GRETCHEN WHITMER GOVERNOR STATE OF MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ORLENE HAWKS DIRECTOR



| Date Mailed: June 12, 2 | 019     |
|-------------------------|---------|
| MOAHR Docket No.: 19    | -004725 |
| Agency No.:             |         |
| Petitioner:             |         |

# ADMINISTRATIVE LAW JUDGE: Landis Lain

## **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 June 6, 2019, from Lansing, Michigan. The Petitioner was represented by (Petitioner's mother). The Department of Health and Human Services (Department or Respondent) was represented by Robert Mapp, Eligibility Specialist.

Respondent's Exhibit A pages 1-10 were admitted as evidence.

## **ISSUE**

Did the Department properly deny Petitioner's application for Medical Assistance (MA) program 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 2019, Petitioner applied for medical assistance benefits.
- 2. The Department determined that Petitioner already has an open medical assistance case number which was currently active.
- 3. On March 26, 2019, the Department sent Petitioner a healthcare coverage determination notice which indicates that Petitioner is eligible for this program in another case and therefore his request for medical assistance was denied as duplicative.
- 4. An April 29, 2019, Petitioner filed a request for hearing to contest the Department's negative action, indicating that the Medicaid card was no longer active.

5. On May 16, 2019, the Michigan Office of Administrative Hearings and Rules received a hearing summary and attached documents.

### CONCLUSIONS OF LAW

The regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in the Michigan Administrative Code, MAC R 400.901-400.951. An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance has been denied. MAC R 400.903(1). 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 of that decision. BAM 600.

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 goal of the Medicaid program is to ensure that essential health care services are made available to those who otherwise could not afford them. Medicaid is also known as Medical Assistance (MA). The Medicaid program comprise several sub-programs or categories. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MIChild, Flint Water Group and Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology.

Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share. Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share.

However, clients are not expected to know such things as:

- Ineligibility for a cash grant does not mean MA coverage must end.
- The LIF category is usually the most beneficial category for families because families who become ineligible for LIF may qualify for TMA or Special N/Support.
- The most beneficial category may change when a client's circumstances.

Therefore, you must consider all the MA category options in order for the client's right of choice to be meaningful. Bridges Eligibility Manual (BEM) 105, pages 1-2

In this case, the Department alleges that Petitioner is already eligible for medical assistance benefits. However, the Department has not established that Petitioner was eligible for the most beneficial medical assistance category. Therefore, 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 has not established by the necessary competent, material and substantial evidence on the record that it was acting in compliance with Department policy when it determined that Petitioner's application for Medical Assistance should be denied based upon its determination that he already had an open case for Medicaid.

## DECISION AND ORDER

Accordingly, the Department's decision is **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

- 1. Reinstate Petitioner's March 23, 2019, medical assistance application;
- 2. Determine the most beneficial category of Medical Assistance eligibility for Petitioner in compliance with Department policy;
- 3. If Petitioner is otherwise eligible, open a Medical Assistance case in compliance with Department policy from the March 23, 2019, application date forward.

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Landis Lain Administrative Law Judge for Robert Gordon, Director Department of Health and Human Services

LL/hb

**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 Office of Administrative Hearings and Rules (MOAHR).

A party may request a rehearing or reconsideration of this Order if the request is received by MOAHR 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. MOAHR will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MOAHR. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MOAHR Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Office of Administrative Hearings and Rules Reconsideration/Rehearing Request P.O. Box 30639 Lansing, Michigan 48909-8139

> Lori Duda 30755 Montpelier Drive Madison Heights, MI 48071

Oakland County (District 2), DHHS

BSC4 via electronic mail

D. Smith via electronic mail

EQADHShearings via electronic mail

Authorized Hearing Rep.

Petitioner

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