



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: July 26, 2016
MAHS Docket No.: 16-006313
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on July 6, 2016, from Lansing, Michigan. The Petitioner represented herself. The Department was represented by [REDACTED] (Assistance Payments Supervisor).

ISSUE

Did the Department of Health and Human Services (Department) properly determine the Petitioner's Medical Assistance (MA) deductible?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner is an ongoing Medical Assistance (MA) recipient.
2. On May 15, 2015, the Department notified the Petitioner that she was eligible for Medical Assistance (MA) effective March 1, 2015.
3. On May 18, 2015, the Department received verification of medical expenses incurred on May 8, 2015, and May 12, 2015.
4. On August 24, 2015, the Department notified the Petitioner that she was eligible for Medical Assistance (MA) for April of 2015, June of 2015, and July of 2014.

5. On November 5, 2015, the Department notified the Petitioner that she was eligible for Medical Assistance (MA) from January 1, 2015, through April 30, 2015, and June 1, 2015, through October 31, 2015.
6. On March 14, 2016, Petitioner filed a Request for Hearing with the Administrative Hearing System (MAHS) for a hearing with the "Department of Community Health."
7. On May 2, 2016, the Michigan Administrative Hearing System (MAHS) dismissed Petitioner's request for a hearing and forwarded her complaint to the Department's offices in Oakland County for processing as a Medical Assistance (MA) eligibility case.
8. On May 4, 2016, the Department received the Petitioner's request for a hearing.
9. On May 4, 2016, the Department received verification of medical expenses incurred on May 1, 2015, and May 8, 2015.
10. On May 13, 2016, the Department notified the Petitioner that she was eligible for Medical Assistance (MA) from May 8, 2015, through May 31, 2015.
11. Petitioner was eligible for Medical Assistance (MA) in May of 2015 under the G2S category with a \$█ deductible.

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.

Monthly deductible is a process by which a person or household with excess income may qualify for MA coverage. Meeting a deductible means reporting and verifying allowable medical expenses that equal or exceed the monthly deductible amount for the calendar month being tested. For clients not in long term care and who do not have hospitalization expenses for a particular month; if allowable medical expenses exceed the excess income, income eligibility begins the day the expenses exceeded the income. Expenses may be reported that were incurred during the same month, but prior

to the date coverage has been authorized for that particular month. Do not alter the MA eligibility begin date if you have already authorized coverage. Department of Human Services Bridges Eligibility Manual (BEM) 545 (January 1, 2015), pp 10 – 13.

In this case, Petitioner has been an ongoing MA recipient since January 1, 2015. The Petitioner incurred medical expenses in May of 2015, that were not paid and she requested a hearing. The Petitioner submitted a request for a hearing directly to MAHS, which is the process for disputing a service that was not covered under MA benefits. Later it was discovered that the Petitioner's complain involves a determination of her eligibility for MA in May of 2015.

The Petitioner's hearing request was dismissed as a "Department of Community Health" issue and reprocessed as a MA eligibility issue. Although the Departments of Community Health and Human Services were merged by order of the Governor on April 10, 2015, the process of managing hearing requests under these areas has yet to be fully implemented.

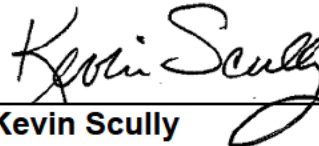
Petitioner's hearing request was registered an appeal of the Department's determination of the deductible for May of 2015, and the Department's failure to apply certain medical expenses incurred towards her deductible for that month.

On May 18, 2015, the Department received verification of medical expenses incurred on May 8, 2015, and May 12, 2015. The Department applied these expenses to establish Petitioner's eligibility for MA in May of 2015 with an eligibility date of May 8, 2015. Since the May 1, 2015, medical expenses were not reported to the Department before her eligibility of May 8, 2014, the Department is prohibited from changing her eligibility date by BEM 545. Therefore, the Petitioner may not apply her May 1, 2015, medical expenses towards her MA eligibility in that month because they were incurred before the Department established her eligibility date.

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 acted in accordance with Department policy when it determined her medical deductible for May of 2015 based on the verification of medical expenses it had received at that time.

DECISION AND ORDER

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



KS/las

Kevin Scully
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

DHHS



Petitioner

