



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: June 13, 2017  
MAHS Docket No.: 17-005268  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: C. Adam Purnell

### **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 June 8, 2017, from Lansing, Michigan. Petitioner appeared and represented himself. [REDACTED] Assistance Payments Worker (APW), appeared on behalf of the Department of Health and Human Services (Department). [REDACTED] [REDACTED], Assistance Payments Supervisor, testified as a witness for the Department.

The Department offered the following exhibits which were marked and admitted into evidence: [**Department's Exhibit 1:** Hearing Summary, Request for Hearing, Pre-Hearing Conference, Health Care Coverage Determination Notice, Bridges MA Assets, Liquid Assets-Summary, and [REDACTED] Verifications.].

Petitioner did not offer any exhibits that were admitted into evidence.

The record closed at the conclusion of the hearing.

### **ISSUE**

Did the Department properly determine Petitioner's Medical Assistance (MA) and Medicare Part B (Medicare Savings Program (MSP)) 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. Petitioner applied for MA and MSP benefits on or about March 10, 2017. [Hearing Testimony].
2. The Department determined that Petitioner had total countable assets in the amount of \$ [REDACTED] [Dept. Exh. 1, pp. 9, 10].
3. On April 3, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice, which indicated that he was not eligible for MA and MSP benefits effective March 1, 2017, due to excess assets. [Dept. Exh. 1, pp. 4-8].
4. Petitioner requested a hearing on April 13, 2017. [Dept. Exh. 1, p. 2].
5. During the hearing, the Department conceded that it erred when it processed Petitioner's application. [Hrg. Test.].

### **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.

Medicare Savings Programs are SSI-related MA categories. They are neither Group 1 nor Group 2. BEM 165 (10-1-2016), p. 1, describes the three categories that make up the Medicare Savings Programs. The three categories are: (1) Qualified Medicare Beneficiaries (QMB), which is also called full-coverage QMB and just QMB. Program group type is QMB. (2) Specified Low-Income Medicare Beneficiaries (SLMB), which is also called limited-coverage QMB and SLMB. Program group type is SLMB; and (3) Q1 Additional Low-Income Medicare Beneficiaries (ALMB). This is also referred to as ALMB and as just Q1. Program group type is ALMB. See BEM 165, p. 1. SLMB pays Medicare Part B premiums. BEM 165, p. 2.

In the instant matter, Petitioner requested a hearing because the Department allegedly denied his March 10, 2017, application for MA and MSP program benefits. Petitioner specifically indicates that his main point of contention is the Medicare Part B premium coverage. The Department agreed that Petitioner's March 10, 2017, application was not processed correctly and that his application was incorrectly denied due to excess

assets. The Department representative, on the record, stated that the Department should be reversed and that it will re-register and reprocess Petitioner's application.

This Administrative Law Judge has carefully considered and weighed the testimony and other evidence in the record. Prior to the closure of the hearing record, the parties have reached an agreement to resolve this matter. The Department shall re-register and reprocess Petitioner's March 10, 2017, application for MA and MSP benefits. Petitioner acknowledged the above stipulation and expressed satisfaction with the terms of the agreement. Because the parties have mutually reached an agreement to resolve this matter, there is no longer a pending dispute for the Administrative Law Judge to decide.

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 Petitioner's application for MA and MSP benefits.

### **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:

1. Re-register and reprocess Petitioner's March 10, 2017, application for MA and MSP benefits.
2. The Department shall initiate a redetermination of Petitioner's eligibility for MA and MSP benefits.
3. The Department shall provide Petitioner with written notification of its decision.

**IT IS SO ORDERED.**

CAP/mc



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**C. Adam Purnell**  
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]