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

ORLENE HAWKS DIRECTOR



Date Mailed: March 14, 2019 MAHS Docket No.: 19-000605 Agency No.: Petitioner:

## ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

## **HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on March 13, 2019, from Lansing, Michigan.

One exhibit was admitted into evidence during the hearing. An 8-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

## **ISSUE**

Did the Department properly terminate Petitioner's Medical Assistance (MA)?

## 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 received SSI-related MA from the Department.
- 2. Petitioner's SSI closed effective January 2019.
- 3. When the Department received notice that Petitioner no longer had SSI, the Department issued a Health Care Coverage Determination dated December 14, 2018, which notified Petitioner that his MA was terminated effective January 1, 2019.

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- 4. The Department's Health Care Coverage Determination stated that Petitioner was not eligible because "you failed to return the redetermination form mailed or given to you [to review your eligibility] and/or provide required proofs. Therefore, we cannot determine your continued eligibility for assistance." The Health Care Coverage Determination did not state that it terminated Petitioner's MA because his SSI closed.
- 5. Petitioner filed a hearing request on January 14, 2019, to dispute the Department's decision.
- 6. The Department has processed a new application for MA for Petitioner in a separate case.

# 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.

The Department did not act in accordance with its policies when it terminated Petitioner's MA because (a) the Department's notice was insufficient and (b) the Department did not consider whether Petitioner was eligible for other types of MA before it issued its decision. A notice of case action must specify the reasons for the action being taken by the Department. BAM 220 (April 1, 2019), p. 2. Here, the Department decided to terminate Petitioner's MA because Petitioner's SSI closed, but the notice did not state anything in its Health Care Coverage Determination that would lead a reasonable person to conclude that was the reason for the Department's action. When a client is no longer eligible for SSI-related MA, the Department must consider the client's eligibility for other types of coverage. BAM 220, p. 17-18 and BEM 105 (April 1, 2017), p. 2. Here, the Department did not present any evidence to establish that it considered whether Petitioner was eligible for other types of MA coverage when it determined he was ineligible for SSI-related MA.

### 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 did not act in accordance with its policies and the applicable law when it issued its December 14, 2018, Health Care Coverage Determination which terminated Petitioner's MA effective January 1, 2019.

IT IS ORDERED that the Department's decision is **REVERSED**.

IT IS FURTHER ORDERED that the Department shall begin to implement this decision within 10 days.

JK/nr

Jeffrey Kemm Administrative Law Judge for Robert Gordon, 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       | Linda Gooden<br>25620 W. 8 Mile Rd<br>Southfield, MI<br>48033 |
|------------|---|
|            | Oakland 3 County DHHS- via electronic mail                    |
|            | BSC4- via electronic mail                                     |
|            | D. Smith- via electronic mail                                 |
|            | EQAD- via electronic mail                                     |
| Petitioner |   |
|            | MI  |

MI

Authorized Hearing Rep.