



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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Date Mailed: September 19, 2019
MOAHR Docket No.: 19-007630
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Lynn M. Ferris

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 August 22, 2019, from ██████████ Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Heather Hempree, Assistance Payments Supervisor.

ISSUE

Did the Department properly close the Petitioner's Healthy Michigan Plan (HMP) Medical Assistance (MA) benefits for failure to respond to a New Hire Client Notice?

FINDINGS OF FACT

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. The Petitioner was an ongoing HMP recipient.
2. On May 8, 2019, the Department sent the Petitioner a New Hire Client Notice regarding his new employment with ██████████. The Petitioner was required to respond to the notice by May 20, 2019, and provide a completed New Hire Employment Report (DHS-4635) and provide requested pay stubs if available. Exhibit A.
3. The New Hire Client Notice also advised the Petitioner that: Failure to provide the information by the due date will result in cancellation of your public assistance benefits. Exhibit A.

4. On May 24, 2019, the Department sent a Health Care Coverage Determination Notice to the Petitioner advising that effective July 1, 2019, ongoing, the Petitioner was no longer eligible for HMP due to Petitioner's failure to allow the Department to verify requested information. Exhibit B.
5. The Petitioner did not return the requested new hire information by the due date and returned the information on July 3, 2019.
6. The Petitioner requested a timely hearing on July 2, 2019, protesting the closure of his HMP benefits.

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.

In this case, the Department closed the Petitioner's HMP MA benefits when Petitioner did not timely respond to the Department's request that he complete a New Hire Notice sent to him on May 9, 2019, and due May 20, 2019. The Petitioner conceded that the information was not returned on time by the due date, but he testified that he was in in-patient treatment for alcoholism for the period April 24, 2019, through May 15, 2019, and then he spent another three weeks in a sober living house and was unavailable to complete the form during this period. Petitioner provided the New Hire Notice to the Department after the due date on July 3, 2019, and after his HMP case had closed.

The Department is required by the Department policy to update income and other information that may affect a recipients ongoing eligibility and seek verification of the information so that it can do so. The Michigan Department of Health and Human Services (MDHHS) routinely matches recipient data with other agencies through automated computer data exchanges. The State New Hires Match is a daily data exchange of information collected by the Michigan New Hire Operations Center and obtained through the Office of Child Support. State New Hires information is used to determine current income sources for active MDHHS clients. BAM 807, (October 2018), p. 1.

Upon receipt of new hire information, the Department must:

Contact the client immediately if the employment has not been previously reported. Request verification by generating a DHS-4635, New Hire Notice, from Bridges.

When a DHS-4635 is requested, Bridges automatically gives the client 10 calendar days to provide verification from the date the forms were requested. BAM 807 (October 2018), pp. 1-2.

If verifications are not returned by the 10th day, case action will need to be initiated to close the case in Bridges. If the client reapplies, the date the client reapplies determines if State New Hires verification must be returned before processing the new application. BAM 807, p. 2.

Department policy found in BAM 130 provides:

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date.

Send a case action notice when:

- The client indicates refusal to provide a verification, **or**
- The time period given has elapsed.

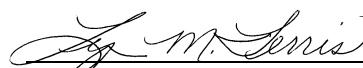
Only **adequate** notice is required for an application denial. **Timely** notice is required to reduce or terminate benefits. BAM 130, pp. 8-9.

Based upon the facts and evidence presented at the 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 the Petitioner's HMP case. The Petitioner may reapply for HMP at any time.

DECISION AND ORDER

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

LF/jaf



Lynn M. Ferris

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 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

DHHS
(via electronic mail)

Linda Gooden
MDHHS-Oakland-6303-Hearings
BSC4
D Smith
EQAD

Petitioner
(via first class mail)

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