



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: May 26, 2016  
MAHS Docket No.: 16-003202  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun**

**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 28, 2016, from Detroit, Michigan. The Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by ██████████, Hearings Facilitator.

**ISSUE**

Did the Department properly close Petitioner's daughter's Medical Assistance (MA) case?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner's ██████ year old daughter, ██████ was an ongoing recipient of MA benefits on Petitioner's case under the Low Income Families (LIF) program. (Exhibit A, pp. 10-27)
2. On February 17, 2016, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that effective March 1, 2016, her daughter ██████ MA case would be closed on the basis that she does not live with Petitioner and is not considered part of the household group. (Exhibit A, pp. 6-8)

3. On March 2, 2016, Petitioner requested a hearing disputing the Department's actions. (Exhibit A, pp. 2-3)

### **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 Department testified that Petitioner's daughter was no longer eligible for MA benefits on Petitioner's case because she did not live with Petitioner. The Department alleged that Petitioner's daughter lived and worked in Ann Arbor and was attending school at the [REDACTED]. The Department notified Petitioner of [REDACTED] MA ineligibility by sending a Health Care Coverage Determination Notice dated February 17, 2016. At the hearing, Petitioner testified that her daughter is [REDACTED] years old and that her daughter lived in a dorm at the [REDACTED] from September 2015 to April 2016 because she was enrolled in a program for one semester. Petitioner stated that her daughter did not move out of Petitioner's home or change her address on her I.D. for mailing purposes, as she intended to return to Petitioner's home in April 2016 and commute to Ann Arbor to attend college in the fall semester.

The Department testified and the eligibility summary presented for review at the hearing shows that Petitioner's MA group was approved for MA under the LIF category and that effective March 1, 2016, Petitioner's MA group was reduced to three, as [REDACTED] was removed from the household. LIF is a MAGI related MA category and eligibility for LIF will be derived after a successful MAGI related eligibility determination for either Parent/Caretaker Relative (PCR) or Children under 19. BEM 110 (January 2014), p. 1. Group composition for MAGI-related categories follows tax filer and tax dependent rules. The size of a household for MAGI-related MA purposes will be determined by the principles of tax dependency in the majority of cases. BEM 211 (January 2016), pp. 1-4.

The Department did not present any evidence at the hearing concerning Petitioner or her daughter's tax filing status. The Department did not assert that Petitioner's daughter was not a tax dependent for MAGI-related purposes. Rather, the Department

maintained that because she did not live in Petitioner's home for the semester, she could not be in the household group. The Department did not establish that Petitioner's daughter should not be considered part of the household for MAGI-related MA purposes, however, as Petitioner and her daughter's tax filer and tax dependent status was unknown, thus the household group size could not be determined. If, upon review the Department determines that Petitioner's daughter is no longer eligible for MA under the LIF program based on another reason such as age, the Department shall conduct an ex parte review to determine her MA eligibility under the most beneficial MA category. See BEM 105 (January 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 Department did not act in accordance with Department policy when it closed Petitioner's daughter's MA case on the basis that she does not live with Petitioner and is not considered part of the household group.

### **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. Reinstate Petitioner's daughter's MA case effective March 1, 2016;
2. Provide Petitioner's daughter with MA coverage under the most beneficial MA category from March 1, 2016, ongoing, in accordance with Department policy; and
3. Notify Petitioner in writing of its decision.

ZB/tlf



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**Zainab A. Baydoun**

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

[REDACTED]

[REDACTED]

[REDACTED]

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