

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

**IN THE MATTER OF:**

[REDACTED]

MAHS Reg. No.: 15-015596  
Issue No.: 2001  
Agency Case No.: [REDACTED]  
Hearing Date: October 21, 2015  
County: WAYNE-DISTRICT 76

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

**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; 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 October 21, 2015, from Detroit, Michigan. The Petitioner was represented by the Petitioner's Authorized Hearing Representative (AHR), [REDACTED]. The Petitioner did not appear. The Department was represented by [REDACTED] Hearing Facilitator and [REDACTED], Eligibility Specialist.

**ISSUE**

Did the Department properly close the Petitioner's Medical Assistance HMP (MA) due to failure to verify information?

**FINDINGS OF FACT**

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

1. The Petitioner was an ongoing MA recipient. The Petitioner accepted a summer internship and was sent a New Hire Notice dated [REDACTED], with a due date of [REDACTED]. Exhibit A
2. The Petitioner responded to the New Hire Notice on [REDACTED], and as of that date had not received a pay check. The Department informed the Petitioner that he must return pay information by [REDACTED] negative action date.
3. The New Hire Notice, completed by the Petitioner, advised the Department that as of the date of notice no pay had been received and that the employment would end before the Fall Term of [REDACTED] begins. Exhibit B

4. The Petitioner returned a pay stub on June 1, 2015 indicating a pay biweekly of \$1364 gross. Exhibit C
5. The Department issued a Health Care Coverage Determination Notice on [REDACTED] closing the Petitioner's MA case, due to failure to verify information (pay stubs). Exhibit A
6. The Petitioner's AHR requested a timely hearing on [REDACTED], protesting the Department closure of Petitioner's 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.

In this case, the Department closed Petitioner's MA HMP case due to failure to verify information requested, pursuant to a New Hire Notice sent to the Petitioner on [REDACTED]. Thereafter, the Petitioner advised the Department that he would not receive his first pay until [REDACTED], his check would be direct deposited; and thus, he would have to get a separate copy of the pay stub. Petitioner also did not know how much he would be receiving. The Petitioner also advised the Department that the job was only for the summer. Thereafter, the Petitioner got a copy of the pay stub and provided it to the Department on [REDACTED]. The Department never reinstated the HMP case, even though it assured the Petitioner's AHR that if pay information was returned by [REDACTED] the MA case could be reinstated. (See Hearing Summary). After notifying the Department that his employment would terminate at the end of August, the Petitioner learned for the first time that his MA case had never been reinstated. The caseworker could not reinstate it in the system. At the time, the case worker also advised that the amount of pay the Petitioner received would not allow her to do so. In addition, the Petitioner, believing that his case was reinstated, did not request a hearing by [REDACTED] so that his benefits could continue.

At the hearing, the Department conceded that the case should have been reinstated under the facts presented. Department policy found in BAM 2015 provides:

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be reinstated for any of the following reasons:

- Complied with program requirements before negative action date. BAM 205 (July 1, 2015) p. 2

Take these additional steps to delete a negative action in Bridges:

- Reactivate the program(s) on the Program Request screen in Bridges.
- Run eligibility and certify the results.

Bridges will automatically recalculate benefits based on the information and dates entered in the system; see EFFECTIVE DATE OF CHANGE in this item. BAM 220 (July 1, 2015) p. 14

The requirements of BAM 205 and BAM 220 were not met in this case, as the Department never reinstated the case. In addition, the fact is that if the Department was going to again deny the application based upon excess income that exceeded the HMP annual income limit, it needed to issue a new notice to effectuate that reason for closure.

Based upon the initial reason for closure (failure to verify pay information) it is determined that the Petitioner did not fail to cooperate or indicate any refusal to verify information, as well. Thus, the Petitioner did not fail to verify the information requested. BAM 130 (July 1, 2015).

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 the Petitioner's MA HMP case for failure to verify pay information and did not reinstate the MA case after closure.

### **DECISION AND ORDER**

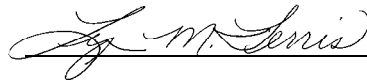
Accordingly, the Department's decision is

**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. The Department shall reinstate the Petitioner's MA HMP case and determine ongoing eligibility for MA HMP as of the date of closure.
2. The Department shall issue a Notice to the Petitioner and Petitioner's AHR regarding is eligibility determination.



**Lynn M. Ferris**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

Date Signed: **10/22/2015**

Date Mailed: **10/22/2015**

LMF / 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:

