



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 9, 2017
MAHS Docket No.: 16-018060
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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] [REDACTED] from Detroit, Michigan. Petitioner did not appear and was represented by an authorized hearing representative (AHR), [REDACTED]. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED] [REDACTED] hearing facilitator.

ISSUE

The issue is whether MDHHS properly determined Petitioner's Medical Assistance (MA) eligibility.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On [REDACTED], Petitioner submitted to MDHHS a Retroactive Medicaid Application (for MA benefits back to February 2016) and an application for MA eligibility.
2. Petitioner's application listed an authorized representative (AR).
3. On [REDACTED], MDHHS approved Petitioner's MA eligibility, effective May 2016.
4. MDHHS did not send notice of the approval to Petitioner's AR.

5. MDHHS did not process Petitioner's Retroactive Medicaid Application.
6. On [REDACTED] Petitioner's AR (who is also Petitioner's AHR) requested a hearing to dispute the failure by MDHHS to process Petitioner's MA eligibility.

CONCLUSIONS OF LAW

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. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute a failure by MDHHS to process MA benefits. It was not disputed Petitioner applied for ongoing and retroactive MA benefits. The analysis will first consider Petitioner's ongoing MA eligibility.

MDHHS presented a Notice of Case Action (Exhibit 1, pp. 1-3) dated [REDACTED]. The notice approved Petitioner for MA benefits, effective May 2016. The notice was addressed to Petitioner.

An authorized representative (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (for example, to obtain FAP benefits for the group). BAM 110 (July 2016), p. 9. The AR assumes all the responsibilities of a client.... *Id.*

Upon certification of eligibility results, Bridges automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. BAM 220 (July 2016), p. 2. A notice of case action must specify... the action(s) being taken by the department [and] the reason(s) for the action. *Id.*

An implied requirement of MDHHS policy is that the AR, as the responsible party for a client, is entitled to receive notice of MDHHS case actions. Presented evidence verified MDHHS mailed an approval notice to Petitioner. MDHHS testimony conceded an approval notice was not mailed to Petitioner's AR/AHR. MDHHS will be ordered to correct the oversight.

Concerning Petitioner's retroactive MA eligibility, MDHHS has a larger problem. MDHHS testimony conceded Petitioner's Retroactive Medicaid Application was never processed. It was not disputed Petitioner submitted to MDHHS a Retroactive Medicaid

Application (Exhibit A, pp. 7-9) dated [REDACTED], along with various other verifications (see Exhibit A, pp. 1-6, 10-15).

Retro MA coverage is available back to the first day of the third calendar month prior to the current application for FIP and MA applicants and persons applying to be added to the group... BAM 115 (July 2016), p. 11. The DHS-3243, Retroactive Medicaid Application, is used along with the DHS-4574 or DCH-1426 for retro MA applications. BAM 110 (July 2014), p. 4.

MDHHS has certain timeframes in which applications should be processed; the timeframes are referred to as standards of promptness. [For MA benefits, MDHHS is to] certify program approval or denial of the application within 45 days. BAM 115 (January 2015), p. 15.

The MDHHS concession that Petitioner's MA application was never processed justifies ordering MDHHS to begin processing the application within administrative hearing decision timeframes. The processing should also ensure proper notice of the determination to Petitioner's AR/AHR.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly failed to process Petitioner's applications for retroactive and ongoing MA benefits. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Send proper notice of Petitioner's ongoing MA eligibility to Petitioner's AR;
- (2) Initiate processing of Petitioner's Retroactive Medicaid Application in accordance with MDHHS standards of promptness.

The actions taken by MDHHS are **REVERSED**.

CG/hw



Christian Gardocki
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

Counsel for Petitioner

[REDACTED]

DHHS

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]