beginning November, 2015 through December, 2015.
- 2. Issue Petitioner any retroactive benefits she may otherwise be eligible to receive for the months of November, 2015 and December, 2015.

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VLA/db

Vicki Armstrong 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

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