

**STATE OF MICHIGAN  
MICHIGAN ADMINISTRATIVE HEARING SYSTEM  
FOR THE DEPARTMENT OF COMMUNITY HEALTH**

P.O. Box 30763, Lansing, MI 48909  
(877) 833-0870; Fax: (517) 334-9505

IN THE MATTER OF:

██████████,

Appellant

Docket No. 2012-6263 EDW  
Case No. 5509033

**DECISION AND ORDER**

This matter is before the undersigned Administrative Law Judge (ALJ), pursuant to M.C.L. § 400.9 and 42 C.F.R. § 431.200 *et seq.*, upon the Appellant's request for a hearing.

After due notice, a hearing was held on ██████████. Appellant appeared and testified on her own behalf. ██████████, Waiver Services Director, represented the Department of Community Health's Waiver Agency, the ██████████ Area Agency on Aging ("Waiver Agency" or "AAA").

**ISSUE**

Did the Waiver Agency properly terminate Appellant's services through the MI Choice Waiver Program?

**FINDINGS OF FACT**

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. AAA is a contract agent of the Michigan Department of Community Health (MDCH) and is responsible for waiver eligibility determinations and the provision of MI Choice waiver services.
2. Appellant has been diagnosed with renal failure with dialysis, hypertension, upper digit amputations, osteoarthritis, depression and anxiety. (Exhibit 1, page 7).
3. Appellant is enrolled in and has been receiving MI Choice waiver services through AAA. (Exhibit 1, pages 6-7).
4. On ██████████, AAA sent Appellant a notice that it was terminating her services because her Medicaid was not effective. The effective date of the termination from the program was identified as ██████████.

(Exhibit 1, page 5).

5. On ██████████, the Department received Appellant's request for an administrative hearing. (Exhibit 1, page 4).
6. Due to Appellant's timely request for hearing, her waiver services have been continued pending the outcome of this hearing. (Testimony of Appellant; Testimony of ██████████).

### **CONCLUSIONS OF LAW**

The Medical Assistance Program is established pursuant to Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations. It is administered in accordance with state statute, the Social Welfare Act, the Administrative Code, and the State Plan under Title XIX of the Social Security Act Medical Assistance Program.

Appellant is receiving services through the Department's Home and Community Based Services for the Elderly and Disabled. The waiver is called MI Choice in Michigan. The program is funded through the federal Centers for Medicare and Medicaid (formerly HCFA) to the Michigan Department of Community Health (Department). Regional agencies, in this case AAA, function as the Department's administrative agency.

Waivers are intended to provide the flexibility needed to enable States to try new or different approaches to the efficient and cost-effective delivery of health care services, or to adapt their programs to the special needs of particular areas or groups of recipients. Waivers allow exceptions to State plan requirements and permit a State to implement innovative programs or activities on a time-limited basis, and subject to specific safeguards for the protection of recipients and the program. Detailed rules for waivers are set forth in subpart B of part 431, subpart A of part 440 and subpart G of part 441 of this chapter.

(42 C.F.R. § 430.25(b))

In order to remain eligible for such services, Appellant must have active Medicaid eligibility:

#### **Section 2 - Eligibility**

The MI Choice program is available to persons 18 years of age or older who meet each of three eligibility criteria:

- An applicant must establish his/her financial eligibility for Medicaid services as described in the Financial

Eligibility subsection of this chapter . . .

(Attachment to Medical Services Administration  
Policy Bulletin 11-27 (June 28, 2011), page 2)

In this case, however, AAA submitted evidence demonstrating that Appellant's Medicaid became inactive, pending an investigation, as of [REDACTED]. (Exhibit 1, pages 6-7; Exhibit 2, page 2; Testimony of [REDACTED]). Appellant testified in response that she does not know if her Medicaid is active. (Testimony of Appellant).

Appellant bears the burden of proving by a preponderance of the evidence that the decision to terminate her services was in error. Here, given the evidence regarding Appellant's Medicaid status, Appellant has failed to meet her burden. Therefore, the Waiver Agency's decision must be sustained. If Appellant's Medicaid status changes in the future, she can reapply for the waiver program.

**DECISION AND ORDER**

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Waiver Agency properly terminated Appellant's MI Choice waiver services.

**IT IS THEREFORE ORDERED** that:

The Department's decision is **AFFIRMED**.

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Steven J. Kibit  
Administrative Law Judge  
for Olga Dazzo, Director  
Michigan Department of Community Health

cc:

[REDACTED]

Date Mailed: 1/3/2012

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**\*\*\* NOTICE \*\*\***

The Michigan Administrative Hearing System may order a rehearing on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. The Michigan Administrative Hearing System will not order a rehearing on the Department's motion where the final decision or rehearing cannot be implemented within 90 days of the filing of the original request. The Appellant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt of the rehearing decision.