GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS DIRECTOR



Date Mailed: May 25, 2022 MOAHR Docket No.: 22-001374

Agency No.:

Petitioner:

ADMINISTRATIVE LAW JUDGE: Linda Jordan

# **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 hearing was held on April 27, 2022 via teleconference. appeared on behalf of Petitioner as his Authorized Hearing Representative (AHR). Valarie Foley, Hearings Facilitator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department).

# **ISSUE**

Did MDHHS properly process Petitioner's application for Medicaid (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 \_\_\_\_\_ 2021, Petitioner submitted a MA application on behalf of \_\_\_\_\_ (Partner) and their minor child (Exhibit A, pp. 13-20).
- 2. On 2022, Petitioner filed a Request for Hearing to dispute the denial/delayed processing of Partner's MA application (Exhibit A, pp. 3-4).
- 3. On March 30, 2022, MDHHS sent Petitioner a Health Care Coverage Determination Notice indicating that Partner was approved for Emergency Services Only (ESO) MA, effective February 1, 2022 ongoing (Exhibit A, p. 8).
- 4. On \_\_\_\_\_\_, 2022, Petitioner filed a Request for Hearing to dispute the start date of Partner's ESO MA coverage (Exhibit 1, pp. 1-2).

## **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 Medicaid (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. MDHHS administers MA pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, MDHHS acknowledged that there had been a delay in processing Partner's application for MA coverage (Exhibit A, p. 1). The record shows that Petitioner submitted the MA application on 2021. Petitioner applied for MA coverage on behalf of Partner and their minor child and requested help paying medical bills for the month of October 2021 (Exhibit A, pp. 13-14). On March 30, 2022, MDHHS sent Petitioner a Health Care Coverage Determination Notice indicating that Partner was approved for Emergency Services Only (ESO) MA, effective February 1, 2022 ongoing (Exhibit A, p. 8). Petitioner did not dispute the category of MA coverage but objected to the start date of Partner's coverage, asserting that Partner's coverage should begin on October 1, 2021. Petitioner also indicated that MDHHS used an incomplete surname for Partner and that Partner's surname needed to be corrected in order for her to access MA benefits.

For MA applications filed electronically, the date of the application is the submission date. BAM 110 (January 2020), p. 6. An application must be registered in Bridges, MDHHS' electronic case management and eligibility system, within one workday unless the client is already active for that program. *Id.*, pp. 7, 20. Following the registration of an application, MDHHS must interview the clients when required by policy, certify eligibility results for each program within the applicable standard of promptness and generate a notice informing clients of the eligibility decision. BAM 115 (July 2021), pp. 1-2. In this case, it is undisputed that MDHHS failed to properly register and process Partner's MA application within the standard of promptness allowed by policy.

After the delay, MDHHS attempted to correct the situation by registering and processing Partner's MA application. On March 30, 2022, MDHHS approved Partner for Low-income Family (LIF) MA and determined that Partner's MA coverage was limited to ESO, effective February 1, 2022 ongoing. To be eligible for full coverage MA, a person must be a U.S. citizen or an alien admitted to the U.S. under a specific immigration status. BEM 225 (October 2019), pp. 2-3. Citizenship and immigration status is not an eligibility factor for ESO MA. *Id.* Petitioner did not dispute MDHHS' determination that Partner's MA coverage was limited to emergency services only. Petitioner disputed the

start date of the MA coverage and MDHHS' failure to process Partner's application for retroactive coverage.

Retroactive MA coverage is available back to the first day of the third calendar month prior to the current or most recent MA application or request to add persons to the MA group. BAM 115, p. 12. MDHHS is required to determine eligibility for each retroactive MA month separately. *Id.*, p. 14. To be eligible for a retroactive MA month, the individual must meet all the financial and nonfinancial eligibly factors in that month and have unpaid medical expenses incurred during the month or have been entitled to Medicare Part A. BAM 115, pp. 14-15.

The record shows that Petitioner applied for MA coverage on Partner's behalf on 2021, requesting ongoing MA coverage and retroactive coverage for October 2021 (Exhibit A, pp. 13-14). Petitioner credibly testified that Partner had unpaid medical expenses incurred in October 2021 related to the birth of their child and introduced documentation evidencing the unpaid expenses (Exhibit 1, pp. 7-9). Petitioner also asserted that when MDHHS approved Partner for MA ESO, it used an incorrect surname, which prevents Partner from accessing the coverage. MDHHS acknowledged that it did not process Partner's application for MA coverage and retroactive MA timely. Given the date of the application, MDHHS should have determined Partner's MA eligibility from October 2021 ongoing. The delay caused Partner to be without MA coverage from October 1, 2021 to January 31, 2022.

Accordingly, 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 MDHHS did not act in accordance with Department policy when it processed Petitioner's MA application.

## **DECISION AND ORDER**

Accordingly, MDHHS' decision is **REVERSED**.

MDHHS 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 \_\_\_\_\_\_, 2021 MA Application with regard to Partner's MA eligibility, ensuring that her full name is correctly recorded in Bridges;
- 2. Reprocess Partner's eligibility for MA from October 1, 2021 to January 31, 2022;

3. If Partner is eligible for MA for those months, provide Partner with the MA coverage that she is eligible to receive; and

4. Notify Petitioner of its decision in writing.

LJ/tm

Linda Jordan

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

**Email Recipients:** MDHHS-Wayne-19-Hearings

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