



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: July 14, 2016  
MAHS Docket No.: 16-006164  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris**

### **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 [REDACTED] [REDACTED] from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] [REDACTED] Hearing Facilitator.

### **ISSUE**

Did the Department properly close the Petitioner's Medical Assistance (MA) case and Medical Cost-Share Benefits for failure to return a wage verification by the due date?

### **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 recipient of MA and Qualified Medicare Beneficiaries (QMB), a medical cost-share program.
2. On [REDACTED], the Department, pursuant to a wage match, sent to the Petitioner a Wage Match Client Notice and a Wage Verification to be completed by her employer by [REDACTED]. The wage verification was sent to the Petitioner at her correct mailing address. Exhibit 1.
3. The Petitioner's employer returned a wage verification to the Department on [REDACTED], after the due date of the Wage Verification. Exhibit 2.

4. On [REDACTED], the Department issued a Health Care Coverage Determination Notice finding the Petitioner ineligible and closing her case effective [REDACTED], due to “You are not under 21, pregnant, or a caretaker of a minor child in your home. You are not over 65 (aged), blind or disabled. The income below was used in determining the Health Care Coverage for [REDACTED], Annual income: \$ [REDACTED] Exhibit 3.
5. On [REDACTED], the Department issued a Health Care Coverage Determination Notice closing the Petitioner’s MA due to failure to verify requested information as of [REDACTED]. Exhibit 4.
6. The Petitioner requested a hearing on [REDACTED], protesting the Department’s actions.

### **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 closed the Petitioner’s QMB benefits and MA benefits as a result of her returning a wage verification with a due date of [REDACTED], on [REDACTED], well after the due date. Recipients of benefits must respond to Department’s requests in a timely manner. The Petitioner was sent a Wage Match Client Notice to her correct address. The Wage Match Client Notice advised the Petitioner that failure to provide this information by the due date may result in a denial or cancellation of your public assistance benefits. Exhibit 1. Thereafter, the Department sent the Petitioner a Health Care Coverage Determination Notice dated [REDACTED], closing the Petitioner’s MA and QMB case effective [REDACTED], for failure to verify information. Exhibit 4.

Department policy found in BAM 130 provides:

Verification means documentation or other evidence to establish the accuracy of the client’s verbal or written statements.

- Obtain verification when: Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party.
- Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. BAM 130 (January 1, 2016), p. 1

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date. BAM 130, p. 8

Send a case action notice when:

- The client indicates refusal to provide a verification, **or**
- The time period given has elapsed. BAM 130, p. 8.

In this case, it is clear, based upon the wage match information, the Department was required to verify the Petitioner's income and wages to determine if she was still eligible for MA benefits and QMB as eligibility for these programs is based in part on income. Because the information regarding the Petitioner's wages from the employer was returned after the due date, the Department properly closed the Petitioner's MA and QMB due to failure to verify the requested information by the due date.

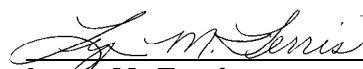
The Petitioner may reapply for MA and QMB at any time.

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 and QMB cost sharing benefits.

### **DECISION AND ORDER**

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

LMF/jaf



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**Lynn M. Ferris**

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]

**DHHS**

[REDACTED]

**Petitioner**

[REDACTED]

**cc:**

[REDACTED]