



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]

Date Mailed: June 4, 2020
MOAHR Docket No.: 20-001083
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 May 28, 2020 from, Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Juanita Munoz, Hearing Facilitator.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) case and reduce her Food Assistance Program (FAP) 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. Petitioner was an ongoing recipient of MA, Medicare Savings Program (MSP) and FAP benefits.
2. In connection with a redetermination, Petitioner's eligibility to receive benefits was reviewed. On or around [REDACTED], 2020, the Department received and processed Petitioner's completed redetermination.
3. Based on the information reported on the redetermination and that which was obtained during an interview, on [REDACTED], 2020, the Department sent Petitioner a Verification Checklist (VCL) instructing her to submit proof of her assets and current shelter/housing expenses by January 24, 2020.

4. The Department did not receive the requested asset and shelter expense verifications by the due date identified on the VCL.
5. On January 28, 2020, the Department sent Petitioner a Notice of Case Action advising her that effective February 1, 2020, her FAP benefits were being reduced to \$16 monthly, as the previously included housing expenses were removed from the FAP budget because they were unverified
6. On January 31, 2020, the Department sent Petitioner a Health Care Coverage Determination Notice informing her that effective March 1, 2020, her MA and MSP cases were closing on the basis that she failed to return verification of her bank account asset information.
7. On February 5, 2020, Petitioner requested a hearing disputing the Department's actions with respect to the closure of her MA and MSP cases and the reduction of her FAP benefits.
8. On February 11, 2020, the Department received receipts documenting \$900 deposits into a Chase bank account. Petitioner asserted these receipts were to verify her shelter/housing expenses.
9. On February 21, 2020, the Department received proof of bank account information including an ID, a bankcard and a bank slip.
10. On February 29, 2020, the Department received duplicate copies of the above identified verifications.

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 Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

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.

MSP is a State-administered program in which the State pays an income-eligible client's Medicare premiums, coinsurances, and deductibles. BEM 165 (January 2018), pp 1-2; BAM 810 (January 2018).

The Department must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes a thorough review of all eligibility factors. Redetermination, renewal, semi-annual and mid-certification forms are often used to redetermine eligibility of active programs. BAM 210 (October 2019), p. 1. Additional verifications may be required at redetermination or renewal. For MA cases, verifications are due the same date as the redetermination packet. The Department will issue a DHS-3503, Verification Checklist after the redetermination interview for any missing verifications allowing 10 days for their return. BAM 210, p. 16. The Department allows a client a full 10 calendar days from the date the verification is requested (date of request is not counted) to provide all documents and information. BAM 210, pp. 16-17. For FAP and MA cases, benefits stop at the end of the benefit period unless a redetermination/renewal is completed, requested verifications are received and a new benefit period is certified. BAM 210, pp. 3-4. The Department will provide the client with timely notice of the negative action if the time limit is not met for MA cases and for FAP cases, benefits will stop at the end of the benefit period. BAM 210, pp.2-3,14-17.

In this case, the Department testified that although it had received a completed redetermination from Petitioner, because Petitioner did not respond to the VCL and did not submit the requested housing expenses and asset verifications by the January 24, 2020 due date, it sent her the Health Care Coverage Determination Notice advising her of the closure of her MA and MSP cases effective March 1, 2020 and the Notice of Case Action advising of the reduction of her FAP benefits effective February 1, 2020. The Department testified that although some verifications were received, the due date and negative action period had passed, and they could not be processed.

Petitioner confirmed receiving the VCL and testified that she submitted the requested verifications to the Department. Petitioner asserted that she deposits \$900 into her landlord's bank account each month for rent and that the deposit slips/receipts she submitted were meant to document and verify her housing expenses. However, the deposit receipts are not acceptable verification sources as identified on the VCL or recognized by Department policy. Although Petitioner stated that she submitted the requested information to the Department on time and prior to the due date on the VCL, she could not recall the exact date of her submission and did not otherwise refute the Department's evidence from Petitioner's electronic case file that reflected received dates of not before February 11, 2020.

Because there was no evidence presented to establish that acceptable verification of Petitioner's housing expenses was timely returned to the Department, the Department properly removed the expenses from Petitioner's FAP budget and reduced her benefits. Petitioner was advised that upon her submission of her housing expenses, the Department would recalculate her FAP budget. Additionally, because verification of bank asset information was not timely returned, the Department properly closed Petitioner's MA and MSP cases. The Department testified and Petitioner confirmed that she subsequently reapplied for MA and MSP benefits and was approved.

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 because the Department did not receive the requested verifications by the due date identified on the VCL, the Department acted in accordance with Department policy when it closed Petitioner's MA and MSP cases effective March 1, 2020 and when it reduced her FAP benefits effective February 1, 2020.

DECISION AND ORDER

Accordingly, the Department's MA and FAP decisions are **AFFIRMED**.

ZB/tm



Zainab A. Baydoun

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

Jeanette Cowens
2524 Clark Street
Detroit, MI
48209

Petitioner



cc: ME—D. Smith; EQADHShearings
AP Specialist-Wayne County