



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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Date Mailed: March 9, 2022
MOAHR Docket No.: 21-006269
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 February 8, 2022, from Lansing, Michigan. The Petitioner was represented by Authorized Representative ██████████ ██████████ ██████████. The Department of Health and Human Services (Department) was represented by Adele Sumption Hearing Facilitator. Rebecca Berg AP Worker appeared and testified for the Department. Department Exhibit 1, pp. 1- 26 was received and admitted.

ISSUE

Did the Department properly determine Petitioner’s eligibility for Medical Assistance (MA)?

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 ██████████ ██████████ ██████████ Petitioner was approved for MA-G2S effective November 2018, with a deductible.
2. On ██████████ ██████████ ██████████ Petitioner submitted three medical bills.
3. On ██████████ ██████████ ██████████ the Department applied two of the medical bills towards the March 2021 spend down but found that the third bill from Trinity Health was not acceptable because it only stated the amount due and found that the spend down for the month was not met.

4. On [REDACTED] [REDACTED] [REDACTED] a medical bill from December 2020 was received with a request to apply it to the March 2021 spend down. The Department denied that request because the bill was reported past the last day of the third month.
5. On [REDACTED] [REDACTED] [REDACTED] Petitioner's Authorized Representative requested hearing.

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.

Meeting a Deductible

Meeting a deductible means reporting and verifying allowable medical expenses (defined in "EXHIBIT I) that equal or exceed the deductible amount for the calendar month tested.

Use the NON-L/H PAST AND PROCESSING MONTHS section for non-L/H months and the L/H PAST AND PROCESSING MONTHS section for L/H months to determine both:

- The order in which to deduct expenses.
- When to identify a group's liability.

IDENTIFYING A GROUP'S LIABILITY explains how to determine the group's share of its expense(s) on the first day of MA coverage.

Example: The client incurs a medical expense in January 2016. The expense was **reported**, and verification turned in to DHHS in August 2016.

- As the expense was reported later than the last day of the third month (April 30, 2016) after the expense, it cannot be used for January 2016.
- The expense can be used as an old bill. The expense can be used as an old bill.
- When eligibility determination is done in August 2016 the old bill (Jan 2016 expense) can be used for May 2016, June 2016, July 2016, August 2016 or future months. To allow the client to choose the most advantageous month(s) in which they want to use the old bill, enter the "Apply to Deductible Determination From/To Dates"

Most Advantageous does not mean they can turn in an expense at any time and eligibility can be determined for the month the expense was incurred. If the client had **reported** the January 2016 expense between January 1 and April 30th 2016, but had not verified, then the expense can be used for the January 2016 expense when the verifications are received. It is important for the specialist to **document** when the client reports an expense even if the client does not yet have the bill to verify the expense. The expense does not need to be verified before using as an expense. BEM 545, pp. 11-12

In this case, Petitioner submitted three medical bills in May 2021. Two bills were applied towards her March 2021 deductible. One bill from Trinity Health dated [REDACTED] [REDACTED] with a service date of [REDACTED] [REDACTED] was not accepted because it only stated the balance owed and did not state what services were provided and other information. It was determined at that time that Petitioner did not meet her deductible for March 2021. On [REDACTED] [REDACTED] a December 2020 bill was received with a request to apply the bill towards the March deductible. The Department did not apply the bill towards the March 2021 deductible because it was received more than three months after the month of service. The Department's position was that the bill could be used as an old bill to meet the deductible for upcoming months but not for March 2021 and cited BEM 545 p. 11-12

The Petitioner's position was that the December 2020 bill should be used towards the March 2021 deductible because it was initially report in May 2021 and did not need to be verified at that time and cited BEM 545, p.12.

The Department provided sufficient proof to establish that they acted in accordance with Department policy when processing the medical bills submitted by Petitioner. The December 2020 service date bill dated February 13, 2021, (Ex. 1, p.19) did not have the required information regarding what services were provided. The Department was


correct to not apply that bill towards the March 2021 deductible. When the bill was submitted on ■■■■■ with a request to apply that bill towards the March 2021, the Department correctly denied that request because policy required treating the bill as an old bill because it was submitted more than 90 days after the month of service. BEM 545

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 processed the medical bills submitted by Petitioner and determined that she did not meet her deductible for March 2021.

DECISION AND ORDER

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

AM/nr



Aaron McClintic
Administrative Law Judge

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

DHHS

Fiona Wicks
12185 James St Suite 200
Holland, MI 49424

Ottawa County DHHS- via electronic mail

BSC3- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Petitioner

██████████ - via first class mail

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██████████████████, MI ████████

Authorized Hearing Rep.

██████████████████████████████ - via first class mail

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