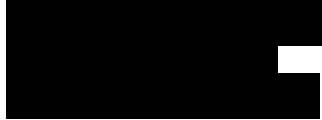




RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR



Date Mailed: July 31, 2018  
MAHS Docket No.: 18-005172  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Ellen McLemore**

**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 18, 2018, from Detroit, Michigan. Petitioner was present and represented herself. The Department of Health and Human Services (Department) was represented by Valarie Foley, Hearing Facilitator.

**ISSUE**

Did the Department fail to fully process Petitioner's Child Development and Care (CDC) redetermination?

**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 CDC and Medical Assistance (MA) recipient.
2. On [REDACTED], 2018, the Department sent Petitioner redetermination paperwork related to her CDC and MA benefit cases that was due by May 4, 2018.
3. On [REDACTED], 2018, Petitioner returned the completed redetermination (Exhibit B).
4. On May 18, 2018, the Department sent Petitioner a Notice of Case Action informing her that her CDC benefit case was closing effective June 10, 2018, ongoing, for her failure to complete the redetermination (Exhibit C).

5. On May 18, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that her MA benefit case was closing effective June 1, 2018, ongoing, for her failure to complete the redetermination (Exhibit D).
6. On May 21, 2018, Petitioner submitted a request for hearing disputing the Department's actions related to her CDC and MA benefit cases.

### **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).

#### **MA**

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 the present case, Petitioner submitted a hearing request, in part, to dispute the Department's decision to close her MA benefit case. The Department testified that Petitioner's MA benefit case was closed in error. On May 18, 2018, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that her MA benefit case was closing effective June 1, 2018, ongoing, for her failure to complete the redetermination. However, Petitioner submitted the completed redetermination timely on [REDACTED], 2018. After Petitioner submitted the request for hearing, the Department processed her redetermination and issued a Health Care Coverage Determination Notice on June 15, 2018, informing Petitioner that she was eligible for MA benefits effective June 1, 2018, ongoing. As the Department processed the redetermination and there was no lapse in coverage, the hearing request is moot and there is no justiciable issue. As such, the hearing request regarding the MA benefits is **DISMISSED** for lack of jurisdiction.

#### **CDC**

The Child Development and Care (CDC) program is established by Titles IVA, IVE and XX of the Social Security Act, 42 USC 601-619, 670-679c, and 1397-1397m-5; the Child Care and Development Block Grant of 1990, PL 101-508, 42 USC 9858 to 9858q; and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, PL 104-

193. The program is implemented by 45 CFR 98.1-99.33. The Department administers the program pursuant to MCL 400.10 and provides services to adults and children pursuant to MCL 400.14(1) and Mich Admin Code, R 400.5001-.5020.

In the present case, Petitioner submitted a hearing request, in part, to dispute the Department's decision to close her CDC benefit case. The Department testified that Petitioner's CDC benefit case was closed in error. On May 18, 2018, the Department sent Petitioner a Notice of Case Action informing her that her CDC benefit case was closing effective June 10, 2018, ongoing, for her failure to complete the redetermination. However, Petitioner submitted the completed redetermination timely on [REDACTED], 2018. After Petitioner submitted the request for hearing, the Department testified it processed her redetermination and issued a Notice of Case Action on May 30, 2018, informing Petitioner that she was eligible for CDC benefits effective June 10, 2018, ongoing. However, Petitioner testified that her CDC provider was unable to complete the billing process for the care of her child.

Child Development and Care (CDC) payments are made when all of the following are true: (i) all eligibility and need requirements are met; (ii) CDC case is open in Bridges; (iii) care is provided by an eligible provider; see BEM 704 (iv) an eligible provider is assigned to the case; and (v) the provider successfully bills for hours of care. BEM 706 (April 1, 2018), p. 1.

The Department was requested to submit the May 30, 2018 Notice of Case Action. Upon review, the May 30, 2018 Notice of Case Action states Petitioner was eligible for CDC benefits for September 3, 2017 through June 9, 2018. The Notice of Case Action does not state Petitioner was eligible for benefits for June 10, 2018, ongoing. The Department testified that Petitioner was approved for CDC benefits effective June 10, 2018, ongoing. Petitioner stated that although she was determined as eligible for CDC benefits, her CDC provider was unable to bill for the care provided. The Department stated at the hearing that there appeared to be a processing issue in that a CDC provider end date was entered into their system when Petitioner's CDC benefit case was closed. A new provider begin date should have been entered when the CDC benefits were reinstated. The Department testified that was not done and payments were not being issued to the provider. The Department conceded that Petitioner's CDC benefits were not being paid as a result of the Department's processing error.

The Department failed to provide sufficient evidence that Petitioner's redetermination was properly processed. The Department did not produce a notice confirming the redetermination was processed and that Petitioner was approved for CDC benefits. Additionally, the Department conceded that payments for Petitioner's CDC benefits were not being issued due to a processing error, despite the Department's contention that she was approved for CDC benefits. Therefore, the Department failed to establish that it properly processed Petitioner's CDC benefit case.

**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 failed to completely process Petitioner's CDC benefit case.

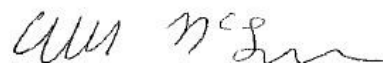
Accordingly, the Department's decision is **REVERSED**.

Petitioner's hearing request regarding the MA benefits is **DISMISSED** for lack of jurisdiction.

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 CDC benefits effective June 10, 2018, ongoing;
2. If Petitioner is eligible for benefits, issue payments to provider as of June 10, 2018, ongoing; and
3. Notify Petitioner of its CDC decision in writing.

EM/cg



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**Ellen McLemore**  
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

**Via Email:**

MDHHS-Wayne-19-Hearings  
D. Smith  
EQAD  
L. Brewer-Walraven  
BSC4- Hearing Decisions  
MAHS

**Petitioner – Via First-Class Mail:**

