



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: March 26, 2019  
MAHS Docket No.: 19-001137  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: John Markey**

**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 March 21, 2019, from Detroit, Michigan. Appearing on behalf of Petitioner was Petitioner's Authorized Hearing Representative, [REDACTED]. The Department of Health and Human Services (Department) was represented by Hiba Murray, Hearings Facilitator.

**ISSUE**

Did the Department properly process Petitioner's July 30, 2018, application for Medicare Savings Program (MSP) 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. On July 30, 2018, Petitioner submitted to the Department an application for MSP benefits. On the application, Petitioner requested retroactive benefits for the three months prior to July 2018.
2. On February 5, 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's delay in processing Petitioner's application for MSP benefits.
3. After filing the hearing request, Petitioner's application was approved, effective January 1, 2019. During the hearing, Ms. Montesinos and Ms. Murray were in

agreement that Petitioner's eligibility for MSP should be analyzed from the date of the application on July 30, 2018.

### **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 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. ALMB coverage is available for retro MA months and later months. BEM 165 (January 2018), pp. 2-4.

In this case, Petitioner submitted to the Department an application for MSP benefits on July 30, 2018. Petitioner requested coverage retroactively, which the Department provides for ALMB. After months of no action, Petitioner filed a hearing request objecting to the Department's failure to process his application. Shortly thereafter, the Department processed the application and determined that Petitioner was eligible for MSP benefits, effective January 1, 2019.

During the hearing, the Department's witness, Ms. Murray, acknowledged that the Department failed to properly process Petitioner's application. Ms. Murray and [REDACTED] stipulated that the appropriate action would be to require the Department to reprocess Petitioner's application and make a determination as to Petitioner's eligibility for MSP benefits from April 1, 2018, through December 31, 2018. Accordingly, the Department's decision is reversed.

### **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 act in accordance with Department policy by neglecting to process Petitioner's July 30,

2018, MSP benefits application until sometime in the first quarter of 2019. 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. Reregister Petitioner's July 30, 2018, MSP benefits application;
2. Determine Petitioner's eligibility for MSP benefits based on the content of the application, which requests retroactive benefits back to April 1, 2018;
3. If Petitioner is eligible for additional benefits, issue Petitioner any supplemental benefits he may be due; and
4. Issue written notice of any case action(s) in accordance with Department policy.

JM/cg

  
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**John Markey**  
Administrative Law Judge  
for Robert Gordon, Director  
Department of Health and Human Services

