



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: September 16, 2016  
MAHS Docket No.: 16-010583  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Eric J. Feldman**

### **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 September 7, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED] (Petitioner). The Department of Health and Human Services (Department) was represented by [REDACTED], Assistant Payment Supervisor.

### **ISSUE**

Did the Department properly process Petitioner's Medicare Savings Program (MSP) case?

### **FINDINGS OF FACT**

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

1. Effective [REDACTED] Petitioner was eligible for MSP coverage. Exhibit A, p. 1.
2. However, Petitioner did not apply for MSP coverage until October 2015.
3. The Department did not process Petitioner's MSP application until on or around [REDACTED]. See Exhibit A, p. 6.
4. Effective [REDACTED], Petitioner was approved for MSP - Qualified Medicare Beneficiaries (QMB) coverage. Exhibit A, p. 6.

5. Effective [REDACTED], Petitioner's MSP-QMB coverage closed. Exhibit A, p. 6.
6. On [REDACTED], Petitioner filed a request for hearing disputing the Department's actions concerning her MSP case. Exhibit A, pp. 3-4.

### **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.

#### **Preliminary matter**

In this case, Petitioner raised concerns regarding her MSP coverage for April 2015 to May 2016. Exhibit A, pp. 3-4. The undersigned will address Petitioner's concern, but in two different time periods, as shown below:

#### **MSP coverage from April 2015 to September 2015**

The Medicare Savings Programs are Supplemental Security Income (SSI)-related MA Categories. BEM 165 (January 2015 to January 2016), p. 1. The three Medicare Savings Programs are Qualified Medicare Beneficiaries (also known as full-coverage QMB); Specified Low-Income Medicare Beneficiaries (also referred to as limited coverage QMB and SLMB); and Additional Low-Income Medicare Beneficiaries (also known as ALMB or Q1). BEM 165, p. 1.

The Department determines eligibility and benefit amounts for all requested programs. BAM 105 (April 2015 to April 2016), pp. 17-18. Any person, regardless of age, or his/her authorized representative (AR) may apply for assistance. BAM 110 (July 2014 to January 2016), pp. 4-5. An application or filing form, with the minimum information, must be registered on Bridges unless the client is already active for that program. BAM 110, pp. 7-8. The Department registers a signed application or filing form, with the minimum information, within one workday for all requested programs. BAM 110, pp. 19-20.

In the present case, it was not disputed that Petitioner was eligible for MSP coverage beginning April 1, 2015. Exhibit A, p. 1. However, Petitioner did not apply for MSP coverage until October 2015. The undersigned cannot address Petitioner's MSP concerns (i.e., reimbursement of Medicare premiums) for the time period of April 2015 to September 2015 without an application actually being filed. Policy requires that Petitioner submit an application in order for the Department to determine if she is eligible for benefits. Because Petitioner failed to submit any MSP application during the period of April 2015 to September 2015, the undersigned lacks the jurisdiction to address this time period. See BAM 600 (October 2015), pp. 1-5; BAM 105, pp. 17-18; and BAM 110, pp. 4-5, 7-8, and 19-20. Accordingly, Petitioner's MSP hearing request for the period of April 2015 to September 2015 is DISMISSED.

### **MSP coverage from October 2015 to May 2016**

In this case, Petitioner applied for MSP benefits in October 2015. However, the Department did not process her eligibility until on or around [REDACTED]. See Exhibit A, p. 6. The Department subsequently found her eligible for MSP – QMB coverage for the period of [REDACTED]. See Exhibit A, p. 6. On [REDACTED], the Department sent Petitioner a Health Care Coverage Determination Notice (determination notice) notifying her that she was approved for MSP benefits from October 2015 to May 2016. Exhibit A, pp. 7-11.

The standard of promptness (SOP) begins the date the department receives an application/filing form, with minimum required information. BAM 115 (January 2015 to January 2016), pp. 14-15. If the group is ineligible or refuses to cooperate in the application process, certify the denial within the standard of promptness to avoid receiving an overdue task in Bridges. BAM 115, pp. 22-23. The Department sends 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. The Department sends the DHS-1605 detailing the approval at certification of program opening. BAM 115, pp. 23-24. The Department sends the DHS-1606 detailing Medicaid approvals. BAM 115, pp. 23-24.

Based on this information and evidence, the undersigned finds that the Department acted in accordance with Department policy when it processed her MSP eligibility for October 2015 to May 2016. See BAM 115, pp. 14-15 and 22-24. Yes, the Department clearly did not timely process Petitioner's application. Nevertheless, the Department ultimately processed and approved Petitioner for MSP benefits from October 2015 to May 2016. See Exhibit A, p. 6. In regards to Petitioner's concerns of whether she is entitled to reimbursement of her MSP benefits, the undersigned lacks the jurisdiction to address this concern. After a careful review of Petitioner's hearing request, the only issue that the undersigned could address was whether the Department failed to process her application. See Exhibit A, pp. 3-4. It was revealed during the hearing that the Department ultimately processed the application subsequent to the hearing request and Petitioner was approved for benefits. The Department informed Petitioner that she was

approved for MSP benefits by issuing her a determination notice on [REDACTED] which was after the hearing request. See Exhibit A, p. 7. Petitioner can attempt to request another hearing disputing the determination notice dated [REDACTED] (i.e., request for reimbursement of MSP funds). See BAM 600, pp. 1-6. The only issue that the undersigned could address in this hearing was the failure to process the application and the undersigned affirmed that decision.

### **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 acted in accordance with Department policy when it processed Petitioner's MSP eligibility for October 2015 to May 2016.

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

**IT IS ALSO ORDERED** that Petitioner's MSP hearing request for the period of April 2015 to September 2015 and reimbursement for her MSP benefits is **DISMISSED** for lack of jurisdiction.

EF/hw



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**Eric J. Feldman**

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**

[REDACTED]

[REDACTED]

**Petitioner**

[REDACTED]