



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
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[REDACTED] MI [REDACTED]

Date Mailed: July 18, 2019
MOAHR Docket No.: 19-005750
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Christian Gardocki

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 July 3, 2019, from [REDACTED] Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Juwan Gray, supervisor.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Medicaid eligibility due to premium non-payment.

FINDINGS OF FACT

The administrative law judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. As of September 2018 through April 2019, Petitioner was eligible for Medicaid under Freedom-to-Work (FTW) subject to a \$42.93/month premium.
2. On March 1, 2019, Petitioner paid \$127 for FTW premiums.
3. On April 12, 2019, MDHHS approved Petitioner for Medicaid under FTW beginning May 2019 subject to an \$81.60/month premium. Exhibit A, pp. 6-7.
4. On, May 17, 2019, MDHHS initiated termination of Petitioner's Medicaid eligibility beginning June 2019 due to Petitioner's non-payment of premiums.

5. On May 23, 2019, Petitioner requested a hearing to dispute the termination of Medicaid eligibility.
6. On June 3, 2019, Petitioner paid \$82 toward FTW premiums.

CONCLUSIONS OF LAW

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. MDHHS policies are contained in the Bridges Administrative Manual (BAM), Bridges Eligibility Manual (BEM), and Reference Tables Manual (RFT).

Petitioner requested a hearing to dispute a termination of Medicaid eligibility. MDHHS terminated Petitioner's FTW eligibility for non-payment of a premium. Exhibit A, pp. 11-13. Petitioner's only argument against termination was that she made her payments.

FTW is available to a client with disabilities ages 16 through 64 who has earned income. BEM 174 (January 2017) p. 1. FTW premium amounts are based on the client's income. *Id.*, p. 3. Nonpayment of premium is automatically sent to Bridges¹, and mass update will close the Freedom to Work category. *Id.*

MDHHS presented documentation of Petitioner's past premium charges. Exhibit A, p. 8. From September 2018, MDHHS charged Petitioner \$42.93/month. Beginning April 2019, MDHHS charged Petitioner \$81.60/month.

During the hearing, an FTW customer service representative (CSR) was called. The CSR stated that Petitioner paid \$127 on March 1, 2019, and \$82 on June 3, 2019.

A list of Petitioner's premium charges and associated payments would be preferable to the piecemeal evidence presented; nevertheless, inferences can be made from Petitioner's payment history. It can be inferred that Petitioner's payment of \$127 was intended to cover three \$42.93 monthly premiums. In a plausible best-case scenario for Petitioner, her payment of \$127 was intended to cover the present month and two future months. Petitioner's premium costs for March 2019 through May 2019 were \$167.46. Given the evidence, Petitioner was short on her premiums for the benefit months.

Petitioner did make a premium payment on June 3, 2019, for \$82. As of June 3, 2019, MDHHS had already initiated closure of Petitioner's case on May 17, 2019. The closure of Petitioner's Medicaid required timely notice. A timely notice is mailed at least 11 days

¹ Bridges is the database used by MDHHS specialists.

before the date the intended negative action takes effect to give the client a chance to correct and/or react to the proposed action. BAM 220 (April 2019), pp. 4-5. In the present case, Petitioner had until the end of May 2019 to correct any shortfall in premiums. Petitioner's payment on June 3, 2019 was too late to change the closure.

Given the evidence, MDHHS properly terminated Petitioner's Medicaid eligibility under FTW. Petitioner's recourse is to reapply for benefits.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly terminated Petitioner's Medicaid benefits beginning June 2019. The actions taken by MDHHS are **AFFIRMED**.

CG/jaf



Christian Gardocki

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 First Class Mail
Petitioner

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

Via Email
DHHS

Jeanenne Broadnax
MDHHS-Wayne-18-Hearings

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EQAD