



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: June 8, 2017
MAHS Docket No.: 17-005030
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] [REDACTED] from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

ISSUE

Did the Department properly process the Petitioner's Child Development and Care (CDC) benefits?

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 approved for CDC and an ongoing recipient of CDC benefits.
2. The Petitioner's provider could not process payments even though the Petitioner provided the Department the correct provider number. Exhibit A.
3. At the hearing, the Department conceded that it entered the wrong provider identification number. As a result of the wrong provider identification number being entered by the Department, the Petitioner's CDC provider was unable to bill for services through no fault of Petitioner for the period [REDACTED] [REDACTED].

4. The Petitioner's hearing was timely as the Department failed to correctly process the CDC provider identification number.

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

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

In this case, the Petitioner was approved by the Department for CDC benefits but her provider could not get paid for the period [REDACTED] due to a processing error by the Department. The Department recently discovered the error and has corrected the error by entering the correct provider identification number.

Department policy provides:

All Programs

As soon as possible, document and correct benefits approved or denied in error by changing Data Collection, running Eligibility Determination Benefit Calculation (EDBC) and certifying the results. Bridges sends the client a timely or adequate notice as appropriate for department error corrections resulting in:

- Program eligibility or ineligibility.
- Increased or decreased need.
- Higher or lower patient-pay amount. BAM 105, (July 2017) p. 32.

At all times relevant to this matter, the Petitioner provided the Department the correct provider identification number; and thus, no act by the Petitioner caused her provider not to be able to bill for services. In this case, the Petitioner's hearing request is timely as the Department took no action to deny benefits, and by its own admission failed to properly process the Petitioner's CDC case when it entered the incorrect CDC provider identification number. Therefore, the Department must correct the CDC provider number and properly process the case so that the provider may submit billing for reimbursement for the period in question.

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 did not act in accordance with Department policy when it incorrectly entered the wrong identification number for Petitioner's CDC provider resulting in the Petitioner's provider being unable to bill for reimbursement for CDC.

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:

1. The Department shall correctly process the Petitioner's CDC provider's number and enter the number correctly in the Department's system if not already done.
2. The Department shall take any further steps necessary so that requests for CDC payments can be submitted by the Provider for the period [REDACTED].

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

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

DHHS

[REDACTED]
[REDACTED]
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