

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

IN THE MATTER OF:

[REDACTED]

Reg. No.: 15-006334
Issue No.: 2002
Case No.: [REDACTED]
Hearing Date: June 2, 2015
County: Washtenaw (District 20)

ADMINISTRATIVE LAW JUDGE: Darryl Johnson

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 June 2, 2015, from Lansing, Michigan. Participants on behalf of Claimant included Claimant and [REDACTED], Support Worker for [REDACTED]. Participants on behalf of the Department of Health and Human Services (Department) included Assistance Payments Worker [REDACTED] and Family Independence Manager [REDACTED].

ISSUE

Did the Department properly close Claimant's Medical Assistance (MA) benefits?

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 on-going recipient of MA.
2. On March 17, 2015, the Department mailed to Claimant a Redetermination which she was to complete and return, with verification documents, by April 1, 2015.
3. Claimant completed the Redetermination (Exhibit A Pages 7-12) and returned it along with copies of her time records from her employment (Exhibit A Pages 13-15.)
4. On April 7, 2015, the Department mailed a Health Care Coverage Determination Notice (HCCDN) (Exhibit A Page 16) informing her that her MA was closed as of May 1, 2015, because she did not verify her income.
5. The Department received Claimant's hearing request on April 16, 2015.

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 Redetermination instructed Claimant that she needed to “Report all sources of earned and unearned income. Provide proof of all income your household received, including any stopped income. Provide proof of the last 30 days for employment, unemployment, social security benefits, pension, etc. . . . Examples of proof include copies of check stubs or a statement from your source of income.”

Claimant testified that she is paid via a card comparable to a credit/debit card. She testified that she does not receive pay stubs from her employer, and when she completed the Redetermination she did not know how to obtain records showing her income. On the last page of the Redetermination she wrote, “I am employed at [REDACTED] and then she gave the address along with the telephone number for the payroll department. She explained that she is paid via a paycard, and she has no pay check stubs, but she was providing week-to-date total hours stubs for the last 30 days. She provided her telephone number where she could be contacted with further questions. Her last note was that she received the Redetermination in the mail on March 25, 2015.

Per BEM 103, the Department is to:

“Send a negative action notice when:

“The client indicates refusal to provide a verification, **or**

“The time period given has elapsed and the client has **not** made a reasonable effort to provide it.”

Further guidance is found in BAM 130 (10/1/14):

BAM 130,

“The client must obtain required verification, but you must assist if they need and request help.

“If neither the client nor you can obtain verification despite a reasonable effort, use the best available information. If no evidence is available, use your best judgment.”

The issue is whether the Claimant provided timely verification in response to the request. Claimant received the Redetermination on March 25, 2015, and she provided the documentation that she had before the due date. She explained that she had no pay stubs that she could provide¹ and suggested the Department could call her if there were any questions.

The evidence is convincing that Claimant made a reasonable effort to comply with the Department's request. She provided records of her hours and explained that, at least to her knowledge, she could not provide copies of pay records. She indirectly asked the Department for help but no help was forthcoming. Rather than provide assistance in obtaining the verification, such as by calling the payroll number that was given in the Redetermination, the Department closed her MA.

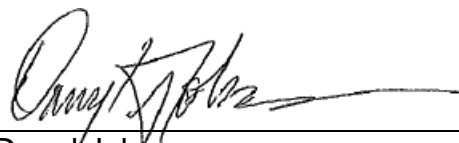
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Claimant's MA.

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 initiate a redetermination as to whether Claimant is entitled to retroactive and/or supplemental MA benefits as provided by applicable policies.



Darryl Johnson
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Signed: **6/3/2015**

Date Mailed: **6/3/2015**

DJ/jaf

¹ Claimant explained that, after her MA was closed, she checked with her employer. She was then instructed into how she could obtain pay stubs using a computer. She subsequently provided the Department with copies of her pay stubs on April 15, 2015.

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:

