



GRETCHEN WHITMER  
GOVERNOR

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

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DIRECTOR

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[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: August 19, 2024  
MOAHR Docket No.: 24-006509  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 July 24, 2024, via teleconference. Petitioner appeared and represented herself. Lori Turner, Eligibility Specialist, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS' Hearing Packet was admitted at the hearing as MDHHS Exhibit A, pp. 1-13.

### **ISSUE**

Did MDHHS properly determine Petitioner's eligibility 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 was an ongoing recipient of Medicaid (MA) and MSP benefits.
2. On May 15, 2024, MDHHS sent Petitioner a Health Care Coverage Determination Notice indicating that she was not eligible for MSP benefits from January 1, 2024 ongoing (Exhibit A, p. 6).
3. On May 24, 2024, Petitioner requested a hearing regarding her MA/MSP coverage (Exhibit A, p. 4).

## 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).

Medicaid 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 the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MA is also known as Medical Assistance. BEM 105 (January 2024), p. 1.

The Medicare Savings Program (MSP) is a state program administered by MDHHS in which the state pays an eligible client's Medicare premiums, coinsurances, and deductibles, with coverage depending on the MSP category that the client is eligible to receive based on the client's income. BEM 165 (October 2022), pp 1-2; BAM 810 (January 2020), p. 1. All eligibility factors for the program must be met in the calendar month being tested. BEM 165, p. 2. There are three MSP categories: (1) QMB (Qualified Medicare Beneficiary), which pays for a client's Medicare premiums (both Part A, if any, and Part B), Medicare coinsurances and Medicare deductibles; (2) Specified Low-Income Medicare Beneficiaries (SLMB), which pays for a client's Medicare Part B premiums; and (3) Additional Low Income Medicare Beneficiaries (ALMB), which pays for a client's Medicare Part B premiums when funding is available. BEM 165, pp. 1-2.

At the hearing, MDHHS confirmed that Petitioner had full-coverage Ad-Care MA, which began on July 1, 2024. Petitioner was previously receiving Ad-Care MA on a separate case number, which closed on June 30, 2024. MDHHS further testified that Petitioner had QMB MSP on the previous case number, but that the coverage ended on April 30, 2024. MDHHS stated that MSP was pending for asset detection as of the date of the hearing. Accordingly, this decision addresses Petitioner's eligibility for MSP benefits only, because Petitioner had full-coverage MA and there was no gap in coverage between eligibility periods.

According to policy, persons receiving AD-Care MA and are entitled to Medicare Part A are considered QMB eligible without a separate QMB determination. BEM 165, p. 3. MDHHS is required to advise persons listed under Automatic QMB that MA will pay their Medicare premium. *Id.*, p. 5. For QMB, a person is entitled to Medicare Part A if the person is receiving Medicare Part A with no premium being charged; refused premium-free Medicare Part A; or is eligible for, or receiving, Premium HI (Hospital Insurance). *Id.*, p. 5. BENDEX and State Online Query (SOLQ) indicate whether a Medicare Part A premium is being charged. *Id.* However, the receipt of Medicare Part A under section 1818A of the Social Security Act does not meet this eligibility factor. *Id.*

In this case, MDHHS confirmed that Petitioner was eligible for Ad-Care MA during the time period in question. Based on this eligibility, Petitioner's enrollment in QMB MSP should have been automatic. MDHHS stated that Petitioner's QMB was pending for asset detection but testified that there was nothing questionable about Petitioner's reported assets. Thus, it is unclear why MDHHS had not processed Petitioner's eligibility for MSP. No evidence was presented that Petitioner reported a change in assets, or that she was not eligible for Medicare Part A, per BEM 165.

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, MDHHS did not act in accordance with Department policy when it failed to process and certify Petitioner's eligibility for MSP benefits.

### **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. Redetermine Petitioner's eligibility for MSP benefits, effective May 1, 2024 ongoing;
2. Issue supplemental payments to Petitioner for any MSP benefits that she was eligible to receive, but did not, from May 1, 2024 ongoing; and
3. Notify Petitioner of its decision in writing.

LJ/pt

  
**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 3063  
Lansing, Michigan 48909-8139

**Via-Electronic Mail:**

**DHHS**  
Tara Roland 82-17  
Wayne-Greenfield/Joy-DHHS  
8655 Greenfield  
Detroit, MI 48228  
**MDHHS-Wayne-17-hearings@michigan.gov**

**Interested Parties**

BSC4  
M. Schaefer  
EQAD  
MOAHR

**Via-First Class Mail:**

**Petitioner**

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