



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]

Date Mailed: May 22, 2018
MAHS Docket No.: 18-003207
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

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 May 21, 2018, from Detroit, Michigan. Petitioner was present with her father, [REDACTED]. The Department of Health and Human Services (Department) was represented by Rechela Hall, Eligibility Specialist.

ISSUE

Did the Department properly closed Petitioner's Medicare Savings Program (MSP) benefit case?

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 recipient of MSP benefits under the Qualified Medicare Beneficiaries (QMB) category and an ongoing recipient of Medical Assistance (MA) benefits under the MA for SSI recipients program.
2. On August 18, 2017, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that her MA benefit case was closing effective September 1, 2017, ongoing (Exhibit C).
3. On March 5, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that her MSP benefit case was closing effective April 1, 2018, ongoing (Exhibit A).

4. On March 14, 2018, Petitioner submitted a request for hearing disputing the Department's actions.

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 submitted a hearing request disputing the Department's decision to close her medical benefit cases. The Department issued a decision closing Petitioner's MA benefit case on August 18, 2017. The Department issued a decision closing Petitioner's MSP benefit case on March 5, 2018.

A client's request for hearing must be in writing and signed by an adult member of the eligible group, adult child, or authorized hearing representative (AHR). BAM 600 (April 2017), p. 2. Moreover, Department policy provides that a request for hearing must be received in the Department local office within 90 days of the date of the written notice of case action. BAM 600, p. 6.

Petitioner did not submit her hearing request until March 14, 2018. Petitioner did not submit a hearing request within the 90-day time limit disputing the Department's decision to close her MA benefit case. Therefore, the issue will not be addressed, as the Undersigned lacks jurisdiction to address the matter. Petitioner did submit a timely hearing request to dispute the Department's decision to close her MSP benefit case. As such, the matter will be addressed.

Petitioner was an ongoing MSP recipient under the QMB category. MSP are SSI-related MA categories. There are three MSP categories: Qualified Medicare Beneficiaries (QMB); Specified Low-Income Medicare Beneficiaries (SLMB); and Additional Low-Income Beneficiaries (ALMB). BEM 165 (October 2016), p. 1. QMB is a full coverage MSP that pays: Medicare premiums (Medicare Part B premiums and Part A premiums for those few people who have them); Medicare coinsurances; and Medicare deductibles. SLMB pays Medicare Part B premiums and ALMB pays Medicare Part B premiums provided funding is available. BEM 165, pp. 1-2.

Petitioner's MSP benefit case was active under the same case number as her MA benefit case. Petitioner was receiving MA benefits under the MA for SSI recipients program. However, Petitioner's MA benefit case closed effective September 1, 2017, ongoing. Petitioner was no longer receiving SSI benefits. The Department testified that Petitioner's MSP case could not remain active under her current case number due to a processing issue. The Department stated that individuals receiving MA benefits as SSI recipients do not need to conduct redeterminations. BEM 150 (April 2017), p. 6. Additionally, persons receiving MA for SSI recipients do not need a separate eligibility determination for MSP benefits under the QMB category. BEM 165 (January 2018), p. 3. As such a redetermination/eligibility reviews would not have been necessary when Petitioner was previously receiving benefits under those programs as a result of being an SSI recipient. However, once Petitioner stopped receiving SSI benefits, the Department stated it would be unable to continue Petitioner's MSP case under the case number that was associated with her MA case, because she would no longer have automatic eligibility for MSP benefits. As a result, the Department closed Petitioner's MSP benefit case effective April 1, 2018, ongoing. The Department testified that Petitioner would have to reapply for MSP benefits to create a new case for her benefits to be active under. An application for MA and MSP benefits was sent to Petitioner on [REDACTED], 2018.

The Department testified that Petitioner's MSP benefit case was closed solely due to the processing issue and their inability to maintain her MSP benefits under a specific case number. Although those who receive MA for SSI recipients are automatically eligible for QMB benefits, it is not a required eligibility factor to be eligible for MSP benefits. BEM 165, pp. 5-9. The Department did not allege Petitioner's MSP benefit case was closed due to her failure to meet any of the required eligibility factors for MSP benefits. Therefore, the Department failed to establish that it acted in accordance with policy when it closed Petitioner's MSP benefit case.

DECISION AND ORDER

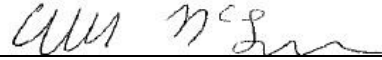
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Petitioner's MSP benefit case. 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. Redetermine Petitioner's MSP eligibility as of April 1, 2018, ongoing;
2. If Petitioner is eligible for MSP benefits, provide her with the benefits she is eligible to receive as of April 1, 2018, ongoing; and

3. Notify Petitioner of its decision in writing.

EM/cg



Ellen McLemore
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) 763-0155; 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-Oakland-3-Hearings
M. Best
EQAD
BSC4-Hearing Decisions
MAHS

Petitioner – Via First-Class Mail:

