



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR



Date Mailed: March 6, 2020
MOAHR Docket No.: 20-000495
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Ellen McLemore

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 March 2, 2020, from Detroit, Michigan. Petitioner was present with his wife, [REDACTED]. The Department of Health and Human Services (Department) was represented by Jeffrey Robinson, Family Independence Manager.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) benefit case?

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 was an ongoing MA recipient.
2. On December 9, 2019, the Department sent Petitioner a Verification Checklist (VCL) requesting verification of Petitioner's unearned income (Exhibit A, pp. 27-28).
3. On January 2, 2020, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing him that his MA benefit case was closing effective February 1, 2020, ongoing (Exhibit A, pp. 3-5).
4. On January 13, 2020, Petitioner completed a redetermination related to his MA benefit case (Exhibit A, pp. 23).

5. On [REDACTED], 2020, Petitioner submitted a request for hearing.
6. On January 21, 2020, the Department sent Petitioner a VCL requesting verification of his savings account, as well as verification of his wife's checking and savings account (Exhibit A, pp. 14-15).
7. On January 22, 2020, Petitioner submitted verification of his wife's checking and savings account (Exhibit A, pp. 8-13).
8. On January 22, 2020, the Department sent Petitioner a VCL requesting verification of his unearned income and his savings account (Exhibit A, pp. 6-7).

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, Petitioner was an ongoing MA recipient. On December 9, 2019, the Department sent Petitioner a VCL requesting verification of his unearned income. Petitioner's RSDI benefit case was approved and he was due to receive his first disbursement on January 1, 2020. The Department did not receive verification of the unearned income. As a result, the Department sent Petitioner a HCCDN informing Petitioner that his MA benefit case was closing effective February 1, 2020. However, Petitioner completed a redetermination on January 13, 2020. The Department subsequently reinstated Petitioner's benefit case. The Department sent Petitioner VCLs on January 21, 2020 and January 22, 2020, requesting verification of his unearned income and the assets for all of the individuals in the household. Proofs were due by January 31, 2020 and February 3, 2020.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For MA cases, the Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130 (April 2017), p. 7. If the client cannot provide the verification despite a reasonable effort, the Department will extend

the time limit up to two times. BAM 130, p. 8. The Department sends a negative action notice when: the client indicates a refusal to provide a verification OR the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

Per the hearing summary provided, the Department indicated that Petitioner's MA benefit case had been reinstated but the case was pending the receipt of verification. The hearing summary stated that Petitioner had not yet submitted verification of his savings account or his unearned income. The hearing summary was written on January 23, 2020. As of the date of the hearing, the Department was unsure as to the status of Petitioner's MA benefit case and whether it was still pending or closed. Petitioner's wife testified that all of the requisite verifications had been submitted. Petitioner stated that he did not have active MA benefits.

The Department erred when requesting verification of Petitioner's unearned income. The Department presented Petitioner's State Online Query (SOLQ) report showing when Petitioner began receiving RSDI and the benefit amount (Exhibit A, pp. 24-26). It is unclear why the Department was seeking additional verification. Per policy, the SOLQ is an acceptable verification source for RSDI income. BEM 503 (January 2020), p. 43. Additionally, Petitioner's wife gave credible testimony that she submitted verification of Petitioner's savings account. Therefore, the Department failed to establish that it properly closed Petitioner's MA benefit case.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it closed Petitioner's MA benefit case.

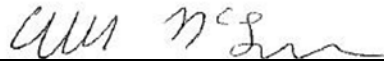
Accordingly, the Department's decision is **REVERSED**.

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. Redetermine Petitioner's MA eligibility as of February 1, 2020, ongoing;
2. Provide Petitioner with MA coverage he is entitled to receive; and

3. Notify Petitioner of its MA decision in writing.

EM/cg



Ellen McLemore
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

Via Email:

MDHHS-Oakland-3-Hearings
D. Smith
EQAD
BSC4- Hearing Decisions
MOAHR

**Petitioner –
Via First-Class Mail:**



**Authorized Hearing Rep. –
Via First-Class Mail:**

