

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

IN THE MATTER OF:



MAHS Reg. No.: 15-022945
Issue No.: 2002
Agency Case No.: [REDACTED]
Hearing Date: February 16, 2016
County: IONIA

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 February 16, 2016, from Lansing, Michigan. Claimant was represented by himself. The Department was represented by Eligibility Specialist [REDACTED]

ISSUE

Did the Department properly deny Claimant's July 21, 2015 and October 14, 2015 Medical Assistance (MA) applications?

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 July 21, 2015, Accretive Health submitted an application for Medical Assistance (MA) as Claimant's authorized representative. The application indicated that Claimant was self-employed. Accretive Health was informed that Claimant's 1040 Schedule C was required as verification of his self-employment income.
2. On July 30, 2015, a 2014 1099-MISC for Claimant was submitted to the Department. The form indicated Claimant had received nonemployee compensation of \$ [REDACTED]
3. On September 1, 2015, the Department had not received the required verification of Claimant's self-employment income. Both Accretive Health and Claimant were sent a Health Care Coverage Determination Notice (DHS-1606) which stated the July 21, 2015 application was denied.

4. On October 14, 2015, Claimant's spouse submitted an application for Medical Assistance (MA) benefits. The application did not indicate that Claimant had any form of earned income. The application did indicate that Claimant had a physical disability or mental health condition.
5. On October 15, 2015, Claimant's spouse was sent a Health Care Coverage Supplemental Questionnaire (DHS-1004) and a Verification Checklist (DHS-3503). The Verification Checklist (DHS-3503) requested proof of earned and unearned income and proof of self-employment/expense records over the last year.
6. On November 13, 2015, Claimant's spouse was sent a Health Care Coverage Determination Notice (DHS-1606) which stated her application was denied for failure to return the supplemental questionnaire.
7. On November 25, 2015, Claimant submitted a hearing request.

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.

July 21, 2015 Medical Assistance (MA) application

During this hearing Claimant testified that he did not file a 1040 Schedule C for 2014. It is undisputed that Claimant did not submit the required verification of his self-employment income. Bridges Eligibility Manual (BEM) 502 Income from Self-Employment specifies that for Medical Assistance (MA) a Schedule C, Profit or Loss From Business is the primary source of verification for self-employment income and expenses. Denial of the July 21, 2015 Medical Assistance (MA) application was in accordance with Department policy.

October 14, 2015 Medical Assistance (MA) application

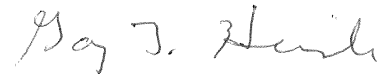
It is undisputed that Claimant's spouse was sent a Health Care Coverage Supplemental Questionnaire (DHS-1004) and a Verification Checklist (DHS-3503) following the application. There is a technical argument as to whether verification of Claimant's

previous self-employment income was necessary because this application did not indicate he was self-employed. However, it is undisputed that the Health Care Coverage Supplemental Questionnaire (DHS-1004) was not returned. Denial of the October 14, 2015 Medical Assistance (MA) application was in accordance with Department policy.

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 acted in accordance with Department policy when it denied Claimant's July 21, 2015 and October 14, 2015 Medical Assistance (MA) applications.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.



Gary Heisler
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

Date Mailed: **2/23/2016**

GH/nr

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:

