



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED]

Date Mailed: January 30, 2018  
MAHS Docket No.: 17-009755  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Denise McNulty**

**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 September 25, 2017, from Detroit, Michigan. The Petitioner represented herself. The Department of Health and Human Services (Department) was represented by [REDACTED], Hearing Facilitator.

**ISSUE**

Did the Department properly determine that Petitioner was eligible for Medical Assistance (MA) benefits, with a monthly deductible, effective August 1, 2017?

**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 submitted a redetermination for review of her Food Assistance Program (FAP) benefits. The Department used the information provided to redetermine Petitioner's MA benefits.
2. On June 23, 2017, the Department sent Petitioner a Verification Checklist (VCL) requesting proofs regarding employment income for Petitioner's husband; and proofs were due by July 3, 2017. Proofs were provided on June 27, 2017.
3. The Department issued a Health Care Coverage Determination Notice on July 14, 2017, advising the Petitioner that the monthly spenddown for MA was \$ [REDACTED]

monthly. The Department had not considered the timely submitted proofs of income.

4. The Petitioner requested a timely hearing on July 21, 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 reviewed the Petitioner's MA eligibility and sent her a Health Care Coverage Determination Notice (HCCDN) indicating she was found ineligible for full-coverage because verifications had not been returned regarding her spouse's income. The proofs returned timely by Petitioner on June 27, 2017, had not been processed and considered in the determination of Petitioner's continued eligibility. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. Verifications are considered to be timely if received by the date they are due. BAM 130, p. 8. The Department testified that it erred in not considering the submitted documentation when it went to determine Petitioner's continued eligibility.

Subsequent to Petitioner's submission of the request for hearing, the Department redetermined Petitioner's eligibility using the income information submitted on June 27, 2017. A new HCCDN was mailed to Petitioner advising her that she was approved for full coverage MA. However, at the time of hearing, the data system used by the Department still did not reflect Petitioner had full-coverage MA.

### **DECISION AND ORDER**

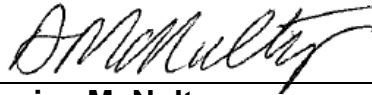
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it

determined Petitioner's eligibility for MA benefits in its July 14, 2017, Health Care Coverage Determination Notice.

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 as of July 1, 2017; and
2. Notify Petitioner in writing of the Department's decision in accordance with Department policy.



DM/jaf

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**Denise McNulty**

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]  
[REDACTED]  
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