



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]
Date Mailed: March 26, 2019
MAHS Docket No.: 19-000655
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; 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 March 13, 2019, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Cheryl Watkins, supervisor, and Manoj Patel, specialist.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's child's MiChild coverage due to non-payment of premiums.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of December 2018, Petitioner's child, [REDACTED] (hereinafter, "Child") received ongoing Medicaid through MiChild
2. On December 7, 2018, Petitioner made a \$10 payment to MiChild. MiChild did not receive the payment.
3. On December 27, 2018, Petitioner made a \$10 payment to MiChild. MiChild did not receive the payment.
4. On January 15, 2019, MDHHS initiated termination of Child's Medicaid eligibility through MiChild, effective February 2019, due to Petitioner's nonpayment of premium.

5. On January 23, 2019, Petitioner requested a hearing to dispute the termination of MICHild eligibility.

CONCLUSIONS OF LAW

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. MDHHS (formerly known as the Family Independence Agency) 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 Child's Medicaid eligibility through MICHild. MDHHS presented a Health Care Coverage Determination Notice (Exhibit A, pp. 1-2) dated January 15, 2019, which informed Petitioner of a closure of MICHild due to premium nonpayment. The only dispute was whether Petitioner paid her \$10/month premiums.

Families pay a monthly premium for MICHild coverage. BAM 130 (July 2016) p. 1. The premium amount is \$10.00 per family per month regardless of the number of children in the family. *Id.* Failure to pay the premium on time may result in termination of MICHild. *Id.*

MDHHS testimony indicated that a check of its database indicated that Petitioner made no premium payments after November 2018. MDHHS' testimony was consistent with hearing statements from a MICHild customer service representative (CSR) who was called during the hearing. The MICHild CSR stated that Petitioner last paid a MICHild premium on November 5, 2018 (presumably for the benefit month of November 2018).

Petitioner testified she made payments to MICHild in December 2018. During the hearing, Petitioner accessed her bank information on her smart phone. The testifying MDHHS manager acknowledged that Petitioner's bank website appeared to list payments to MICHild on December 7, 2018, and December 27, 2018. The MDHHS manager was initially unconvinced by Petitioner's bank website information because the manager uses the same bank and recalled past occasions when the bank listed a payment on their website but the payment was not subsequently issued. The MDHHS manager became more convinced that MICHild payments were issued after Petitioner accessed scanned versions of her bank statements which also listed two payments to MICHild in December 2018. Presumably the payments made by Petitioner were for December 2018 and January 2019 and would have continued Child's MICHild eligibility if received by MICHild.

It is worth noting that Petitioner requested a hearing on January 23, 2019, which was only 8 days after MDHHS sent notice of MICHild termination. Petitioner's quick response to the threatened closure was consistent with someone who was not negligent concerning payment of premiums.

Petitioner additionally testified that, after learning of MICHild closure, she called MICHild to see if she had a balance and was told that she did not. Petitioner further testified that she interpreted a zero balance as being current on her premium payments. Petitioner's testimony was consistent with the MICHild CSR's statements that Petitioner had a balance of \$0 but only because Petitioner's \$20 balance was written-off.

Given the evidence, it is found that Petitioner made her MICHild payments for December 2018 and January 2019. For whatever reason, MICHild did not receive the payments; regardless, Petitioner's evidence of her payments justify continuation of MICHild eligibility.

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 MICHild eligibility. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Reinstate Child's MICHild's eligibility effective February 2019 subject to the finding that Petitioner timely paid MICHild premiums (though MDHHS did not receive payments); and
- (2) Issue a supplement of any benefits improperly not issued.

The actions taken by MDHHS are **REVERSED**.

CG/cg



Christian Gardocki

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

Via Email:

MDHHS-Washtenaw-20-Hearings
D. Smith
EQAD
BSC4- Hearing Decisions
MAHS

Petitioner – Via First-Class Mail:

[REDACTED]
[REDACTED]
[REDACTED]