



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: July 12, 2017
MAHS Docket No.: 17-005267
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; 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 June 12, 2017, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by [REDACTED], specialist.

ISSUE

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

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 an unspecified date, Petitioner applied for MA benefits.
2. Petitioner was a non-disabled, non-aged, caretaker to a minor child.
3. On March 13, 2017, MDHHS requested verification of Petitioner's last 30 days of employment income.
4. The due date for Petitioner to return employment income verification to MDHHS was March 23, 2017.
5. Through April 3, 2017, Petitioner had not submitted verification of 30 days of employment income.

6. On April 3, 2017, MDHHS denied Petitioner's application for MA benefits due to Petitioner's failure to verify employment income.

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).

HMP is a health care program administered by the Michigan Department of Community Health, Medical Services Administration. The program is authorized under the Affordable Care Act of 2010 as codified under 1902(a)(10)(A)(i)(VIII) of the Social Security Act and in compliance with the Michigan Public Act 107 of 2013. HMP policies are found in the Medicaid Provider Manual and Modified Adjusted Gross Income Related Eligibility Manual (MAGIM).

Petitioner requested a hearing to dispute a denial of MA benefits. MDHHS presented a Health Care Coverage Determination Notice (Exhibit 1, pp. 3-5) dated April 3, 2017. The notice informed Petitioner of a denial of MA benefits due to a failure to verify income.

Self-attestation is acceptable for most eligibility factors. MAGIM (May 28, 2014), p. 24. Sources available to the state, i.e., SSA, SAVE, DCH vital records must be utilized first before requesting documentation from the individual. *Id.* When electronic verification is not successful, documentation may not be requested of an individual for whom documentation does not exist or is not reasonably available at the time of an application or renewal. *Id.*

[For all programs except MA for Children Under 19-MA, MDHHS is to] verify non-excluded earned income at... application... BEM 501 (July 2016), p. 9. [For all programs, MDHHS is to] use the DHS-3503, Verification Checklist to request verification. BAM 130 (July 2016), p. 3. [MDHHS must] allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. *Id.*, p. 6. [MDHHS] must tell the client what verification is required, how to obtain it, and the due date.... *Id.*, p. 3.

MDHHS presented a Verification Checklist (Exhibit 1, pp. 1-2) dated March 13, 2017. The checklist requested Petitioner's earnings from the last 30 days. The stated due date for Petitioner to return verification was March 23, 2017.

In response to the checklist, Petitioner submitted to MDHHS a 2016 tax statement (Exhibit 1, p. 6). The tax statement listed employment that Petitioner no longer held. It was not disputed that Petitioner had different employment at the time of his application for MA benefits. Petitioner's change in employment justified MDHHS' rejection of Petitioner's submitted tax statement as acceptable verification of income.

Consideration was given to whether MDHHS should have been able to verify the employment income through their electronic sources. The employment reported by Petitioner on his application happened to be as an independent contractor for a ride-sharing company. As an independent contractor, it is assumed that MDHHS would not receive updated employment records of Petitioner's employment through their data exchanges. Thus, MDHHS appeared justified in requesting the information from Petitioner.

It is found MDHHS properly requested 30 days of employment income from Petitioner. It is further found that Petitioner failed to timely verify his employment income. Thus, the denial of Petitioner's application for MA benefits was proper.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's MA application related to a denial notice dated April 3, 2017. 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]
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[REDACTED]

Petitioner

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