



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

SHELLY EDGERTON
DIRECTOR

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

Date Mailed: September 21, 2018
MAHS Docket No.: 18-007432
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on August 22, 2018, from Holland, Michigan. Petitioner was represented by her husband [REDACTED], and Petitioner testified on her own behalf. The Department was represented by Adele Sumption, Theodora Jimenez, and Susan Hernandez.

ISSUE

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Assistance (MA) and Medicare Savings Program (MSP) benefits?

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 recipient of Medical Assistance (MA) and Medicare Savings Program (MSP) benefits.
2. The Department's representative testified that the Department became aware of a previously unreported mobile home located at Petitioner's home when an unrelated person requested assistance to avoid being evicted by Petitioner's husband.
3. The Department's representative testified that while investigating the previously unreported mobile home, the Department discovered unreported vehicles also located on Petitioner's property.

4. On February 8, 2018, the Department received a copy of a Notice To Quit To Recover Possession Of Property listing Petitioner's husband as the owner of the leased property. Exhibit A, p 17.
5. On June 14, 2018, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of a vehicle, and a mobile home located on her property. Exhibit A, pp 7-8.
6. Department records indicate that no verification documents relating to the unreported mobile home and unreported vehicles was received by the Department. Exhibit A, p 29.
7. On July 13, 2018, the Department notified Petitioner that she is not eligible for Medical Assistance (MA) effective August 1, 2018. Exhibit A, pp 4-6.
8. On July 24, 2018, the Department received Petitioner's request for a hearing protesting the closure of his Medical Assistance (MA) and Medicare Savings Program (MSP) benefits. Exhibit A, p 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.

There are three categories of Medicare Savings Program (MSP) benefits including the Qualified Medicare Beneficiary (QMB), the Special Low Income Medicare Beneficiary (SLMB), and the Additional Low Income Medicare Beneficiary (ALMB). QMB pays Medicare premiums, and Medicare coinsurances, and Medicare deductibles. QMB coverage begins the calendar month after the processing month. SLMB pays Medicare Part B premiums. SLMB coverage is available for retro MA months and later months. ALMB pays Medicare Part B premiums provided funding is available. The Department of Community Health notifies the Department of Human Services if funding is available. ALMB coverage is available for retro MA months and later months. Department of Human Services Bridges Eligibility Manual (BEM) 165 (January 1, 2018), pp 2-4.

Petitioner was an ongoing recipient of MA and MSP benefits. As a Medicare eligible individual, Petitioner is not eligible for MA benefits under the Health Michigan Plan (HMP), which has no asset limit. Department of Health and Human Services Bridges Eligibility Manual (BEM) 137 (April 1, 2018), p 1.

The Department became aware of a previously unreported mobile home located on Petitioner's property when an unrelated person living in that mobile home requested assistance from the Department to avoid being evicted by Petitioner's husband. The Department received verification of the eviction action being taken by Petitioner's husband on February 8, 2018. While investigating the circumstances of the eviction from the mobile home, the Department discovered several previously unreported vehicles located on Petitioner's property.

As a Medicare eligible individual receiving MA and MSP benefits, Petitioner is subject to the asset limits of BEM 400.

Assets means cash, any other personal property and real property. Real property is land and objects affixed to the land such as buildings, trees and fences. Condominiums are real property. Personal property is any item subject to ownership that is not real property. Countable assets cannot exceed the applicable asset limit. An asset is countable if it meets the availability tests and is not excluded. Available means that someone in the asset group has the legal right to use or dispose of the asset. Department of Human Services Bridges Eligibility Manual (BEM) 400 (May 1, 2018), pp 1-7.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2018), p 8.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (April 1, 2017), pp 1-10.

On June 14, 2018, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of the value of a mobile home and vehicles possessed by Petitioner and her husband. When the Department did not receive any verification of the unreported mobile home and unreported vehicles, the Department closed Petitioner's MA and MSP benefits.

Petitioner's husband argued that the Department requests verification of Petitioner's circumstances on a regular basis, which is a burden to his wife's uninterrupted receipt of MA benefits.

The Department is required to accurately determine Petitioner's eligibility for ongoing MA benefits and Petitioner is under a duty to cooperate with the Department's requests for information as directed by BAM 105.

Petitioner failed to present any evidence that verification of the unreported mobile home or the unreported vehicles was provided to the Department.

Petitioner's husband testified that the Department had denied Food Assistance Program (FAP) benefits as well as MA benefits.


Petitioner's July 24, 2018, request for a hearing give no indication that FAP benefits were in dispute. The Department's representative testified that there was an eligibility action taken with respect to FAP benefits, but that this action occurred after August 22, 2018. Therefore, Petitioner failed to establish a right to a hearing protesting FAP benefits on his July 24, 2018, request for a hearing.

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 acted in accordance with Department policy when it closed Petitioner's Medical Assistance (MA) and Food Assistance Program (FAP) benefits for failure to provide the Department with information necessary to determine her eligibility to receive benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



Kevin Scully
Administrative Law Judge
for Nick Lyon, Director
Department of Health and Human Services

