



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: December 29, 2016
MAHS Docket No.: 16-016035
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Jacquelyn A. McClinton

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 December 7, 2016, from Detroit, Michigan. The Petitioner was represented by [REDACTED]. The Department of Health and Human Services (Department) was represented by [REDACTED], Assistance Payment Supervisor and [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's application for MA benefits for failure to return verifications?

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 applied for benefits on [REDACTED].
2. On [REDACTED], the Department sent Petitioner a Verification Checklist (VCL) and Health Insurance Verification.
3. On [REDACTED], the Department sent Petitioner a Health Care Coverage Determination Notice which informed Petitioner that she was not eligible for MA benefits effective [REDACTED].

4. On [REDACTED], Petitioner filed a Request for Hearing disputing 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.

Additionally, clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of necessary forms. BAM 105 (April 1, 2016), p. 9. In this case, the Department presented a Federally Facilitated Marketplace Application Transfer by Petitioner for MA benefits dated [REDACTED]. The Department testified that because Petitioner listed that her daughter did not have health insurance and listed that she herself had private insurance both the VCL and Health Insurance Verification were generated.

Under Department policy, the Department sends a negative action notice when:

- o The client indicates refusal to provide a verification, or
- o The time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130 (July 2016), p. 7.

Petitioner acknowledged that she received both documents. Neither document contained her daughter's name. The Health Insurance Verification referenced that the child listed on the form may have health insurance and requested that Petitioner complete the form. However, there was no child's name actually listed on the form. Petitioner testified that because her name was the only name listed on the form, she believed the form to only require information relating to her personal medical coverage. The undersigned finds that Petitioner made a reasonable effort to provide the information requested by the Department.

It is unclear as to why if the application was submitted on [REDACTED], the verifications were dated nearly one year later. It appears that Petitioner had medical

insurance coverage through Health Michigan Plan in 2015 and a portion of 2016 and was attempting to reapply for similar coverage.

In the [REDACTED] Health Care Coverage Determination Notice, the Department indicated that the reason for the denial was that one or more of the individual's dependents have not applied for or do not already have minimal essential coverage. As previously stated, the Department testified that because there was a minor child in the home and the application listed she was not covered, the verifications were generated. However, the Department testified that Petitioner submitted an application through its Bridges system in which she listed not only that her daughter had medical insurance but also included the policy number of the insurance. As such, the Department already had at least some, if not all, of the information it was requesting and was the basis for the denial. Given that Petitioner made a reasonable effort to comply with the Department and information relating to the minor child's insurance coverage, it is found that the Department improperly found Petitioner ineligible for MA benefits effective [REDACTED]
[REDACTED]

DECISION AND ORDER

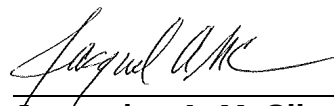
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it found Petitioner ineligible for MA benefits effective [REDACTED]

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. Redetermine Petitioner's eligibility for MA benefits effective [REDACTED];
2. Issue supplements Petitioner was eligible to receive but did not effective [REDACTED]
[REDACTED]; and
3. Notify Petitioner of its decision in writing.

JM/hw



Jacquelyn A. McClinton

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]

Petitioner

[REDACTED]