

**STATE OF MICHIGAN
MICHIGAN ADMINISTRATIVE HEARING SYSTEM
ADMINISTRATIVE HEARINGS FOR THE
DEPARTMENT OF HUMAN SERVICES**

IN THE MATTER OF:

████████████████████
████████████████████
████████████████████

Reg. No.: 14-014015
Issue No.: 2002
Case No.: ██████████
Hearing Date: February 25, 2015
County: MACOMB-DISTRICT 36
(STERLING HTS)

ADMINISTRATIVE LAW JUDGE: Eric Feldman

HEARING DECISION

Following Claimant'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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on February 25, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant, ██████████. Participants on behalf of the Department of Human Services (Department or DHS) included ██████████, Hearings Facilitator.

ISSUE

Did the Department properly deny Claimant's Medical Assistance (MA) – Healthy Michigan Plan (HMP) application dated September 1, 2014?

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 September 12, 2014, Claimant applied for MA – HMP benefits. See Exhibit 1, pp. 1 and 7.
2. On September 12, 2014, the Department sent Claimant a Supplemental Questionnaire (DHS-1004) form with requested verifications and it was due back by September 22, 2014.
3. The Department indicated that Claimant submitted the Supplemental Questionnaire form and proofs (i.e., paystubs) by the due date. See Exhibit 1, pp. 8-11.

4. On September 22, 2014, the Department sent Claimant a Health Care Coverage Determination Notice notifying him that his MA application was denied effective September 1, 2014, ongoing, because no group member is an eligible child and he failed to comply with the verification requirements. See Exhibit 1, pp. 5-6.
5. On October 7, 2014, Claimant filed a hearing request, protesting the MA denial. See Exhibit 1, pp. 2-3.
6. On January 22, 2015, the Michigan Administrative Hearing System (MAHS) sent both parties a Notice of Hearing, scheduling a hearing on February 2, 2015.
7. On February 4, 2015, the Administrative Law Judge (ALJ) sent both parties an Adjournment Order to reschedule the hearing.
8. On February 10, 2015, MAHS sent both parties a Notice of Hearing, rescheduling the hearing for February 25, 2015.
9. On February 25, 2015, both parties attended the hearing and the hearing proceeded accordingly.

CONCLUSIONS OF LAW

Department policies are contained in the Department of Human Services Bridges Administrative Manual (BAM), Department of Human Services Bridges Eligibility Manual (BEM), Department of Human Services Reference Tables Manual (RFT), and Department of 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 Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105 (April 2014), p. 6. This includes completion of necessary forms. BAM 105, p. 6.

For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. BAM 130 (July 2014), p. 7. If the client cannot provide the verification despite a reasonable effort, the Department extends the time limit up to two times. BAM 130, p. 7. The Department sends a case action notice when: the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, p. 7. See also Modified Adjusted Gross Income

(MAGI) Related Eligibility Manual, *Michigan Department of Community Health (DCH)*, May 2014, pp. 4 and 26-27.

Available at http://www.michigan.gov/documents/mdch/MAGI_Manual_457706_7.pdf.

On September 22, 2014, the Department sent Claimant a Health Care Coverage Determination Notice notifying him that his MA application was denied effective September 1, 2014, ongoing, because no group member is an eligible child and he failed to comply with the verification requirements. See Exhibit 1, pp. 5-6.

During the hearing, the Department acknowledged that it denied Claimant's application in error because he submitted the verifications before the due date. The Department indicated that Claimant submitted the Supplemental Questionnaire form and proofs (i.e., paystubs) by the September 22, 2014. See Exhibit 1, pp. 8-11. As such, the Department improperly denied Claimant's MA application dated September 12, 2014, in accordance with Department policy. See BAM 105, p. 6; BAM 130, p. 7; and MAGI Related Eligibility Manual, pp. 4 and 26-27. The Department will therefore re-register and reprocess Claimant's MA application dated September 12, 2014.

It should be noted that Claimant indicated in his application that his rate of pay was [REDACTED]. See Exhibit 1, p. 7. However, this was done in error by the Claimant as his actual rate of pay was [REDACTED]. On September 22, 2014, Claimant provided verification of his paystubs showing his rate of pay is [REDACTED]. See Exhibit 1, pp. 8-11. Nevertheless, this ALJ will not address Claimant's rate of pay any further as the Department is already ordered to reprocess his application based on the analysis above.

DECISION AND ORDER

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 did not act in accordance with Department policy when it improperly denied Claimant's MA application dated September 12, 2014.

Accordingly, the Department's MA decision is **REVERSED**.

☒ THE DEPARTMENT 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. Re-register the MA application dated September 12, 2014;
2. Begin reprocessing the application/recalculating the MA budget for September 1, 2014, ongoing, in accordance with Department policy;

3. Issue supplements to Claimant for any MA benefits he was eligible to receive but did not from September 1, 2014, ongoing; and
4. Notify Claimant of its MA decision in accordance with Department policy.



Eric Feldman
Administrative Law Judge
for Nick Lyon, Interim Director
Department of Human Services

Date Signed: **2/26/2015**

Date Mailed: **2/27/2015**

EJF/tm

NOTICE OF APPEAL: A party may appeal this Hearing Decision in the circuit court in the county in which he/she resides, or the circuit court in Ingham County, within 30 days of the receipt date.

A party may request a rehearing or reconsideration of this Hearing Decision from the Michigan Administrative Hearing System (MAHS) within 30 days of the mailing date of this Hearing Decision, or MAHS **MAY** order a rehearing or reconsideration on its own motion.

MAHS **MAY** grant a party's Request for Rehearing or Reconsideration when one of the following exists:

- Newly discovered evidence that existed at the time of the original hearing that could affect the outcome of the original hearing decision;
- Misapplication of manual policy or law in the hearing decision which led to a wrong conclusion;
- Typographical, mathematical or other obvious error in the hearing decision that affects the rights of the client;
- Failure of the ALJ to address in the hearing decision relevant issues raised in the hearing request.

The party requesting a rehearing or reconsideration must specify all reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration. A request must be *received* in MAHS within 30 days of the date this Hearing Decision is mailed.

A written request may be faxed or mailed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088 and be labeled as follows:

Attention: MAHS Rehearing/Reconsideration Request

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings
Reconsideration/Rehearing Request
P.O. Box 30639
Lansing, Michigan 48909-8139

CC:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]