



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: October 31, 2017
MAHS Docket No.: 17-011449
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 October 30, 2017, from [REDACTED] Michigan. The Petitioner represented himself. The Department was represented by [REDACTED]

ISSUE

Did the Department of Health and Human Services (Department) properly determine Petitioner's eligibility for the Medicare Savings Program (MSP)?

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 was an ongoing Medical Assistance (MA) and Medicare Savings Program (MSP) recipient.
2. On June 5, 2017, the Department sent Petitioner a Redetermination (DHS-1010) with a July 5, 2017, due date.
3. On July 31, 2017, the Department received Petitioner's completed Redetermination (DHS-1010) form.
4. On August 8, 2017, the Department re-registered Petitioner for the Medicare Savings Program (MSP).
5. The Department then reinstated Petitioner into the Medicare Savings Program and submitted a help-desk ticket to issue Medicare Savings Program (MSP) benefits for August of 2017.
6. On August 23, 2017, the Department received Petitioner's request for a hearing.

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.

There are three categories of Medicare Savings Program (MSP) benefits including the Qualified Medicare Beneficiary (QMB), the Special Low Income Medicare Beneficiary (SLMB), and the Additional Low Income Medicare Beneficiary (ALMB). QMB pays Medicare premiums, and Medicare coinsurances, and Medicare deductibles. QMB coverage begins the calendar month after the processing month. SLMB pays Medicare Part B premiums. SLMB coverage is available for retro MA months and later months. ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health notifies the Department of Human Services if funding is available. ALMB coverage is available for retro MA months and later months. Department of Human Services Bridges Eligibility Manual (BEM) 165 (October 1, 2016), pp 2-3.

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be reinstated when the client complied with the program requirements before the negative action date. Department of Health and Human Services Bridges Administrative Manual (BAM) 205 (July 1, 2015), p 1.

Petitioner was an ongoing MAP recipient under the QMB category when his case was up for redetermination. The Department sent Petitioner a Redetermination (DHS-1010) form on June 5, 2017.

Petitioner testified that he returned his completed Redetermination form sooner, but the Department does not dispute that it received a copy on July 31, 2017, which was before Petitioner's benefits closed.

However, instead of reinstating Petitioner's MSP benefits as directed by BEM 205, the Department re-registered Petitioner for MSP benefits. An application for MSP benefits under the QMB category is not eligible for benefits in the processing month. August should not be considered a processing month for Petitioner because he is an ongoing recipient. The Department was not acting in accordance with policy when it closed his MSP benefits or re-registered his case for MSP benefits. Petitioner is eligible for MSP benefits effective August 1, 2017, and ongoing. Petitioner will receive these benefits when they are processed by the buy-in unit.

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 closed Petitioner's Medicare Savings Program (MSP) benefits or re-registered his benefits making him ineligible to receive August 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:

Initiate a determination of Petitioner's eligibility for Medicare Savings Program (MSP) benefits effective August 1, 2017, and request a help desk ticket as necessary to ensure Petitioner receives the benefits he is entitled to.

KS/nr



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]

[REDACTED]

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]