



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: July 27, 2017  
MAHS Docket No.: 17-006811  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

**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; 42 CFR 438.400 to 438.424; 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 July 24, 2017, from Detroit, Michigan. The Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Dionere Craft, Hearing Facilitator and Danielle Chisholm, Eligibility Specialist.

**ISSUE**

Did the Department properly process Petitioner's Medical Assistance (MA) 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. Petitioner was previously a recipient of MA benefits and on an unverified date, his case closed.
2. On or around [REDACTED], 2017, Petitioner applied for MA benefits for himself, his wife and his four children.
3. On February 14, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising him that effective January 1, 2017, he and his wife were approved for MA with a monthly deductible of \$5,732 and that his children were approved for MA with a monthly deductible of \$7,298. (Exhibit A)

4. On or around May 16, 2017, Petitioner requested a hearing disputing the Department's actions with respect to his MA benefits, specifically, the Department's calculation of the deductibles imposed.

### **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.

In this case, Petitioner disputed the Department's processing of MA benefits for himself and his family members, specifically the amount of the deductible imposed. At the hearing, the Department testified through its hearing summary that Petitioner's self-employment income was incorrectly entered into the system and as a result, Petitioner's deductible was improperly calculated. The Department testified that after receiving Petitioner's hearing request, it updated the income information, reprocessed Petitioner's MA eligibility and determined that Petitioner, his wife, and children were eligible for full MA coverage without a deductible for the application month of [REDACTED] 2017, ongoing with no lapse in coverage.

Although the Department testified that Petitioner and his group members were approved for full coverage MA without a deductible from January 1, 2017, ongoing, the eligibility summary presented by the Department does not support the Department's testimony. (Exhibit B). A review of the eligibility summary provided by the Department indicates that Petitioner and his group members were approved effective June 1, 2017, and not January 1, 2017. (Exhibit B). The eligibility summary presented for review does not show any MA eligibility for Petitioner or his group members prior to June 1, 2017. Additionally, the Department did not send Petitioner a Health Care Coverage Determination Notice or other eligibility notice advising him of the approval. Therefore, the Department failed to establish that it corrected the issue that Petitioner requested a hearing to dispute.

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 processed Petitioner's MA 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. Reprocess Petitioner and his group member's MA eligibility for January 1, 2017, ongoing;
2. Provide Petitioner and his group members with MA coverage under the most beneficial category from January 1, 2017, ongoing, in accordance with Department policy; and
3. Notify Petitioner in writing of its decision.



ZB/tlf

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**Zainab A. Baydoun**  
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

**Via Email:**

MDHHS-Wayne-55-Hearings  
BSC4 Hearing Decisions  
EQAD  
M. Best  
MAHS

**Petitioner – Via First-Class Mail:**

