



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

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Date Mailed: November 29, 2018  
MAHS Docket No.: 18-008745  
Agency No.: ██████████  
Petitioner: ██████████

**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, a telephone hearing was held on October 31, 2018, from Lansing, Michigan. Petitioner was represented by herself. The Department of Health and Human Services was represented by Tonya Turkelson.

**ISSUE**

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Assistance (MA) 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. On ██████ ██████ ██████ the Department sent Petitioner a Redetermination (DHS-1010) with an August 15, 2018, due date. Exhibit A, pp 1-8.
2. On August ██████ 2018, the Department notified Petitioner that it would close her Medical Assistance (MA) benefits effective September 1, 2018. Exhibit A, pp 9-12.
3. On August ██████ 2018, the Department received Petitioner's completed Redetermination (DHS-1010) form. Exhibit A, pp 13-20.
4. On August ██████ 2018, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting verification of a cash asset by September 4, 2018. Exhibit A, pp 21-22.

5. On August [REDACTED] 2018, the Department received a copy of a statement showing the value of Petitioner's account. Exhibit A, p 24.
6. On [REDACTED] [REDACTED] [REDACTED] the Department received Petitioner's request for a hearing.

### **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.

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.

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be rein-stated for any of the following reasons:

- Closed in error.
- Closed-correct information not entered.
- Timely hearing request.
- Redetermination packet not logged in.
- Hearing decision ordered reinstatement.

- Complied with program requirements before negative action date.
- DHS-1046 manually sent and due date is after the last day of the 6th month.
- Court ordered reinstatement. Department of Health and Human Services Bridges Administrative Manual (BAM) 205 (January 1, 2018), p 1.

On July █ 2018, Petitioner was an ongoing MA recipient when the Department initiated a routine review of her eligibility for ongoing benefits and sent her a Redetermination (DHS-1010) form with an August █ 2018, due date. When the Department did not receive the Redetermination form back from Petitioner, it notified her that her MA benefits would close effective September 1, 2018.

The Department received Petitioner's Redetermination form on August █ 2018, which was before her benefits closed. On August █ 2018, the Department received verification of a cash asset that was necessary to accurately determine her eligibility for MA benefits. On that same day, Petitioner requested a hearing protesting the August 20, 2018, closure notice.

Clients have the right to contest a department decision affecting eligibility or benefit levels whenever it is believed that the decision is incorrect. The Department will provide an administrative hearing to review the decision and determine the appropriateness. The Michigan Administrative Hearing System (MAHS) may grant a hearing for any of the following:

- Denial of an application and/or supplemental payments.
- Reduction in the amount of program benefits or service.
- Suspension or termination of program benefits or service.
- Restrictions under which benefits or services are provided.
- Delay of any action beyond standards of promptness.
- For FAP only, the current level of benefits or denial of expedited service.  
Department of Human Services Bridges Administrative Manual (BAM) 600 (January 1, 2018), pp 3-4.

A request for hearing must be in writing and signed by the claimant, petitioner, or authorized representative. Rule 400.904(1). Moreover, the Department of Human Services Bridges Administrative Manual (BAM) 600 (January 1, 2018), p. 6, provides in relevant part as follows:

The client or authorized hearing representative has 90 calendar days from the date of the written notice of case action to request a hearing. The request must be received anywhere in DHS within the 90 days.

On August █ 2018, the Department was acting in accordance with policy when it initiated closure of Petitioner's MA benefits due to her failure to return the Redetermination form in a timely manner. On August █ 2018, it appears that Petitioner complied with all program requirements before the September 1, 2018, negative action date. Petitioner should be eligible for reinstatement of MA and Medicare Savings Program (MSP) benefits without any loss of benefits.

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) benefits and unless the Department failed to reinstate those benefits, there was no other negative action entitling Petitioner to a hearing as of August 24, 2018. Although there may be a delay restoring Petitioner's Medicare Savings Program (MSP) benefits, this is not considered a closure of those benefits as defined by BAM 600.

**DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/hb

  
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**Kevin Scully**  
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**

Sarah Johnson  
2229 Summit Park Dr  
Petoskey, MI 49770

Charlevoix County, DHHS

BSC1 via electronic mail

D. Smith via electronic mail

EQADHShearings via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED] MI [REDACTED]