



GRETCHEN WHITMER  
GOVERNOR

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

ORLENE HAWKS  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: March 6, 2019  
MAHS Docket No.: 18-013809  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler**

**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 4, 2019, from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by Karina Littles, Eligibility Specialist Supervisor.

**ISSUE**

Did the Department properly close Petitioner's 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 October 3, 2018, the Department received Petitioner's completed Redetermination as well as verification of a [REDACTED] account ending in [REDACTED]
2. On November 30, 2018, the Department processed Petitioner's Redetermination and issued a Verification Checklist (VCL) to Petitioner requesting proof of her savings account or Christmas account by December 10, 2018.
3. On December 14, 2018, the Department completed an Asset Detection which showed that Petitioner had two checking accounts with [REDACTED].

4. On the same day, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner informing her that her MA benefits would close, effective January 1, 2019, for failure to verify her savings account.
5. On December 26, 2018, the Department received Petitioner's request for hearing disputing the Department's decision to close her MA 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 Petitioner's MA case for failure to verify her bank account. The Department is required to verify household circumstances including assets at application, redetermination, or reported changes. BAM 130 (April 2017), p. 1; BEM 400 (October 2018), p. 59. Redeterminations should be processed by the end of the month in which they are due. BAM 210 (January 2018), p. 19. When the Department receives a complete Redetermination, the Department should conduct an interview, review all verifications, and reconcile any discrepancies. BAM 210, p. 14. Petitioner's Redetermination month was October 2018. The Department did not process or request verification of Petitioner's circumstances until almost two months after she submitted her Redetermination and verification of assets and a whole month after the Redetermination cycle should have been complete. Therefore, the Department did not act in accordance with policy in processing Petitioner's Redetermination.

Despite the delay, the Department issued a VCL to Petitioner on November 30, 2018, requesting proof of her savings account or Christmas Account. When Petitioner received the VCL, she was confused because she believed that she had previously submitted all required verifications with her Redetermination. Therefore, she made multiple attempts to call her caseworker without response. Unbeknownst to Petitioner because she was never informed, the Petitioner's caseworker transferred to another local office which was why the caseworker never responded. Policy provides that clients are required to obtain verifications, but when a client requests help in obtaining the verification, the Department must assist. BAM 130, p. 3. Furthermore, in MA cases,

the Department is required to extend the time limit for submission of verifications up to two times if the client makes a reasonable effort to comply and cannot comply with the first deadline. BAM 130, p. 8. Petitioner attempted to seek help and clarification from her caseworker several times, but because she was not informed that her caseworker had transferred somewhere else, her efforts were thwarted. The Department failed to comply with policy when it failed to provide assistance or an extension to Petitioner.

After reviewing all of the evidence, closure of Petitioner's MA case was not in accordance with policy because the Department failed to timely process Petitioner's Redetermination, resulting in a delay and confusion for both parties, and because it failed to provide assistance to Petitioner during the verification process.

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 not act in accordance with Department policy when it closed Petitioner's MA case for failure to verify.

### **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 and redetermine Petitioner's MA benefit effective January 1, 2019;
2. If otherwise eligible, issue supplements to Petitioner or on her behalf for benefits not previously received; and,
3. Notify Petitioner in writing of its decision.



AMTM/jaf

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**Amanda M. T. Marler**  
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 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**

Richard Latimore  
MDHHS-Wayne-57-Hearings

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

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