



RICK SNYDER
GOVERNOR

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

SHELLY EDGERTON
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]

Date Mailed: August 21, 2018
MAHS Docket No.: 18-006933
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 August 16, 2018, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Haysem Hosny, hearing facilitator.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Medical Assistance (MA) eligibility.

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 with an eligibility period through June 2018.
2. On an unspecified date in May 2018, MDHHS mailed Petitioner a Redetermination.
3. On June 4, 2018, MDHHS received Petitioner's signed and completed Redetermination.
4. On June 18, 2018, MDHHS terminated Petitioner's MA eligibility, effective July 2018, due to Petitioner's alleged failure to return the Redetermination.

5. On July 2, 2018, Petitioner requested a hearing to dispute the termination of MA benefits.
6. On an unspecified date, MDHHS discovered that Petitioner returned and completed a Redetermination. MDHHS subsequently began to process Petitioner's MA eligibility from July 2018.
7. As of the hearing date, MDHHS had not reinstated Petitioner's MA eligibility due to documents that Petitioner had not yet submitted.

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 (Exhibit A, pp. 2-5) dated June 18, 2018. The notice informed Petitioner of an MA termination due to Petitioner's alleged failure to return a Redetermination.

MDHHS must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes thorough review of all eligibility factors. BAM 210 (January 2018), p. 1.

For all programs, Bridges generates a redetermination packet to the client three days prior to the negative action cut-off date in the month before the redetermination is due. *Id.*, p. 8. A redetermination/review packet is considered complete when all of the sections of the redetermination form, including the signature section, are completed. *Id.*, p. 11. Medicaid benefits stop at the end of the benefit period unless a renewal is completed and a new benefit period is certified. *Id.*, p. 4. MA benefits are not automatically terminated for failure to record receipt of the renewal packet. *Id.*, p. 13.

MDHHS testimony conceded that Petitioner timely returned a Redetermination and that a notice of Medicaid termination should not have been issued. Though it is not disputed that MDHHS improperly terminated Petitioner's MA eligibility, the remedy for the MDHHS error was disputed.

MDHHS presented an Eligibility Summary which stated that Petitioner is entitled to receive Medicaid subject to a \$ [REDACTED]/month deductible. The summary also stated that Petitioner's MA eligibility is "pending". MDHHS testimony credibly indicated that

Petitioner's MA eligibility remains pending because Petitioner did not submit required proofs with his redetermination form.

For all programs, upon certification of eligibility results, Bridges automatically notifies the client in writing of positive and negative actions by generating the appropriate notice of case action. A notice of case action must specify the following: the action(s) being taken by the department; the reason(s) for the action; the specific manual item which cites the legal base for an action or the regulation or law itself; an explanation of the right to request a hearing; and the conditions under which benefits are continued if a hearing is requested. (BAM 220 (January 2017), p. 2)

As of the hearing date, MDHHS had not yet mailed Petitioner a notice of benefit termination which included a proper reason for termination. MDHHS' procedural failure merits administrative remedy.

Petitioner is entitled to an administrative remedy resulting in the same benefit issuances he would have received but for the MDHHS' error. Without MDHHS' error, Petitioner would have received the same ongoing Medicaid he received from before the termination, at least until Petitioner's MA eligibility was redetermined and perhaps a new benefit decision was justified. Petitioner has not received any MA benefits since MDHHS improperly terminated Petitioner's MA eligibility. MDHHS appropriately attempted to fully process Petitioner's Redetermination before the hearing; their error was failing to reinstate Petitioner's MA eligibility before processing Petitioner's Medicaid redetermination. MDHHS will be ordered to reinstate Medicaid benefits for Petitioner from July 2018. As discussed during the hearing, Petitioner's Medicaid eligibility may be short-lived if MDHHS redetermines that Petitioner is eligible for a Medicaid deductible and/or if Petitioner fails to submit required verifications.


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 effective July 2018. 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 July 2018, subject to the finding that Petitioner timely submitted a Redetermination; and
- (2) Supplement Petitioner for any MA benefits improperly not issued.

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

Vivian Worden
MDHHS-Macomb-36-Hearings

Petitioner

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]

BSC4
D Smith
EQAD
C Gardocki
MAHS