



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: February 26, 2018  
MAHS Docket No.: 17-016169  
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 February 7, 2018, from [REDACTED] Michigan. The Petitioner was represented by her mother [REDACTED]. [REDACTED] Petitioner testified in her own behalf. 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) for October of 2017?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On July 31, 2017, the Department sent Petitioner a Verification Checklist (DHS-3503) with an August 1, 2017, due date. Exhibit A, pp 3-4.
2. On August 11, 2017, the Department sent Petitioner another Verification Checklist (DHS-3503) with an August 21, 2017, due date. Exhibit A, pp 5-7.
3. On October 1, 2017, the Department notified Petitioner that she was no longer eligible for Medical Assistance (MA) or the Medicare Savings Program (MSP). Exhibit A, pp 7-11.
4. On September 25, 2017, the Department received Petitioner's Application for Health Coverage & Help Paying Costs (DHS-1426). Exhibit A, pp 12-19.
5. The Petitioner receives monthly Retirement, Survivors, and Disability Insurance (RSDI) in the gross monthly amount of \$ [REDACTED]. Exhibit A, pp 20-22.

6. On October 24, 2017, the Department notified Petitioner that she was approved for Medical Assistance (MA) and the Medicare Savings Program (MSP) under the Qualified Medicare Beneficiary (QMB) category effective November 1, 2017. Exhibit A, pp 23-26.
7. On December 1, 2017, the Department received Petitioner's request for a hearing protesting her eligibility for Medical Assistance (MA). Exhibit A, p 2.

### **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 (January 1, 2018), pp 2-4.

Petitioner was eligible for MA and MSP benefits until October 1, 2017, when the Department closed her benefits for failure to provide the Department with information necessary to determine her eligibility to receive benefits. Petitioner reapplied for MA and MSP benefits and on October 24, 2017, the Department notified her that she was approved for MA benefits effective October 1, 2017, with no loss of ongoing coverage. The Department notified her that she was eligible for QMB benefits effective November 1, 2017, but not for October of 2017.

Petitioner is not disputing the closure of her MA and MSP benefits but does not agree with the loss of QMB benefits for October of 2017.

However, since Petitioner had to reapply for MA and MSP benefits, October of 2017 is considered a processing month, in which her eligibility for benefits had to be determined

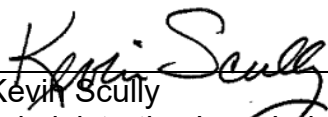
by the Department. Petitioner was found to be eligible for benefits, not for QMB benefits for October, the processing month, in accordance with BEM 165.

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 acted in accordance with Department policy when it determined Petitioner's eligibility for Medical Assistance (MA) and the Medicare Savings Program (MSP).

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/nr

  
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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]