



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED]

Date Mailed: January 9, 2019  
MAHS Docket No.: 18-011666  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton**

**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 December 17, 2018, from Detroit, Michigan. Petitioner represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator and [REDACTED], Assistance Payments Worker.

**ISSUE**

Did the Department properly close Petitioner's Medicare Savings Plan (MSP) benefits effective October 1, 2018?

**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 is an ongoing recipient of MSP benefits.
2. On August 24, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice which notified Petitioner that she was no longer eligible for MSP benefits effective November 1, 2018.
3. The Department reinstated Petitioner's MSP benefits once it discovered that the benefits closed in error.
4. On November 1, 2018, Petitioner filed a Request for Hearing disputing the Department's actions.

5. At the time of the Request for Hearing, 120 days had not lapsed since the reinstatement of the MSP benefits.

### **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.

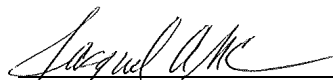
In this case, the Department testified that it closed Petitioner's MSP benefits in error on August 24, 2018 due to an auto update. The Department further testified that once the error was discovered, it reinstated Petitioner's MSP benefits. The Department provided a Eligibility Summary to show that Petitioner's MSP benefits are currently active and that Petitioner has been approved for MSP benefits since the date of closure. It takes SSA about 120 days after that to adjust the client's RSDI check. The client will receive a refund for premiums paid while the buy-in was being processed. BAM 810 (January 2018), p. 8. The 120-day period for adjustment had not lapsed as of the date Petitioner filed her Request for Hearing on November 1, 2018.

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 reinstated Petitioner's MSP benefits following the October 1, 2018 erroneous closure.

### **DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.

JAM/tlf



---

**Jacquelyn A. McClinton**  
Administrative Law Judge  
for Farah Hanley, Acting 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:**

[REDACTED]

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

[REDACTED]