



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
Christopher Seppanen
Executive Director

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: June 13, 2017
MAHS Docket No.: 17-004315
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on March 30, 2017, from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Erin Nieman, Family Independence Manager.

ISSUE

Did the Department properly process the Petitioner's Medical Assistance (MA) closure?

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 June 23, 2016, the Petitioner requested that the Department close her MA. The Department closed the Petitioner's MA; and a Notice of Case Action was sent on June 23, 2016.
2. Due to a Bridges System error, the case was closed effective January 1, 2016, which was incorrect. Exhibit B.
3. The Petitioner requested a timely hearing on [REDACTED] 2017, protesting 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, the evidence presented by the Department indicated that when it was requested to close the Petitioner's MA by the Petitioner on June 23, 2016, the Department did so; but due to a Bridges System error, the case was closed for January 1, 2016, thus, closing the case for the wrong date. Neither the Department nor the Petitioner noticed the error until Petitioner's MA bills, during a period when she was eligible, were not being paid due to the erroneous notice issued by the Department. The Department conceded the Notice was incorrect and needed to be corrected as the closure dated should have been July 31, 2016.

Department policy provides:

All Programs

As soon as possible, document and correct benefits approved or denied in error by changing Data Collection, running Eligibility Determination Benefit Calculation (EDBC) and certifying the results. Bridges sends the client a timely or adequate notice as appropriate for department error corrections resulting in:

- Program eligibility or ineligibility.
- Increased or decreased need.
- Higher or lower patient-pay amount. BAM 105, (July 2017), p. 32.

The Department initially asserted at the hearing that the hearing request was not timely; however, the hearing request was based upon a processing error by the Department neither the Petitioner and nor the Department caught. A processing error, or failure to correctly process a case closure, resulted in ineligibility for MA coverage due to entering a wrong date must be corrected by policy; and thus, timeliness to respond to the action does not apply. The Department has the responsibility to correct its processing error. At all times relevant to this matter, the Petitioner provided the Department the correct date to close her case; and thus, no act by the Petitioner caused her case to be closed approximately six months earlier than the date she requested that her MA case be closed.

The Department's error resulted in the Petitioner being ineligible during a period that she was, in fact, eligible for MA due to an improper closure date made by the Bridges System.

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 did not act in accordance with Department policy when it incorrectly closed the Petitioner's MA due to a processing error closing the case during a period the Petitioner was eligible for MA.

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. The Department shall correct its processing error and enter the correct MA closure date for the Petitioner's MA case based upon Petitioner's [REDACTED] 2016, request.
2. The Department shall provide the Petitioner written notice of its correction to effectuate MA coverage eligibility correctly and MA case closure.

LMF/jaf



Lynn M. Ferris
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

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]

DHHS

Wayne (19)
BSC4
M Best
EQAD
L M Ferris
MAHS