



RICK SNYDER
GOVERNOR

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

MIKE ZIMMER
DIRECTOR

[REDACTED]

Date Mailed: April 25, 2016
MAHS Docket No.: 16-001811
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 April 15, 2016, from Detroit, Michigan. Petitioner appeared and was unrepresented. [REDACTED] Petitioner's sister, testified on behalf of Petitioner. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], hearing facilitator.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Healthy Michigan Plan (HMP) eligibility due to Petitioner's failure to verify income.

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 [REDACTED], Petitioner applied for medical Assistance (MA) benefits.
2. On [REDACTED], MDHHS mailed Petitioner a Health Care Coverage Supplemental Questionnaire.
3. The Health Care Coverage Supplemental Questionnaire due date was [REDACTED].

4. By [REDACTED], Petitioner did not return to MDHHS the requested Health Care Coverage Supplemental Questionnaire
5. On [REDACTED], MDHHS terminated Petitioner's HMP eligibility, effective October 2016.
6. On [REDACTED] Petitioner requested a hearing to dispute the termination of HMP benefits.

CONCLUSIONS OF LAW

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. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

The Healthy Michigan Plan is a new health care program that will be administered by the Michigan Department of Community Health, Medical Services Administration. The program will be implemented as authorized under the Affordable Care Act of 2010 as codified under 1902(a)(10)(A)(i)(VIII) of the Social Security Act and in compliance with the Michigan Public Act 107 of 2013. HMP policies are found in the Medicaid Provider Manual and Modified Adjusted Gross Income Related Eligibility Manual (MAGI).

Petitioner requested a hearing to dispute a termination of HMP benefits. MDHHS presented a Health Care Coverage Determination Notice (Exhibit 1, pp. 1-2) verifying the basis for termination was Petitioner's alleged failure to return a Health Care Coverage Supplemental Questionnaire.

If an individual indicates a disability during the application process, additional information may be needed. MAGI (May 28, 2014), p. 3. A DHS-1004, Supplemental Health Care Questionnaire will be provided to collect this information. *Id.* The supplemental form must be returned to the local DHS office so that a determination of Medicaid eligibility based on age or disability may be completed. *Id.*

Petitioner testimony denied that she claimed to be disabled. The testimony was neither verified nor rebutted. It is known that Petitioner's sister appeared at the hearing with Petitioner. Petitioner's sister claimed to have power of attorney over Petitioner. If Petitioner's sister had power of attorney over Petitioner, it would be likely that Petitioner considers herself disabled. Thus, it is reasonably possible that Petitioner reported a

claim of disability to MDHHS. In such a case, MDHHS properly sent the Supplemental Health Care Questionnaire to Petitioner.

MDHHS presented a list of Petitioner's returned correspondence (Exhibit 1, p. 7). The requested questionnaire was not listed among the returned items. Petitioner testified she could not remember whether she did or did not return the requested questionnaire. It is found Petitioner did not return the Supplemental Health Care Questionnaire to MDHHS.

A failure to return Supplemental Health Care Questionnaire does not necessarily justify a termination of HMP benefits. Presumably, the questionnaire was only needed because of a claim of disability. No known MAGI or MDHHS policy justifies use of a Supplemental Health Care Questionnaire for any reason other than collecting information concerning disability. No known MAGI or MDHHS policy justifies denying an application based on a failure to return the Supplemental Health Care Questionnaire. Based on the purpose for sending the form, the proper consequence for a failure to return the form would be to deny disability-based medical benefits. A denial of disability-related benefits leaves Petitioner with possible non-disability medical benefit eligibility. HMP is just such a medical category for non-disabled persons.

It cannot be stated that Petitioner is eligible for HMP. Based on presented evidence, it can be stated that MDHHS failed to properly evaluate Petitioner's HMP eligibility.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly denied Petitioner's MA application. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) reinstate Petitioner's MA application dated [REDACTED]; and
- (2) process Petitioner's application subject to the finding that MDHHS may not deny non-disability based MA benefits for a client failure to return a Supplemental Health Care Questionnaire.

The actions taken by MDHHS are **REVERSED**.

CG/hw



Christian Gardocki

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

[REDACTED]

[REDACTED]

Petitioner

[REDACTED]