



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: October 23, 2020  
MOAHR Docket No.: 20-005911  
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; 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 October 22, 2020, from Detroit, Michigan. The Petitioner was represented by his Authorized Hearing Representative (AHR), [REDACTED] of [REDACTED] Inc. The Department of Health and Human Services (Department) was represented by Alice Gilmer, FIM and Mia Holley, Eligibility Specialist.

### **ISSUE**

Did the Department properly close the Petitioner's Medical Assistance (MA) 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. The Department issued a Health Care Coverage Determination Notice on March 20, 2020 closing the Petitioner's MA spenddown case effective April 1, 2020. The reason for the closure was that the Petitioner had not met his deductible in at least one of the last 3 months.
2. The Petitioner's AHR sent medical bills to the Department which were received on March 19, 2020, before the MA case closure which the Department did not process. The bills covered the period January 1, 2020 through January 31, 2020 and additional months. The Petitioner's AHR sought MA coverage for the period January 1, 2020 through January 31, 2020.

3. The bills were not processed by the Department and were in the Petitioner's electronic case file.
4. The Department requested a timely hearing on or about [REDACTED], 2020 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 Department conceded at the hearing that the Petitioner's medical bills were in the Petitioner's electronic case file but had not been processed by the Department prior to the case closure. The Department had closed the case effective April 1, 2020 and the medical bills submitted were received on March 19, 2020 prior to the MA spenddown case closure. The Department was required to process the bills as they were timely received prior to case closure. BEM 545 requires the Department to process the bills and determine eligibility and use the most advantageous application of the bills. BEM 545 (July 2019), p. 2-3.

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 failed to process medical bills received and submitted for processing prior to the MA case closure.

**DECISION AND ORDER**

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 reinstate the Petitioner's MA Spenddown case and process the medical bills submitted by Petitioner on March 19, 2020.
2. The Department shall provide written notice to Petitioner **and the Petitioner's AHR** of its determination.

LF/tm



---

**Lynn M. Ferris**

Administrative Law Judge  
for Robert Gordon, 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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**Via Email**

MDHHS-Wayne-15-Hearings  
D. Smith  
EQADHearings  
BSC4  
MOAHR

**Petitioner-First Class Mail**

[REDACTED]  
[REDACTED]  
[REDACTED]

**Petitioner's Authorized Hearing Rep.  
First Class Mail**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]