



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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Date Mailed: May 3, 2016
MAHS Docket No.: 16-002318
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Zainab Baydoun

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 April 14, 2016, from Detroit, Michigan. The Petitioner appeared for the hearing with her daughter, ██████████ and represented herself. The Department of Health and Human Services (Department) was represented by ██████████, Hearings Facilitator and ██████████, Eligibility Specialist.

ISSUE

Did the Department properly process Medical Assistance (MA) benefits for Petitioner's daughter, Luna Nasser?

FINDINGS OF FACT

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

1. Petitioner's 20 year old daughter, Luna was an ongoing recipient of MA benefits under the Group 2 Persons Under Age 21 (G2U) category with a monthly deductible of \$87. (Exhibit B)
2. On November 17, 2015, the Department received verification of medical expenses incurred by Petitioner's daughter in the amount of \$87 for date of service November 13, 2015. (Exhibit A)

3. The Department processed the medical expense received and applied it to Petitioner's daughter's MA deductible.
4. On November 19, 2015, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising her that for the period of November 1, 2015, to November 13, 2015, Petitioner's daughter was eligible for MA with an \$87 deductible. The Notice further advised Petitioner that for the period of November 14, 2015, to November 30, 2015, her daughter was eligible for full coverage MA as the deductible had been met. (Exhibit C)
5. On February 16, 2016, Petitioner's daughter requested a hearing disputing the Department's actions.

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.

Group 2 MA income eligibility exists for the calendar month tested when there is no excess income or the allowable medical expenses (defined in Exhibit 1) equal or exceed the excess income. When old bills, personal care services, the cost of hospitalization (defined in Exhibit IC), or long term care equals or exceeds the group's excess income for the month tested, income eligibility exists for the entire month. When old bills, personal care services, the cost of hospitalization, or long term care do not equal or exceed the group's excess income for the month being tested, income eligibility begins either: the exact day of the month the allowable expenses exceed the excess income or the day after the day of the month the allowable expenses equal the excess income. BEM 545 (October 2015), p. 1.

If the client still has excess income, BEM 545 provides that a client may still be eligible for Group 2 MA if sufficient allowable medical expenses are incurred through a deductible process. BEM 545, p. 10. The Department will open an MA case without ongoing Group 2 MA coverage as long as the fiscal group has excess income and at

least one fiscal group member meets all other Group 2 MA eligibility factors. These cases are called active deductible cases and each calendar month is a separate deductible period, with MA coverage added each time the group meets its deductible. BEM 545, p. 10.

The fiscal group's monthly excess income is called a deductible amount. To meet a deductible, a MA client must report and verify allowable medical expenses (defined in Exhibit I) that equal or exceed the deductible amount for the calendar month being tested. The group must report expenses by the last day of the third month following the month in which client wants MA coverage. BEM 545, p. 11. The Department is to add periods of MA coverage each time the group meets its deductible. BEM 545, p.11. A group may report additional expenses that were incurred prior to the MA eligibility begin date referenced above. The Department is not to alter the MA eligibility begin date if coverage has already been authorized on Bridges, however, any expenses the group reports that were incurred from the first of such month through the day before the MA eligibility begin date might be countable as old bills and applied to future months deductible. See Exhibit 1B and Example 7 in Exhibit IV of BEM 545. BEM 545, pp. 12-13.

In the present case, Petitioner's daughter was an ongoing recipient of MA under the G2U program with a monthly deductible of \$87. The Department testified that on November 17, 2015, it received sufficient verification to establish that Petitioner's daughter had met her deductible for the month of November 2015, based on the amount of allowable medical expenses. (Exhibit A). The Department stated that the expenses were processed in accordance with BEM 545, and full MA coverage was added for Petitioner's daughter for the period of November 14, 2015, through November 30, 2015. (Exhibit B). Petitioner was provided with notice of the approval of full coverage MA for the appropriate period through a Health Care Coverage Determination Notice. (Exhibit C).

At the hearing, Petitioner and her daughter stated that the doctor who submitted the medical expense to the Department on November 17, 2015, submitted an incorrect bill and that she was responsible for and issued a bill from the doctor for a higher amount. Petitioner's daughter further testified that on November 13, 2015, she went to [REDACTED] Emergency Department and indicated she was admitted for one day. It was established that the Department was verbally notified of the hospital visit on or around February 4, 2016, however, the Department testified and Petitioner's daughter confirmed that she did not provide the Department with written verification or similar documentation to verify that she was seen at the Emergency Department until March 2016. Additionally, Petitioner and her daughter failed to provide any documentation to establish that Petitioner's daughter's hospital visit to the Emergency Department on November 13, 2015, met the definition of inpatient hospital care as referenced in BEM 545, or that she was eligible for MA coverage for the entire month.

Therefore, based on the verified information available to the Department, the Department properly processed the medical expense submitted on November 17, 2015, and determined that Petitioner's daughter was eligible for full coverage MA for the period of November 14, 2015, through November 30, 2015, as she met her deductible effective November 14, 2015.

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 daughter's MA benefits.

DECISION AND ORDER

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



ZB/tlf

Zainab Baydoun

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

[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
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