

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

IN THE MATTER OF:

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

Reg. No.: 15-004899
Issue No.: 2001
Case No.: ██████████
Hearing Date: May 06, 2015
County: Wayne-District 18 (Taylor)

ADMINISTRATIVE LAW JUDGE: Alice C. Elkin

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; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on May 6, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Health and Human Services (Department) included ██████████, Hearing Facilitator/Eligibility Specialist.

ISSUE

Did the Department properly close Claimant's Medical Assistance (MA) case effective April 1, 2015?

FINDINGS OF FACT

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

1. Claimant was an ongoing recipient of MA benefits under the pregnant women (PW) program until November 30, 2014, and then under the Group 2 Caretaker (G2C) program effective December 1, 2014 ongoing.
2. On December 8, 2014, Claimant applied for Food Assistance Program (FAP) benefits and the Department became aware that she was no longer employed.
3. On December 8, 2014, Claimant's employer provided the Department a written statement indicating that Claimant had not returned to work since September 27, 2014.

4. On January 5, 2015, the Department sent Claimant a Verification Checklist (VCL) requesting, in relevant part, verification of wages through the last 30 days of check stubs, employer statement or verification of employment (DHS-38).
5. On February 24, 2015, the Department sent Claimant a Health Care Coverage Determination Notice notifying her that her MA case was closing effective April 1, 2015, because she had failed to verify earned income.
6. On March 6, 2015, Claimant filed a request for hearing disputing the closure of her MA case.

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.

The Department testified that Claimant's MA case closed because she failed to verify her income for September 2014, her last month of employment. Verification is required for a reported change that affects eligibility or benefit level. BAM 130 (October 2014), p. 1. The evidence in this case showed that Claimant stopped working on September 27, 2014, and that her employer verified in writing on December 8, 2014, that Claimant had not returned to work since September 27, 2014. Claimant testified at the hearing that she had not returned to work. Because there was no evidence that Claimant had any continuing earnings, there was no necessity for the January 5, 2015, VCL requesting verification of wages where Claimant had already verified the end of employment. Furthermore, while the Department testified that it had not received paystubs for the full month of September 2014, there was no evidence presented that it specifically requested employment income verification for the month of September 2014. Finally, although the Department contended that such information was necessary to process Claimant's ongoing MA eligibility, the Department did not cite any Department policy to support its position. To the contrary, Department policy supports a finding that the Department was required to use the December 8, 2014, statement it received from Claimant's employer that verified end of employment to recalculate Claimant's MA

budget and to determine whether she was eligible for a more beneficial MA category (one that results in eligibility or the least amount of excess income) than the deductible G2C program under which she was receiving benefits. BEM 530 (January 2014), pp. 1-2; BEM 105 (October 2014), p. 2; Department of Community Health Modified Adjusted Gross Income Eligibility Manual, §§ 1.1, 7.2.

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 closed Claimant's MA case.

DECISION AND ORDER

Accordingly, the Department's 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. Reinstate Claimant's MA case effective April 1, 2015;
2. Reprocess Claimant's MA income-eligibility based on loss of employment verified on December 8, 2014;
3. Provide Claimant with MA coverage she is eligible to receive from April 1, 2015, ongoing.



Alice C. Elkin
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **5/8/2015**

Date Mailed: **5/8/2015**

ACE / tlf

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