



RICK SNYDER  
GOVERNOR

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

SHELLY EDGERTON  
DIRECTOR

[REDACTED]

Date Mailed: December 3, 2018  
MAHS Docket No.: 18-010358  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** Jeffrey Kemm

**HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on November 28, 2018, from Lansing, Michigan. Petitioner, [REDACTED], appeared with her mother, Delores Simpson. Supervisor, Alisha Conley-Dankert, appeared for the Department. Neither party had any additional witnesses.

One exhibit was admitted into evidence during the hearing. A 30-page packet of documents provided by the Department was admitted collectively as the Department's Exhibit A.

**ISSUE**

Did the Department properly determine Petitioner's Medical Assistance (MA)?

**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 a recipient of MA.
2. The Department detected that Petitioner had an unreported asset in the form of funds available in a bank account.
3. On June 28, 2018, the Department issued a Verification Checklist to Petitioner to obtain information from her about her bank account to determine her eligibility for MA. The Verification Checklist notified Petitioner that a response was due by July 9, 2018, and that Petitioner's MA could be cancelled if she did not contact the Department or provide the requested proof by the due date.

4. Petitioner received the Verification Checklist. Petitioner contacted the Department and spoke to a caseworker. Petitioner thought that no additional action was required from her based on her conversation with the caseworker. Petitioner did not take any further action.
5. On July 10, 2018, the Department issued a Health Care Coverage Determination Notice in which the Department notified Petitioner that she was ineligible for MA effective August 1, 2018, because she failed to provide requested verification.
6. On August 24, 2018, Petitioner reapplied for MA.
7. On September 5, 2018, the Department issued a Health Care Coverage Determination Notice in which the Department notified Petitioner that she was ineligible for MA for August 2018 because she cannot receive QMB category Medicare Savings Program coverage in the month she applied for coverage.
8. On October 1, 2018, Petitioner filed a hearing request.

### **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.

A client has 90 days from the date of written notice of case action to file a hearing request to dispute it. BAM 600 (October 1, 2018), p. 6. Here, Petitioner filed a hearing request within 90 days of the date of the Department's July 10, 2018, written Determination. Thus, I will address the Department's July 10, 2018, and September 5, 2018, decisions.

The Department's July 10, 2018, decision found Petitioner ineligible for MA due to her failure to provide requested verification. The Department must tell a client what verification is required, how to obtain it, and the due date. BAM 130 (April 1, 2017), p. 3. The Department must allow the client 10 calendar days to provide requested verification. BAM 130, p. 8. The client must obtain the verification, but the local office must assist if the client needs it and asks for help. BAM 130, p. 8. Verifications are only considered timely if they are received by the due date. BAM 130, p. 8. The

Department must send a Negative Action Notice when the due date lapses or the client has refused to provide the verification. BAM 130, p. 7.

The Department sent Petitioner a Verification Checklist which instructed Petitioner what verification was required, how to obtain it, and the due date. It was Petitioner's responsibility to obtain the requested verification and to make sure the Department received it by the due date. Petitioner failed to provide the requested verification by the due date, so the Department properly issued a Notice of Case Action which found Petitioner ineligible for MA due to her failure to provide the requested verification.

The Department's September 5, 2018, decision found Petitioner ineligible for MA through the Medicare Savings Program coverage for Qualified Medicare Beneficiaries (QMB) for August 2018 after she reapplied for coverage. QMB coverage begins the calendar month after an eligibility determination is made on an application. BEM 165 (January 1, 2018), p. 1. Retroactive Medicare Savings Program coverage is not available for a QMB. BEM 165, p. 1. Here, Petitioner applied for MA in August 2018, and the Department determined that Petitioner was eligible for QMB. Since the Department found Petitioner eligible for QMB and since it is not available for the month of the determination, the Department properly found Petitioner ineligible for coverage for August 2018.

### **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 did act in accordance with its policies and the applicable law when it issued its July 10, 2018, Health Care Coverage Determination which found Petitioner ineligible for MA beginning August 1, 2018 and when it issued its September 5, 2018, Health Care Coverage Determination which found Petitioner ineligible for MA for August 2018.

IT IS ORDERED the Department's decisions are AFFIRMED.

JK/nr



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Jeffrey Kemm  
Administrative Law Judge  
for Nick Lyon, 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

**DHHS**

Sharon Reuther  
1720 East Main Street  
Owosso, MI  
48867

Shiawassee County DHHS- via electronic mail

BSC2- via electronic mail

D. Smith- via electronic mail

EQAD- via electronic mail

**Petitioner**

