



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: May 18, 2016
MAHS Docket No.: 16-001923
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Colleen Lack

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 May 10, 2016, from Lansing, Michigan. The Petitioner was represented by [REDACTED], daughter and Authorized Hearing Representative. [REDACTED], the Petitioner, appeared and testified. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator. [REDACTED] also provided interpretation services during the hearing proceedings.

During the hearing proceedings, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-31.

ISSUE

Did the Department properly approve Petitioner and her husband for Medical Assistance (MA)?

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 Department's computer system shows that Petitioner and her husband have had full Medicaid coverage since at least January 2013. (Hearing Facilitator Testimony)

2. On June 23, 2015, a Health Care Coverage Determination Notice was issued to Petitioner stating she and her husband were approved for full coverage Medicaid effective July 1, 2015. (Exhibit A, pp. 5-7)
3. The Department has received verification that Medicare was applied for and denied because Petitioner and her husband are not eligible for that program. (Exhibit A, pp. 1 and 9-10; Hearing Facilitator Testimony)
4. An error in the Department's computer system keeps flagging the Medicaid case that Petitioner and her husband are eligible for Medicare but not confirmed. (Exhibit A, pp. 1 and 12-31; Hearing Facilitator Testimony)
5. The Department has not issued any more recent case action notices regarding Medicaid for Petitioner or her husband. (Hearing Facilitator Testimony)
6. On February 5, 2016, a hearing request was filed to resolve the Medicaid eligibility issue that is causing claims for Medicaid covered series to be denied. This has been going on for at least two years. (Exhibit A, pp. 2-4)
7. On March 2, 2016, the Michigan Administrative Hearing System (MAHS) sent a letter requesting Petitioner's signature or other documentation to show the Authorized Hearing Representative was appointed.
8. On April 5, 2016, the hearing request was re-submitted to MAHS with Petitioner's signature.
9. As of the May 10, 2016, hearing date, the Department's computer system showed that Petitioner and her husband continue to be eligible for full Medicaid coverage, though there is another flag regarding Medicare. (Hearing Facilitator Testimony)

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.

BEM 257 addresses third party resource liability, including Medicare. A third-party resource is a person, entity or program that is, or might be, liable to pay all or part of a group member's medical expenses. An adult is required to cooperate with identifying third party resources unless they have good cause. Medicare Part B is not mandatory to pursue as a potential resource. However, when an individual refuses Medicare Part B, Medicaid will not pay for any Medicare Part B covered services they receive. BEM 257, May 1, 2015, pp. 1-3.

In this case, the most recent case action notice was the June 23, 2015, Health Care Coverage Determination Notice stating Petitioner and her husband were approved for full coverage Medicaid effective July 1, 2015. (Exhibit A, pp. 5-7) The Department has received verification that Medicare was applied for and denied because Petitioner and her husband are not eligible for that program. (Exhibit A, pp. 1 and 9-10; Hearing Facilitator Testimony)

However, an error in the Department's computer system keeps flagging the Medicaid case that Petitioner and her husband are eligible for Medicare but not confirmed. (Exhibit A, pp. 1 and 12-31; Hearing Facilitator Testimony) This error has been causing their claims for Medicaid covered series to be denied by the Medicaid Health Plan(s). This has been going on for at least two years. (Exhibit A, pp. 2-4)

It is noted that the Department has not issued any more recent case action notices regarding Medicaid for Petitioner or her husband than the June 23, 2015, Health Care Coverage Determination Notice approving full coverage Medicaid. (Hearing Facilitator Testimony) Accordingly, there has been no written notice of case action denying full Medicaid coverage for Petitioner or her husband.

It was also noted that the local Department office has tried to have the error corrected, including communication with the Department's SSI coordinator. (Hearing Facilitator Testimony)

As of the May 10, 2016, hearing date, the Department's computer system showed that Petitioner and her husband continue to be eligible for full Medicaid coverage, though there is another flag regarding Medicare. (Hearing Facilitator Testimony)

Overall, the evidence is uncontested that Petitioner and her husband are eligible for full coverage Medicaid. It is also uncontested that the Department has received verification that Petitioner and her husband have been denied Medicare because they are not eligible for that program. The most recent case action that has occurred is the June 23, 2015, Health Care Coverage Determination Notice stating Petitioner and her husband were approved for full coverage Medicaid effective July 1, 2015. This determination is upheld because it is uncontested that Petitioner and her husband are eligible for full coverage Medicaid.

DECISION AND ORDER

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

CL/mc



Colleen Lack
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]

Authorized Hearing Rep.

[Redacted]

Petitioner

[Redacted]