



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: June 13, 2016
MAHS Docket No.: 16-004922
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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. After due notice, telephone hearing was held on May 26, 2016, from Lansing, Michigan. Participants on behalf of Petitioner included [REDACTED]. [REDACTED] (Hearing Facilitator) represented the Department of Health and Human Services (Department).

ISSUE

Did the Department of Health and Human Services (Department) properly closed the Petitioner's Medical Assistance (MA) benefits?

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's daughter was an ongoing Medical Assistance (MA) recipient in the Healthy Kids category.
2. On December 7, 2015, the Department received the Petitioner's completed online Redetermination (DHS-1010). Exhibit A, pp 2 – 11.
3. The Petitioner reported that she has health/hospital insurance as of April 1, 2015. Exhibit A, p 7.
4. On February 2, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of her income that she reported in the online Redetermination form by February 12, 2016. Exhibit A, p 12.

5. On February 4, 2016, the Petitioner sent an e-mail to her caseworker asking whether the February 2, 2016, Verification Checklist (DHS-3503) was for her or for her daughter. Exhibit 1, p 3.
6. On February 8, 2016, the Petitioner informed her caseworker that she does not require Medicaid coverage, and asking whether there were any verification documents that she needed to submit to the Department. Exhibit 1, p 4.
7. On April 1, 2016, the Department notified the Petitioner that he daughter was no longer eligible for Medical Assistance (MA) benefits as of May 1, 2016. Exhibit A, p 13 – 15.
8. On April 8, 2016, the Department received the Petitioner's request for a hearing protesting the closure of Medical Assistance (MA) benefits. Exhibit A, p 1.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2015), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (January 1, 2016), pp 1-9.

The benefit group for the Healthy Kids program consists of the household of the tax filer containing the individual as a tax dependent and the income limit is 160% of the federal poverty level. Department of Health and Human Services Bridges Eligibility Manual (BEM) 131 (June 1, 2015), pp 2 - 3.¹

The Petitioner's daughter was an ongoing MA recipient under the Healthy Kids category when the Department initiated a routine review of her eligibility to receive continuing benefits. On December 7, 2015, the Department received a completed Redetermination (DHS-1010) form. On February 2, 2016, the Department sent the Petitioner a Verification Checklist (DHS-3503) requesting verification of the income that she reported on the Redetermination form by February 12, 2016. On April 1, 2016, the Department notified the Petitioner that her daughter was no longer eligible for MA benefits as of May 1, 2016.

On February 4, 2016, the Petitioner sent an e-mail to her caseworker asking whether the February 2, 2016, Verification Checklist (DHS-3503) was for herself or for her daughter. The Petitioner did not receive a response to this e-mail.

On February 8, 2016, the Petitioner informed her caseworker by e-mail that she does not require Medicaid coverage. The Petitioner also asked whether there was a need to submit any additional verification documents. The Petitioner did not receive a response to this e-mail.

The Petitioner's daughter was an ongoing MA recipient and the Petitioner's income is countable towards the daughter's eligibility for benefits based on the household's tax filer status. Therefore, the Department was required to verify the Petitioner's income to make an accurate determination of eligibility.

The Petitioner does not dispute that she received the Verification Checklist (DHS-3503). Although the Petitioner's attempts to communicate with her caseworker did not receive a timely response from the Department, there is no evidence that the Petitioner requested an extension to the February 12, 2016, Verification Checklist (DHS-3503) or that the Petitioner had requested assistance from the Department to obtain verification of her income. The Petitioner failed to establish that she fulfilled her duty to verify her countable income in a timely manner.

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 Medical Assistance (MA) benefits for the Petitioner's daughter for failure to provide the Department with information necessary to determine the daughter's eligibility to receive benefits.

¹ Department of Health and Human Services Modified Adjusted Gross Income (MAGI) Related Eligibility Manual, pp 12. This manual is available on the internet at http://www.michigan.gov/documents/mdch/MAGI_Manual_457706_7.pdf

DECISION AND ORDER

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

KS/las

Kevin Scully
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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