



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: April 14, 2017  
MAHS Docket No.: 17-002727  
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 [REDACTED] Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

### ISSUE

Did the Department properly close the Petitioner's Medicare Savings Program (MSP) Cost Sharing 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 effective [REDACTED] ongoing for MSP and a Health Care Coverage Determination Notice (HCCDN) was issued on [REDACTED].
2. The Petitioner receiving MSP Qualified Medicare Beneficiary (QMB) ongoing until without notice, the benefits were no longer paid by the Department beginning [REDACTED].
3. The Medicare Buy-In unit contacted the Department on [REDACTED], to check the status of eligibility and informed the Department that there was no current proof of asset, due [REDACTED].

4. The Department issued a Verification Checklist on [REDACTED], requesting asset verification with a due date of [REDACTED]. The Petitioner provided the requested proofs on [REDACTED]. [Exhibit B.]
5. The Petitioner's Medicare Cost Sharing Program continued to end most recently in [REDACTED]. The Department could not determine why the Petitioner's benefits ended.
6. The Department's Eligibility Summary indicates that Petitioner is approved; however, no cost share benefits are being paid. [Exhibit E.]
7. On [REDACTED], the Petitioner received a letter from the Social Security Administration (SSA) advising that the State of Michigan will no longer pay the Petitioner's Medicare Part B premium after [REDACTED]; beginning [REDACTED], the Part B premium will be deducted from Petitioner's SSA benefit check. [Petitioner's Exhibit 1.]
8. The Department could not explain why QMB Medicare Cost Share ended.
9. No closure Notice for MSP was issued by the Department. The last HCCDN was sent on [REDACTED], approving the Petitioner for MSP ongoing [REDACTED]. [Exhibit C.]
10. The Buy-In Unit was contacted by the Department on [REDACTED], and received no response. [Exhibit D.]
11. The Petitioner requested a timely hearing on [REDACTED].

### **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.

The Petitioner had previously received QMB benefits from the Department which reimbursed his Medicare Part B premium until [REDACTED] when the QMB benefits stopped without any Notice of closure from the Department. The Department could not determine why the QMB payments ended and presented no evidence to support the closure during the hearing. The Department had contacted the Buy-In Unit to no avail.

In addition, the Department's Eligibility Summary shows Petitioner is approved as of [REDACTED] and that he has been approved for [REDACTED]. The Petitioner was determined to be eligible for QMB; and during the hearing, the Department did not dispute his eligibility.

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.

### **DECISION AND ORDER**

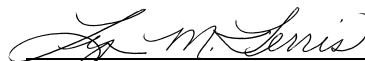
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it stopped the reimbursement of Petitioner's QMB benefits without notice or providing a reason for the change.

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 reprocess the Petitioner's Medicare Saving Program QMB benefits and determine Petitioner's eligibility.
2. The Department shall send the Petitioner a written Health Care Coverage Determination Notice advising Petitioner of its determination.
3. If the Petitioner is determined to be QMB eligible, the Department shall issue a supplement to Petitioner for QMB reimbursement, if any, the Petitioner was otherwise eligible to receive in accordance with Department policy.

LMF/jaf



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**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]

[REDACTED]