



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: August 8, 2018
MAHS Docket No.: 18-004543
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Vicki L. Armstrong

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 July 11, 2018, from Lansing, Michigan. Petitioner, [REDACTED] personally appeared and testified, accompanied by her daughter, [REDACTED].

The Department of Health and Human Services (Department) was represented by Family Independence Specialist Hiba Murray. Ms. Murray testified on behalf of the Department. The Department submitted 11 exhibits which were admitted into evidence. The record was closed at the conclusion of the hearing.

ISSUE

Did the Department properly close Petitioner's Medicare Cost Sharing program and Medicaid Spend-down program because Petitioner failed to timely submit the required verifications?

FINDINGS OF FACT

The Administrative Law Judge, based on competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner submitted her redetermination for review of her Medicare Cost Sharing program and Medicaid Spend-down program. [Hearing Summary].
2. On February 15, 2018, the Department mailed out a Verification Checklist to Petitioner requesting proof of her Vendor Pre-Paid Debit card, due by February 26, 2018. [Dept. Exh. 10-11].

3. On February 28, 2018, the Department mailed out a Health Care Coverage Determination Notice to Petitioner, informing her that as of April 1, 2018, Petitioner was not eligible for the Medicare Cost Sharing program and Medicaid Spend-down program. [Dept. Exh. 5-9].
4. On May 2, 2018, Petitioner submitted a Request for Hearing, contesting the Department's actions. [Dept. Exh. 2-3].

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.

Department policy states that clients must cooperate with the local office in determining initial and ongoing eligibility. BAM 105, p 9 (1/1/2018). This includes completion of the necessary forms. *Id.* Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. *Id.* Clients must take actions within their ability to obtain verifications. *Id.* at 14.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130, p 1 (4/1/2017). Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. *Id.*

The Department uses the Verification Checklist, DHS-3503, to tell the client what verification is required, how to obtain it and the due date. BAM 130, p 3. The client must obtain the required verification, but the Department must assist if they need and request help. *Id.*

A client is allowed 10 calendar days (or other time limit specified in policy) to provide the verification requested by the Department. BAM 130, p 7. The Department sends a negative action notice when the client indicates refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. *Id.* at 7.

In this case, Petitioner submitted her annual redetermination for the Medicare Cost Sharing program and Medicaid Spend-down program. The Department mailed Petitioner a Verification Checklist on February 15, 2018, requesting proof of her Vendor Pre-Paid Debit card, due by February 26, 2018. The Department did not receive the requested verifications by February 26, 2018. On February 28, 2018, the Department mailed Petitioner a Health Care Coverage Determination Notice informing her that as of April 1, 2018, Petitioner was not eligible for the Medicare Cost Sharing program and Medicaid Spend-down program. Petitioner credibly testified that she did not turn in the verifications until April 18, 2018.

In addition, Petitioner reported that she repeatedly called the Department and the Department did not call her back, although their answering machine said that they would call back in 2-3 days.

Regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in Mich Admin Code, R 792.10101 to R 792.10137 and R 792.11001 to R 792.11020. Rule 792.11002(3) provides as follows:

A complaint as to alleged misconduct or mistreatment by a state employee shall not be considered through the administrative hearing process but shall be referred to the agency customer service unit.

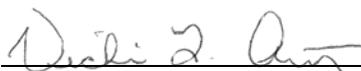
Therefore, this Administrative Law Judge is unable to address Petitioner's complaints regarding the Department.

As a result, this Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, finds that the Department acted in accordance with Department policy when it closed the Petitioner's Medicare Cost Sharing and Medicaid Spend-down programs.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

VLA/nr



Vicki L. Armstrong
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
26355 Michigan Ave.
Inkster, MI
48141

Wayne 19 County DHHS- via electronic
mail

BSC4- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

Authorized Hearing Rep.

[REDACTED]
MI

Petitioner

[REDACTED]
MI