



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN ADMINISTRATIVE HEARING SYSTEM

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: February 12, 2018
MAHS Docket No.: 17-015615
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 February 1, 2018, from Detroit, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by Kathleen Scorpio Butina, Hearing Facilitator.

ISSUE

Did the Department properly close the Petitioner's Medical Assistance for failure to return a New Hire Client Notice?

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 Department sent a New Hire Client Notice dated November 7, 2017 to [REDACTED] [REDACTED] DHS Case No. [REDACTED] requesting that a New Hire Notice be completed and returned for Petitioner by November 17, 2017 regarding [REDACTED] [REDACTED]. Exhibit 1.
2. The Petitioner is not married to [REDACTED] and has her own MA case separate from [REDACTED] Petitioner and [REDACTED] live at the same address and have a minor child in common. The child is in the MA group with [REDACTED]
3. The Department did not send the New Hire Notice (Exhibit 1) to Petitioner.

4. The Department sent a Health Care Coverage Determination Notice on November 30, 2017 closing Petitioner's case effective January 1, 2018 for failure to verify requested information. Exhibit 3.
5. The Petitioner requested a timely hearing on [REDACTED] 2017 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 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 sent the New Hire Client Notice to the wrong person and the wrong MA group. The Department had Petitioner's correct address and case number, but did not send the Notice to the Petitioner requesting that she verify employment. The Petitioner has her own MA group and is a group of one person. The Department must send the Notice to determine if the recipient of MA benefits is still eligible, however the Notice must be sent properly to the correct individual client. In addition, clients (Petitioner) are required to provide notice of changes within 10 day, which includes reporting employment. BAM 105. The Department did not send the Notice to the Client in this case. Department policy provides:

The State New Hire database is established from W-4 tax records (or other new hire reporting formats) submitted by employers to the Michigan New Hire Operations Center. Michigan employers are required to report all new employees within 20 days of the date of hire. The State New Hires process matches the Social Security number (SSN) for all active recipients to the database. If a SSN match is found on Bridges and the State New Hires database, a State New Hires match is created if there is no earned income reflected in Bridges. Specialists receive one task and reminder listing all the matches for the previous week each Monday.

Contact the client immediately if the employment has not been previously reported. Request verification by generating a DHS-4635, New Hire Notice, from Bridges.

If verifications are not returned by the tenth day, case action will need to be initiated to close the case in Bridges. If the client reappplies, the date the client reappplies determines if State New Hires verification must be returned before processing the new application; BAM 807 ((January 2019), pps. 1-2.

Tell the client what verification is required, how to obtain it, and the due date; see **Timeliness of Verifications** in this item. Use the DHS-3503, Verification Checklist (VCL), to request verification. BAM 130 (April 2017), p. 3

In this case it is determined that the Department improperly sent the New Hire Notice to the wrong person and thus did not provide the Petitioner who is the Client an opportunity to respond to the Notice. The fact that Petitioner lives at the address where the Notice was sent does not excuse the failure of the Department to provide Petitioner the Notice correctly regarding her own MA case. The recipient of the Notice is not in Petitioner's MA group and thus it is clear the Department did not provide proper Notice to Petitioner. BAM 130.

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 failed to send the New Hire Client Notice to Petitioner.

DECISION AND ORDER


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. The Department shall reinstate the Petitioner's MA case as of the closure date and reprocess the New Hire Client Notice to the Petitioner.
2. The Department shall send the Petitioner written Notice of its determination.

LF/cg



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

Via Email:

MDHHS-Macomb-20-Hearings
M. Best
EQAD
BSC4 Hearing Decisions
MAHS

Petitioner – Via First Class Mail:

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