



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: January 6, 2017
MAHS Docket No.: 16-015963
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 [REDACTED], from Detroit, Michigan. The Petitioner was represented by [REDACTED] Authorized Hearing Representative. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

ISSUE

Did the Department properly process the Petitioner's [REDACTED], application for Medicare Cost Sharing benefits for (QMB)?

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 recipient of Medicare Cost Sharing benefits (QMB).
2. The Department sent the Petitioner a Redetermination on [REDACTED], for Medicaid (MA) and Medicare Cost Share programs.
3. The Department did not receive the completed Redetermination.
4. The Petitioner reapplied for QMB on [REDACTED].

5. A Health Care Coverage Determination Notice (HCCDN) was sent to the Petitioner dated [REDACTED], finding the Petitioner ineligible for Medical Cost Share due to failure to return the Redetermination, effective [REDACTED].
6. The Petitioner's unearned income is \$ [REDACTED] monthly.
7. The Petitioner requested a timely hearing on [REDACTED], protesting the Departments 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.

In this case, the Department closed the Petitioner Medicare Savings Program (MSP) benefits due to Petitioner's failure to return the Redetermination for MSP. The Department issued a HCCDN dated [REDACTED], closing the Petitioner's QMB effective [REDACTED]. After receiving a new application for QMB on [REDACTED] for the MSP, the Department issued a HCCDN on [REDACTED], approving the MSP benefits, effective [REDACTED]. Exhibit A. The Petitioner had previously received QMB benefits from the Department, which reimbursed his Medicare Part B premium until [REDACTED], when his case closed for failing to return the Redetermination. The Petitioner was determined to be eligible for QMB as his monthly income of \$ [REDACTED] met the income limit requirement for a group of one member of \$ [REDACTED] RFT 242, (October 1, 2016), p. 1.

QMB pays:

- Medicare premiums, and

Note: QMB pays Medicare Part B premiums and Part A premiums for those few people that have them.

- Medicare coinsurances, and

- Medicare deductibles. BEM 165 (October 1, 2016), p. 2.

The issue in this case concerns whether the Department correctly processed and activated QMB effective for [REDACTED] based upon the [REDACTED], application. At the hearing, the undersigned was under the incorrect impression that QMB should have been activated for [REDACTED], and that the Department improperly processed and activated QMB for [REDACTED]. However, after review of MSP policy and further research, it is determined that the [REDACTED], activation was correct based upon the [REDACTED], new application. The Department policy advises when QMB can be made effective and provides:

Begin QMB coverage the calendar month **after** the processing month. The processing month is the month during which an eligibility determination is made. **QMB is not available for past months or the processing month.**
BEM 165, p. 3.

Thus, the processing month, which was the date the application was received and processed was [REDACTED]; and the Department could not activate coverage for [REDACTED] based upon Department policy. Unfortunately, due to the failure to return the Redetermination, the Petitioner's QMB was closed and caused a lapse in coverage. Once the Petitioner reapplied, the Department was required to process a new application and correctly activated coverage for QMB in accordance with Department policy.

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 activated Medicare Cost Savings QMB coverage for [REDACTED].

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

LMF/jaf



Lynn M. Ferris

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]

Petitioner

[REDACTED]

Authorized Hearing Rep.

[REDACTED]

Via email

[REDACTED]