



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: August 16, 2024
MOAHR Docket No.: 24-006264
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner

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 by telephone on July 18, 2024. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Angela Ware, Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's 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. Petitioner has been an ongoing recipient of MA since 2020.
2. On [REDACTED] [REDACTED] 2024, the Department received an application for MSP from Petitioner.
3. On May 3, 2024, the Social Security Administration (SSA) sent Petitioner correspondence stating that Petitioner would have Medicare Part A and Part B effective June 2024 and that Petitioner would be responsible for her Part B premium of \$174.70 per month. (Exhibit A, p. 7).

4. On May 7, 2024, the Department sent Petitioner a Verification Checklist (VCL) requesting verification of Petitioner's checking account by May 17, 2024. (Exhibit A, pp. 12 – 13).
5. On May 10, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that denied Petitioner's request for MSP effective June 1, 2024 because she did not meet the basic criteria for MSP. (Exhibit A, pp. 14 – 16).
6. On May 21, 2024, the Department received a request for hearing from Petitioner, disputing the Department's denial of her application for MSP and including proof of her Medicare coverage effective June 2024. (Exhibit A, pp. 4 – 10).

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.

Petitioner requested a hearing disputing the denial of her MSP application and clarified at the hearing that she was only concerned about MSP, not her Medicaid case. The Department denied Petitioner's MSP application because she did not meet the basic criteria for MSP.

The Medicare Savings Program (MSP) is an SSI-related MA category and is not limited to Group 1 or Group 2 MA. BEM 165 (June 2024), p. 1. The State will pay for a client's Part B Medicare premium and possibly other Medicare copays and deductibles if a client is eligible for MSP. There are four categories of MSP: Qualified Medicare Beneficiaries (QMB), Specified Low-Income Medicare Beneficiaries (SLMB), Additional Low-Income Medicare Beneficiaries (ALMB), and Non-Categorically Eligible Michigan Beneficiaries (NMB). BEM 165, p. 1. Each of these categories has different benefits. BEM 165, p. 2. Individuals may contact the Department regarding MSP prior to turning 65 years old. BEM 165, p. 5.

Individuals must meet financial and non-financial requirements to be eligible for MSP. As part of determining an individual's financial eligibility for MSP, the Department must

verify the individual's assets, which includes checking accounts. BEM 400 (June 2024), pp. 1, 65.

Verifications are considered to be timely if received by the date they are due. BAM 130 (May 2024), p. 7. If the client cannot provide the verification despite a reasonable effort, the Department may extend the time limit up to two times if a request is made. BAM 130, p. 8. When the client refuses to provide the requested verifications, or the deadline for providing the verifications has passed and the client has not made a reasonable effort to comply, the Department is to send a HCCDN denying the requested assistance. BAM 130, pp. 8 – 9; BAM 220 (November 2023), p. 22.

Here, the Department sent Petitioner a VCL on May 7, 2024 and requested Petitioner provide verification of her checking account(s) to the Department by May 17, 2024. Petitioner testified that she received the VCL by mail on May 17, 2024 and provided requested verifications to the Department on May 21, 2024. While the Department sent Petitioner a HCCDN, that denied Petitioner's application for MSP on May 10, 2024, which was before the due date of May 17, 2024 (Exhibit A, pp. 12, 14), Petitioner acknowledged that she did not provide the requested verifications by the due date. Additionally, there was no evidence that Petitioner requested an extension of time to provide the requested verification. Therefore, while the Department erred in sending Petitioner the HCCDN denying her application prior to expiration of the verification due date, Petitioner did not provide the verifications timely, or request an extension of time to do so, and denial of her application was appropriate.

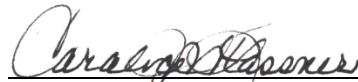
If Petitioner wishes to reapply for MSP for future assistance, she is free to do so.

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 the Department acted in accordance with Department policy when it denied Petitioner's application for MSP.

DECISION AND ORDER

Accordingly, the Department's decision regarding Petitioner's application for MSP is **AFFIRMED**.

CML/nr



Caralyce M. Lassner
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

Via-Electronic Mail :

DHHS
Tracy Felder
Wayne-Southwest-DHHS
2524 Clark Street
Detroit, MI 48209
MDHHS-Wayne-41-Hearings@michigan.gov

Interested Parties

BSC4
M. Schaefer
EQAD
MOAHR

Via-First Class Mail :

Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]