



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: June 11, 2018  
MAHS Docket No.: 18-003480  
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 May 30, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Shanna Ward, specialist.

**ISSUE**

The issue is whether MDHHS properly terminated Petitioner's eligibility 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. Petitioner was an ongoing Healthy Michigan Plan (HMP) recipient.
2. In April 2017, Petitioner requested a two-year period of automatic-renewal of HMP.
3. On December 4, 2017, MDHHS mailed Petitioner a Redetermination concerning continuing HMP benefits. The document informed Petitioner to complete and return the form to MDHHS by January 3, 2018. (Exhibit A, pp. 7-14)
4. MDHHS did not receive Petitioner's Redetermination.
5. On March 19, 2018, MDHHS initiated termination of Petitioner's HMP eligibility, effective April 2018.

6. On March 26, 2018, MDHHS received Petitioner's hearing request disputing the termination of HMP. (Exhibit A, pp. 2-4)

### **CONCLUSIONS OF LAW**

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. 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 termination of HMP benefits to be effective April 2018. MDHHS presented a Health Care Coverage Determination Notice (Exhibit A, pp. 16-18) dated March 19, 2018, which stated that Petitioner's HMP coverage was ending due to Petitioner's failure to submit a Redetermination.

The evidence established that MDHHS mailed Petitioner a Redetermination on December 4, 2017. The evidence established that MDHHS did not receive the document before MDHHS initiated closure of Petitioner's MA eligibility (though Petitioner testified she mailed the Redetermination to MDHHS). Before an analysis of whether Petitioner submitted a Redetermination, it must be determined if mailing a Redetermination was even necessary to continue Petitioner's MA eligibility.

A renewal is the full review of eligibility factors completed annually. A "passive renewal" allows clients to continue MAGI-related eligibility without having to complete and return a Redetermination to MDHHS. MDHHS gathers information for passive renewals from information currently available in State of Michigan systems. MDHHS is to not request information from the beneficiary if the information is already available to MDHHS; this includes completing a renewal form. Individuals must be able to select how many years to opt in to allowing MDHHS to access tax information to determine continuing eligibility, up to a maximum of five years. BAM 210 (January 2018) p. 1.

MDHHS acknowledged that Petitioner was an ongoing HMP recipient before MDHHS terminated Petitioner's eligibility. HMP is a MAGI-related program (see BEM 105). MDHHS further acknowledged that Petitioner requested in April 2017 an auto-renewal of HMP for a period to last two years. No evidence was presented to justify not utilizing

the passive-renewal process. Based on the evidence, MDHHS should have determined Petitioner's ongoing HMP eligibility based on information available to them. Had MDHHS followed their policy on passive renewals, Petitioner would not have needed to return a Redetermination to MDHHS.

Based on presented evidence, it is found that MDHHS failed to evaluate Petitioner's ongoing HMP eligibility from a passive renewal. MDHHS will be ordered to reinstate Petitioner's HMP eligibility and follow their procedures from BAM 210 concerning renewal of MAGI-related benefits.

### **DECISION AND ORDER**

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly terminated Petitioner's HMP eligibility. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Reinstate Petitioner's HMP eligibility effective April 2018; and
- (2) Initiate a passive renewal of Petitioner's HMP eligibility.

The actions taken by MDHHS are **REVERSED**.

CG/



**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) 763-0155; 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**

Amber Gibson  
MDHHS-Ingham-Hearings

**Petitioner**

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