



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: September 27, 2016
MAHS Docket No.: 16-011809
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 September 19, 2016, from Detroit, Michigan. Petitioner appeared and was represented by her cousin, [REDACTED], who also translated during the hearing. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], back-up hearing facilitator.

ISSUES

The first issue is whether MDHHS properly denied Petitioner's application for Medical Assistance (MA).

The second issue is whether MDHHS properly determined Petitioner's Food Assistance Program (FAP) eligibility.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. On [REDACTED], Petitioner applied for FAP and MA benefits.
2. Petitioner's application reported she had a checking account.
3. On [REDACTED], MDHHS mailed Petitioner a Verification Checklist (Exhibit 1, pp. 1-2) requesting various items, including checking account information.
4. Petitioner failed to return verification of her checking account.

5. On [REDACTED], MDHHS denied Petitioner's FAP application due to Petitioner's failure to verify assets.
6. On [REDACTED], MDHHS approved Petitioner for Medicaid, effective April 2016.
7. On [REDACTED] Petitioner requested a hearing to dispute denials of MA and FAP benefits.

CONCLUSIONS OF LAW

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. MDHHS (formerly known as the Family Independence Agency) administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner's hearing request indicated a need for special accommodation. Specifically, Petitioner stated she was sick and unable to attend the hearing and asked for her spouse and cousin to attend in her place. As it happened, Petitioner appeared for the hearing and no accommodation was necessary.

The MA program includes two different sub-programs, Medicaid and Medicare Savings Program. Medicaid is a health insurance intended to cover medical expenses. MSP assists clients with Medicare premiums. Petitioner disputed her eligibility for each.

Petitioner alleged she was denied Medicaid coverage. MDHHS responded Petitioner was not denied Medicaid.

MDHHS presented a Health Care Coverage Determination Notice (Exhibit 1, pp. 5-7) dated [REDACTED]. The notice stated Petitioner was eligible for "full coverage" beginning April 2016.

MDHHS presented a history of Petitioner's Medicaid eligibility (Exhibit 1, pp. 8-10) which was printed during the hearing. The documents verified Petitioner was "Eligible for Group 1 Medical Services" and "Full Medicaid Coverage" for each benefit month since April 2016.

It is found Petitioner was not denied Medicaid coverage and Petitioner has no basis for an administrative dispute (see BAM 600) concerning Medicaid. Accordingly, Petitioner's hearing request will be dismissed concerning her Medicaid dispute.

Petitioner may have thought she was denied for MSP because the presented Health Care Coverage Determination Notice stated Petitioner was not eligible for Medicare Cost Sharing (aka MSP) because she received "full Medicaid" coverage. As it happens, there is no obligation for MDHHS to process Petitioner's MSP eligibility.

[MDHHS is to] do Medicare Savings Programs determinations for the following clients if they are entitled to Medicare Part A:

- Medicare Savings Programs-only.
- Group 2 MA (FIP-related and SSI-related).
- Extended Care (BEM 164).
- Healthy Kids

Petitioner does not meet any of the requirements to prompt MDHHS to perform a MSP determination. Presumably, Petitioner's status as a Group 1 Medicaid recipient affords her all of the MSP benefits without a need for determination. It is found MDHHS properly did not perform an MSP determination.

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. MDHHS (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing, in part, to dispute a denial of FAP eligibility. MDHHS presented a Notice of Case Action (Exhibit 1, pp. 3-4) dated August 9, 2016. The presented notice stated Petitioner was denied FAP benefits due to a failure to verify the value of a vehicle and a bank account. The analysis will begin with Petitioner's alleged failure to verify bank information.

Assets must be considered in determining eligibility for... FAP. BEM 400 (July 2016), p. 1. [MDHHS is to verify the value of countable assets at application, redetermination and when a change is reported. *Id.*, p. 58.

[MDHHS is to] allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. BAM 130 (July 2016), p. 7. [MDHHS is to] send a negative action notice 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. *Id.* For FAP only, if the client contacts the department prior to the due date requesting an extension or assistance in obtaining verifications,

[MDHHS is to] assist the client with the verifications but... [MDHHS is to] not grant an extension. *Id.* [Specialists are to] explain to the client they will not be given an extension and their case will be denied once the VCL due date is passed. *Id.* Also, explain their eligibility will be determined based on their compliance date if they return required verifications. *Id.*

It was not disputed MDHHS requested verification of Petitioner's checking account balance via Verification Checklist (Exhibit 1, pp. 1-2). It was not disputed that Petitioner failed to return the requested verification. Petitioner testified she did not have a copy of her bank statement, and therefore, was unable to submit it. Petitioner testified she left her specialist a voicemail to inform the specialist of this obstacle.

Consideration was given to assuming Petitioner's testimony to be true, and finding that MDHHS failed in their burden to assist Petitioner. This consideration was ultimately rejected.

Petitioner testified the message she left for her specialist was in [REDACTED]. A single voicemail for a specialist in a foreign language is not interpreted to be a sufficient request for assistance. Petitioner did not explain why she did not leave a voicemail using her English-speaking cousin (who appeared for the hearing as a translator). Petitioner did not explain why she did not attempt to obtain a copy of her bank statement from her banking institution. Petitioner did not explain why she did not submit to MDHHS an alternative verification (e.g. an ATM receipt) to verify her bank balance.

It is found Petitioner failed to verify her bank balance and that MDHHS did not fail to assist Petitioner. Accordingly, Petitioner failed to verify her assets and it is found MDHHS properly denied Petitioner's FAP benefit application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that Petitioner failed to verify an adverse action concerning Medicaid coverage. Petitioner's hearing request is **PARTIALLY DISMISSED**.

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly did not perform an MSP determination. It is further found MDHHS properly denied Petitioner's FAP application due to Petitioner's failure to verify assets. The actions taken by MDHHS are **AFFIRMED**.

CG/hw



Christian Gardocki
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]

[REDACTED]

Authorized Hearing Rep.

[REDACTED]

Petitioner

[REDACTED]