



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 17, 2016
MAHS Docket No.: 16-003574
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 April 28, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED], her husband [REDACTED], and her authorized hearing representative [REDACTED]. [REDACTED] represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included [REDACTED].

ISSUE

Did the Department of Health and Human Services (Department) properly deny Medical Assistance (MA) for August and October of 2014?

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 was an ongoing Medical Assistance (MA) recipient.
2. The Petitioner testified that she submitted verification of her medical costs incurred on two occasions.
3. On November 7, 2013, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of income and assets for August of 2013, and October of 2013. Exhibit A, pp 8 – 9.
4. The Department determined that the Petitioner did not meet her deductible for August and October of 2013.

5. On March 2, 2016, the Department received the Petitioner's request for a hearing protesting the denial of Medical Assistance (MA) in August and October of 2014. Exhibit A, pp 2 – 3.

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.

The individual must be given the most advantageous use of their old bills (also known as incurred expenses). The individual may request coverage for the current month, up to six future months (see eligibility based on old bills in this item), and for any of the prior three months before the current month. Department of Health and Human Services Bridges Eligibility Manual (BEM) 545 (July 1, 2013), p 2.

The group must report expenses by the last day of the third month following the month in which the group wants MA coverage. BEM 545, p 11.

The Petitioner was an ongoing MA recipient in August of 2013, when she incurred hospital expenses. On November 7, 2013, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of income and assets for August of 2013, and October of 2013.

The Petitioner testified that she provided the Department with verification of her medical expenses incurred in August and October of 2013 that were misplaced by the Department. The Petitioner testified that she provided the Department with duplicate expense receipts in January of 2014.

Testimony and other evidence must be weighed and considered according to its reasonableness. *Gardiner v Courtright*, 165 Mich 54, 62; 130 NW 322 (1911); *Dep't of Community Health v Risch*, 274 Mich App 365, 372; 733 NW2d 403 (2007). Moreover, the weight and credibility of this evidence is generally for the fact-finder to determine. *Dep't of Community Health*, 274 Mich App at 372; *People v Terry*, 224 Mich App 447, 452; 569 NW2d 641 (1997). In evaluating the credibility and weight to be given the testimony of a witness, the fact-finder may consider the demeanor of the witness, the reasonableness of the witness's testimony, and the interest, if any, the witness may

have in the outcome of the matter. People v Wade, 303 Mich 303 (1942), cert den, 318 US 783 (1943).

This Administrative Law Judge finds the Petitioner's testimony to be credible. The Department failed to present testimony of a witness with personal knowledge of the documents submitted by the Petitioner to refute the Petitioner's statements. The Department failed to provide an adequate explanation of why a request for verification of income and assets would be made for the specific months of August and October of 2013, if there was no need for coverage in those months.

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 denied the Petitioner's request to apply medical expenses incurred towards here monthly deductible amounts for the months of August of 2013, and October of 2013.

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:

Allow the Petitioner the opportunity to submit documents to clarify her medical expenses incurred in August of 2013, and October of 2013. Initiate a determination of the Petitioner's eligibility for Medical Assistance (MA) in August of 2103, and October of 2013, in accordance with policy with adequate notice to the Petitioner.

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

[REDACTED]

[REDACTED]

Counsel for Petitioner

[REDACTED]

Petitioner

[REDACTED]