



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: August 7, 2017

MAHS Docket No.: [REDACTED] 17-008712

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; 42 CFR 438.400 to 438.424; 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], from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by [REDACTED] Eligibility Specialist.

ISSUE

Did the Department properly close the Petitioner's Food Assistance and Medical Assistance for failure to verify information?

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 Food Assistance and Medical Assistance.
2. The Petitioner completed a redetermination for Medicaid on [REDACTED]. Exhibit A
3. On [REDACTED] the Petitioner was sent a New Hire Client Notice to be completed by [REDACTED] for her employer [REDACTED]. Exhibit B

4. The Department sent a Verification Checklist dated [REDACTED] requesting that Petitioner provide last 30 days of check stubs or earnings statements and checking account information. The verifications were due by [REDACTED]. Exhibit C.
5. On [REDACTED] a Notice of Case Action was sent to Petitioner closing the Petitioner's FAP case effective [REDACTED] due to failure to verify earned income and bank account checking. Exhibit D
6. On [REDACTED] the Department sent the Petitioner a Health Care Coverage Determination Notice closing the Petitioner's MA Healthy Michigan Plan (HMP) effective [REDACTED] due to failure to verify income. The Notice stated a different reason, i.e. that the Petitioner's countable income exceeded the HMP income limit. Exhibit E
7. The Petitioner did not verify income for [REDACTED].
8. The Petitioner requested a timely 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 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. The Department (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.

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 FAP and HMP cases due to failure to verify information. The Petitioner was sent a redetermination for Medicaid on [REDACTED] and returned the redetermination on [REDACTED]. Exhibit A. Thereafter, the Department sought verifications of income and bank account information as well as sent

the Petitioner a New Hire Client Notice. Exhibit B. The Petitioner did not provide information as requested for the New Hire Client Notice sent to her on [REDACTED] due [REDACTED]. The Petitioner testified that the form was provided to the employer and they did not respond, the second time the employer was given the form was after the due date. The bank account information which was due [REDACTED] was not submitted until [REDACTED] after the due date.

The Department is required to periodically review information to determine ongoing eligibility. As part of that process redeterminations are sent to clients to complete so review of eligibility can be accomplished. 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:

- Required by policy. Bridges Eligibility Manual (BEM) items specify which factors and under what circumstances verification is required.
- Required as a local office option. The requirement **must** be applied the same for every client. Local requirements may **not** be imposed for Medicaid Assistance (MA).
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level.

If the individual indicates the existence of a disability that impairs their ability to gather verifications and information necessary to establish eligibility for benefits, offer to assist the individual in the gathering of such information. BAM 130 (April 2017) p.1

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

For Food Assistance:

Obtain verification when:

- Required by policy. Bridges Eligibility Manual (BEM) items specify which factors and under what circumstances verification is required.

- Required as a local office option. The requirement **must** be applied the same for every client. Local requirements may **not** be imposed for Medicaid Assistance (MA).
- Information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level.

If the individual indicates the existence of a disability that impairs their ability to gather verifications and information necessary to establish eligibility for benefits, offer to assist the individual in the gathering of such information.

Cases are to be closed by negative action when:

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. BAM 130, p.7
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For Medical Assistance:

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. Refer to policy in this item for citizenship verifications. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to two times.

Send a case action notice when:

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

In this case based upon the evidence presented the Petitioner submitted her verifications after the [REDACTED] due date, did not submit any response to the New Hire Client Notice; nor did she ask for an extension or assistance with the verifications and thus it is determined that the Department properly closed the Petitioner's FAP and MA for failure to provide verifications.

The Petitioner may reapply for benefits at any time.

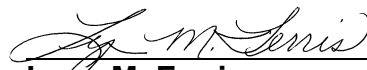
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it closed the Petitioner's Food Assistance and Medical Assistance for failure to provide verification of income.

DECISION AND ORDER

Accordingly, the Department's decision is

AFFIRMED.

LF/hw



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]

Petitioner

[REDACTED]