



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: May 25, 2016
MAHS Docket No.: 16-003383
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Gary Heisler

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 Lansing, Michigan. Petitioner was represented by her sister and authorized hearing representative [REDACTED] and her brother-in-law [REDACTED]. The Department was represented by Case Worker [REDACTED] and Assistance Payments Supervisor [REDACTED]. Testimony was received from all participants. Department's Exhibit A, pages was admitted into evidence. Petitioner's Exhibit 1, pages 1 – 21 was admitted into evidence.

ISSUE

Did the Department properly determine Petitioner's Medical Assistance (MA) eligibility on February 17, 2016?

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 was an ongoing recipient of Medical Assistance (MA) benefits under the AD-Care category as a disabled individual.
2. On February 17, 2016, Petitioner's ongoing Medical Assistance (MA) eligibility was re-determined. Petitioner was sent a Health Care Coverage Determination Notice (DHS-1606) which stated she was not eligible for Medical Assistance (MA) benefits beginning March 1, 2016.

3. On March 4, 2016, Petitioner submitted a hearing request.
4. On March 7, 2016, the Department sent Petitioner another Health Care Coverage Determination Notice (DHS-1606) which stated that Petitioner was eligible for Medical Assistance (MA) benefits as a \$ [REDACTED] deductible from March 1, 2016 ongoing.

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 Petitioner submitted a hearing request regarding the February 17, 2016 Health Care Coverage Determination Notice (DHS-1606). Following Petitioner's hearing request the Department changed its Medical Assistance (MA) eligibility determination. That fact is proof that the February 17, 2016, Medical Assistance (MA) eligibility determination was incorrect.

It is noted that Petitioner is disabled and receives Retirement Survivor Disability Income benefits from the Social Security Administration. The Department provided evidence of earned income verifications submitted by Petitioner and indicate that Petitioner's ineligibility for full AD-Care coverage is due to being over the income limit.

The February 17, 2016, Health Care Coverage Determination Notice (DHS-1606) stated that Petitioner was no longer eligible for the Freedom to Work Program because her premium payment was not received. That notice appeared adjacent to the eligibility category as an aged, blind or disabled person.

Bridges Eligibility Manual (BEM) 174 Freedom to Work (FTW) provides guidance for Medicaid eligibility for disabled persons between 16 and 64 who have earned income. Department policy requires an Ex Parte review of a recipient's eligibility for all Medical Assistance (MA) categories, prior to closure of MA Bridges Administration Manual (BAM) 210 Redetermination/Ex Parte Review (1-1-2016). It is clear that BRIDGES did not make such a review prior to the incorrect closure notice of February 17, 2016 was issued because the Department had to send a superseding notice that Petitioner was eligible for coverage as a deductible. In Petitioner's case, a proper Ex Parte review

needs to include evaluation for eligibility under Freedom to Work (FTW) as well as for deductible coverage.

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 did not act in accordance with Department policy when it determined Petitioner's Medical Assistance (MA) eligibility on February 17, 2016.

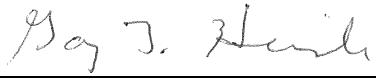
DECISION AND ORDER

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. Re-register Petitioner's Medical Assistance (MA) re-determination and conduct an Ex Parte review to determine if she is eligible for ongoing MA under the Freedom to Work Program.

GH/nr



Gary Heisler
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]

Petitioner

[REDACTED]