



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

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[REDACTED] MI [REDACTED]

Date Mailed: June 20, 2018
MAHS Docket No.: 18-003940
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 14, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Valarie Foley, hearing facilitator.

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 MA recipient.
2. On an unspecified date, MDHHS mailed Petitioner a New Hire Client Notice. The notice concerned Petitioner's employment with [REDACTED] (Employer Name #1). Petitioner subsequently reported all needed information to MDHHS concerning Employer Name #1.
3. On November 20, 2017, MDHHS mailed Petitioner a New Hire Client Notice concerning [REDACTED] (Employer Name #2). Petitioner did not return the New Hire Client Notice but instead informed MDHHS that Employer Name #2 was the same employer as Employer Name #1.

4. MDHHS' database listed the same mailing address for Employer Name #1 and Employer Name #2.
5. Employer Name #1's website lists Employer Name #2 as one of their facilities.
6. On April 5, 2018, MDHHS initiated termination of Petitioner's MA eligibility, effective May 2018, due to Petitioner's failure to return the New Hire Client Notice dated November 20, 2017. (Exhibit A, pp. 3-5)
7. On April 16, 2018, Petitioner requested a hearing to dispute the termination of MA eligibility. (Exhibit A, p. 2)

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).

Petitioner requested a hearing to dispute a termination of MA benefits. MDHHS presented a Health Care Coverage Determination Notice (HCCDN) (Exhibit A, pp. 3-5) dated April 5, 2018. The notice informed Petitioner of a MA termination effective May 2018 due to Petitioner's alleged failure to verify information. MDHHS testimony specified that Petitioner failed to verify employment information requested on a New Hire Client Notice.

MDHHS routinely matches recipient data with other agencies through automated computer data exchanges. The State New Hires Match is a daily data exchange of information collected by the Michigan New Hire Operations Center and obtained through the Office of Child Support. State New Hires information is used to determine current income sources for active MDHHS clients. BAM 807 (January 2018) p. 1.

For FAP benefits, MDHHS verifies employment income by sending clients a DHS-4635 (New Hire Client Notice). When a DHS-4635 is requested, clients have 10 calendar days to provide verification from the date the forms were requested. If verifications are not returned by the 10th day, case action will need to be initiated to close the case in Bridges. *Id.*, pp. 1-2.

On an unspecified date, MDHHS mailed Petitioner a New Hire Client Notice concerning Employer Name #1. Petitioner timely returned the documentation to MDHHS.

The present case concerns a New Hire Client Notice sent to Petitioner on November 20, 2017. Petitioner did not return the document to MDHHS and instead informed MDHHS

that the employer listed on the second New Hire Client Notice (Employer Name #2) was the same employer (though under a different name) from the earlier New Hire Client Notice.

During the hearing, MDHHS acknowledged that the employer address associated with the New Hire Client Notice dated November 20, 2017, matched the employer address on the notice which Petitioner returned. The matching address for the employers supports finding that MDHHS twice requested information from Petitioner concerning his employment.

During the hearing, an internet search of the names of the employers (as listed on the New Hire Client Notices) was undertaken. The website of Employer Name #1 listed Employer Name #2 as one of its facilities. The address of Employer Name #2 on Employer Name #1's website also matched the address listed on both New Hire Client Notices. Given the evidence, Petitioner's employment under Employer Name #1 is the same employer associated with Employer Name #2.

Given the evidence, MDHHS requested duplicate information from Petitioner. As Petitioner provided the required employment information to MDHHS once, MDHHS had no need for the second New Hire Client Notice. Thus, the termination of Petitioner's MA eligibility based on Petitioner's alleged failure to provide employment information was improper.

Petitioner's testimony also alleged that MDHHS improperly changed his address. Petitioner's allegation need not be addressed to determine the outcome of Petitioner's dispute, but MDHHS should be aware that Petitioner's reported address as of the date of hearing is correctly listed above.

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 MA 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 MA eligibility effective May 2018 subject to the finding that Petitioner verified employment information concerning a New Hire Client Notice dated November 20, 2017; and
- (2) Process any benefits improperly not issued to Petitioner.

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

Latasha McKinney-Newell
MDHHS-Wayne-19-Hearings

Petitioner

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[REDACTED] MI [REDACTED]

BSC4
D Smith
EQAD
C Gardocki
MAHS