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

IN THE MATTER OF:

[redacted]

Reg. No.: 15-003333
Issue No.: 2001
Case No.: [redacted]
Hearing Date: April 16, 2015
County: Wayne (15)

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 April 16, 2015, from Detroit, Michigan. Participants included the above-named Claimant. [redacted] testified and appeared as Claimant's authorized hearing representative (AHR). Participants on behalf of the Department of Health and Human Services (DHHS) included [redacted], specialist.

ISSUE

The issue is whether DHHS properly denied Claimant's Medical Assistance (MA) application.

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 [redacted], Claimant applied for MA benefits.

2. On [redacted], DHHS mailed Claimant a Notice of Case Action stating that Claimant was not eligible for MA benefits because she was none of the following: disabled, pregnant, a senior, under 21 years of age, or a caretaker to minor children.

3. DHHS did not evaluate Claimant's MA eligibility based on MAGI-related criteria.

4. On [redacted], Claimant's AHR requested a hearing to dispute the denial of Claimant's MA eligibility.

CONCLUSIONS OF LAW

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

Claimant requested a hearing to dispute a denial of an MA application. Claimant presented a Notice of Case Action (Exhibits A1-A4) which indicated why DHHS denied her application. The notice stated that DHS denied Claimant's MA eligibility, beginning October 2014, due to Claimant not being disabled, pregnant, a senior, under 21 years of age, or a caretaker to minor children.

DHHS testimony indicated that Claimant's application wasn't really denied in November 2014. DHHS conceded that the denial notice sent to Claimant was improper. DHS clarified that the notice was likely inadvertently dispatched due to some type of problem associated with the application registration and multiple case numbers. DHHS testimony indicated that Claimant's application was properly denied after Claimant requested a hearing due to an alleged failure by Claimant to return verifications.

DHHS presented no documentary evidence to support their testimony; Claimant did. It is found that DHS denied Claimant's MA application on [redacted] for the reasons stated on the corresponding Notice of Case Action. The analysis will continue to determine if DHHS properly denied Claimant's application.

The Medicaid program is comprised of several sub-programs or categories. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. BEM 105 (October 2014), p. 1. Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, Plan First!, and Adult Medical Program is based on Modified Adjusted Gross Income (MAGI) methodology. *Id*. Claimant's AHR conceded that Claimant was only potentially eligible for MAGI-related MA benefits.

Claimant's application denial notice specifically stated that Claimant was not a caretaker to minor children. It was not disputed that Claimant was a caretaker. DHHS could not explain why Claimant was not evaluated for MA benefits based on MAGI-related criteria based on her caretaker status.

Based on the presented evidence, it is found that DHHS failed to evaluate Claimant for MA based on MAGI methodology. Accordingly, the denial of Claimant's MA application is found to be improper.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that DHHS improperly denied Claimant's application for MA benefits. It is ordered that DHHS perform the following actions:

(1) reinstate Claimant's MA application dated [redacted]; and
(2) initiate processing of Claimant's application based on MAGI-related methodology.

The actions taken by DHHS are **REVERSED**.

Christian Gardocki
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **4/21/2015**

Date Mailed: **4/21/2015**

CG / hw

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 copy of the claim or application for appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Hearing Decision from 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]