



RICK SNYDER  
GOVERNOR

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

MIKE ZIMMER  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: April 5, 2016  
MAHS Docket No.: 16-002152

[REDACTED]  
[REDACTED]

**ADMINISTRATIVE LAW JUDGE: Vicki Armstrong**

**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 5, 2016, from Lansing, Michigan. Petitioner personally appeared and testified. The Department of Health and Human Services (Department) was represented by Assistance Payment Supervisor [REDACTED].

**ISSUE**

Did the Department properly close Petitioner's MA (Medical Assistance/Medicaid) benefits for failure to timely return requested verifications?

**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 Department submitted pages 1-20 into evidence without objection. (Dept. Exh. A, pp 1-20).
2. On December 15, 2015, the Department issued a Redetermination to Petitioner due on January 4, 2016. (Dept. Exh. A, p 1).
3. On January 16, 2016, Petitioner had not returned the completed Redetermination and requested verifications. The Department issued a Notice of Case Action informing Petitioner that her Medicaid benefits would close effective February 1, 2016. (Dept. Exh. A, pp 6.5-6.6).

4. On January 22, 2016, Petitioner submitted the completed Redetermination to the Department. (Dept. Exh. A, pp 7-8).
5. On February 9, 2016, Petitioner submitted a Request for Hearing contesting the Department's actions. A Pre-Hearing Conference was scheduled for February 22, 2016 at 9AM and a letter was mailed to Petitioner advising her of same. The Department processed Petitioner's Redetermination and issued a Health Care Coverage Determination Notice to Petitioner informing her that she had a Medicaid deductible of [REDACTED], based on her receipt of unemployment compensation benefits. (Dept. Exh. A, pp 4, 9-18).
6. On February 22, 2016, Petitioner did not attend the Pre-Hearing Conference. A further review of Petitioner's Medicaid benefits found Petitioner was not disabled and was therefore not eligible for the spenddown Medicaid program. A Health Care Coverage Determination Notice was issued to Petitioner advising her that as of April 1, 2016, she was no longer eligible for the program. (Dept. Exh. A, pp 1, 19-20).

### **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.

Department policy states that Clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105, p 9 (4/1/2016). This includes completion of the necessary forms. *Id.* Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. *Id.* The client might be unable to answer a question about himself or another person whose circumstances must be known. Allow the client at least 10 days (or other timeframe specified in policy) to obtain the needed information. *Id.*

The local office must assist Clients who ask for help in completing forms or gathering verifications. BAM 105, p 15 (4/1/2016). Particular sensitivity must be shown to Clients who are illiterate, disabled or not fluent in English. *Id.*

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130, p 1 (1/1/2016). The Department must tell the Client what verification is required, how to obtain it, and the due date. BAM 130, p 3. Clients must take actions within their ability to obtain verifications. BAM 105, p 13 (4/1/2016). The Client must obtain the required verifications, but the department must assist if Clients need and request help. BAM 130, p 3. If the individual indicates the existence of a disability that impairs their ability to gather verifications and information necessary to establish eligibility for benefits, the Department must offer to assist the individual in the gathering of such information. BAM 130, p 1.

The Client is allowed 10 calendar days to provide the verifications requested by the Department. BAM 130, p 6. If the Client cannot provide the verification despite a reasonable effort, the Department extends the time limit at least once. *Id.* The Department sends a negative action notice to the Client 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. BAM 130, p 7.

The Department's Bridges computer system generates a redetermination packet to the client three days prior to the negative action cut-off date in the month before the redetermination is due. BAM 210, p 6 (1/1/2016). Bridges sends a Continuing Your Food Assistance Benefits (DHS-2063B), to FAP clients for whom FIP, SDA, or Medicaid are not active. *Id.* The packet is sent to the mailing address in Bridges. *Id.* The packet is sent to the physical address when there is no mailing address. *Id.* The packet includes the following as determined by the type of assistance to be redetermined:

- Redetermination/review form indicated above.
- Notice of review as determined by policy.
- Interview date.
- Interview type.
- Place and time.
- Required verifications.
- Due date.
- Return envelope. BAM 210, p 7.

Interview requirements are determined by the type of assistance that is being redetermined. BAM 210, p 3. For the FAP and MA programs, in-person interviews are not required as a condition of eligibility. *Id.*

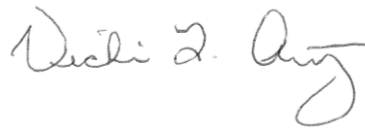
In this case, Petitioner failed to timely return her Redetermination packet. Petitioner is required to comply with the Department in providing the verification materials necessary to allow the Department to determine initial or ongoing eligibility. BAM 105, p 9. Departmental policy indicates that failure to provide proof of eligibility will result in penalties. *Id.*

Because Petitioner failed to timely return her redetermination packet, the Department could not determine Petitioner's continued eligibility for the Medicaid program. Petitioner credibly testified that she now understood the actions of the Department.

The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it closed Petitioner's active Medicaid benefits effective February 1, 2016, for failing to timely return the Redetermination and requested verifications.

**DECISION AND ORDER**

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



VLA/db

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**Vicki Armstrong**  
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

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