

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

**IN THE MATTER OF:**

██████████  
██████████  
██████████

Reg. No.: 15-001583  
Issue No.: 2010  
Case No.: ██████████  
Hearing Date: March 16, 2015  
County: Wayne-District 41 (Fort Wayne)

**ADMINISTRATIVE LAW JUDGE: Zainab Baydoun**

**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 March 16, 2015, from Detroit, Michigan. Participants on behalf of Claimant included Claimant. Participants on behalf of the Department of Human Services (Department) included ██████████ ██████████, Eligibility Specialist/Hearings Liaison.

**ISSUE**

Did the Department properly close Claimant's Medical Assistance (MA) case under the Healthy Michigan Plan (HMP) on the basis that he failed to verify requested 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. Claimant was an ongoing recipient of MA benefits under the HMP.
2. On December 22, 2014, the Department sent Claimant a New Hire Client Notice that he was instructed to complete and return to the Department by January 2, 2015. (Exhibit A)
3. On January 5, 2015, the Department received Claimant's completed New Hire Client Notice and pay stubs. (Exhibit A and Exhibit B)
4. On January 6, 2015, the Department sent Claimant a Health Care Coverage Determination Notice informing him that effective February 1, 2015, the

Department determined that he was ineligible for MA benefits on the basis that he failed to verify or allow the Department to verify requested information. (Exhibit C)

5. On January 12, 2015, Claimant submitted a hearing request disputing the Department's actions.

### **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.

Additionally, the Department routinely matches recipient employment data with the [REDACTED] through computer data exchange processes. New Hires is a daily exchange with [REDACTED] and the information is used to determine current income sources for active Department clients. BAM 807 (July 2014), p.1. The New Hire database is established from W-4 tax records submitted to [REDACTED] by employers. The New Hires process matches the Social Security number (SSN) for all active recipients to the database. If a SSN match is found on Bridges and the New Hires database, a New Hires match is created if there is no earned income reflected in Bridges. BAM 807, p.1. If the employment has not been previously reported, the Department is to request verification of the employment by sending the client a New Hire Notice. BAM 807, p.1. Clients are given 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the 10th day, the case will close for a minimum of 30 days after appropriate actions are taken in Bridges, unless the client returns the requested verifications. BAM 807, p. 2.

In this case, the Department testified that because the Department did not receive the completed New Hire Client Notice from Claimant by the January 2, 2015, due date, it sent Claimant a Health Care Coverage Determination Notice on January 6, 2015, informing him that his MA benefits under the HMP would be terminated effective February 1, 2015. (Exhibit A and Exhibit C). At the hearing, Claimant credibly testified that he completed the New Hire Client Notice and dropped it off at his local Post Office on December 30, 2014, to be mailed to the Department. The Department confirmed that it received the completed New Hire Client Notice and Claimant's pay stubs on January

5, 2015. It is not unlikely that given it was holiday week that there was a delay in the mail. Furthermore, the Department received the completed documentation prior to the issuance of the Health Care Coverage Determination Notice informing Claimant of the case closure and prior to the negative action date.

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 because Claimant made a reasonable effort to timely provide the completed New Hire Client Notice and additional paystubs to the Department, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's MA case on the basis that he failed to verify or allow the Department to verify requested information.

### **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 February 1, 2015;
2. Provide Claimant with MA coverage for February 1, 2015, ongoing; and
3. Notify Claimant of its decision in writing. to April 30, 2014; and



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**Zainab Baydoun**  
Administrative Law Judge  
for Nick Lyon, Interim Director  
Department of Human Services

Date Signed: **3/27/2015**

Date Mailed: **3/27/2015**

ZB / 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 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]