RICK SNYDER GOVERNOR

# STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN ADMINISTRATIVE HEARING SYSTEM Christopher Seppanen Executive Director

MIKE ZIMMER



Date Mailed: March 31, 2016 MAHS Docket No.: 16-001542

Agency No.:
Petitioner:

# ADMINISTRATIVE LAW JUDGE: Kevin Scully

# **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. After due notice, telephone hearing was held on March 29, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included Payments Worker) represented the Department of Health and Human Services (Department). Witnesses on behalf of the Department included (Family Independence Manager).

### ISSUE

Did the Department of Health and Human Services (Department) properly close the Petitioner'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. The Petitioner was an ongoing Medical Assistance (MA) recipient.
- 2. On December 1, 2015, the Petitioner returned his Redetermination (DHS-1010) from and reported receiving social security benefits and having a bank account.
- 3. On December 28, 2015, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of his income by January 7, 2016.
- 4. On December 28, 2015, the Department sent the Petitioner a Verification of Assets (DHS-20) form.

- 5. On January 14, 2016, the Department notified the Petitioner that it would close his Medical Assistance (MA) as of February 1, 2016.
- 6. On January 27, 2016, the Department received the Petitioner's request for a hearing protesting the closure of Medical Assistance (MA) benefits.

# **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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2015), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (January 1, 2016), pp 1-9.

The Petitioner was an ongoing MA recipient when he reported to the Department on a Redetermination that he has a bank account and that his sole source of income is his social security benefits. On December 28, 2015, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of his income and a Verification of Assets (DHS-20) form to be returned by January 7, 2016.

The Department's representative testified that the Petitioner receives a pension that was not verified.

When the Department did not receive the information necessary to accurately determine the Petitioner's eligibility for continuing MA benefits, it notified him on January 14, 2016, that his MA benefits would close as of February 1, 2016.

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 closed the Petitioner's Medical Assistance (MA) benefits for failure to provide the Department with information necessary to determine his eligibility to receive benefits.

# **DECISION AND ORDER**

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

KS/las

Kevin Scully

Administrative Law Judge for Nick Lyon, Director

Department of Health and Human Services

**NOTICE OF APPEAL**: A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 335-6088; 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 **DHHS** 

Petitioner

