



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED], MI [REDACTED]

Date Mailed: September 25, 2019
MOAHR Docket No.: 19-007960
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, an in-person hearing was held on September 11, 2019, from Allegan, Michigan. Petitioner was represented by his attorney Katie Lynwood, and his spouse [REDACTED] testified on his behalf. The Department was represented by Assistant Attorney General Kyle A. Bruckner. Laurel Palermo and Megan Sterk testified on behalf of the Department.

ISSUE

Did the Department of Health and Human Services (Department) properly close Petitioner's Medical Assistance (MA) 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 Medical Assistance (MA) recipient in a disability related category of benefits when the Department initiated a review of his eligibility for ongoing benefits.
2. On May 22, 2019, the Department sent Petitioner a Medical Determination Verification Checklist (DHS-3503-MRT) requesting, among other things, verification of a pending application with the Social Security Administration. Exhibit A, pp 5-6.
3. On or around May 24, 2019, the Department received verification that an application for disability benefits had been initiated on the Social Security Administration's web site. Exhibit A, p 7.

4. On May 28, 2019, the Department initiated a collateral contact with the Social Security Administration with a Verification of Application or Appeal for SSI/RSDI (DHS-1552). Exhibit A, p 8.
5. On June 27, 2019, the Department received verification that an application for disability benefits with the Social Security Administration had been started on May 24, 2019, but that it was not submitted. Exhibit A, p 8-9.
6. On July 12, 2019, the Department's Medical Review Team (MRT) declined to make a determination of disability on Petitioner's case. Exhibit A, p 11.
7. On July 16, 2019, the Department notified Petitioner that he was not eligible for Medical Assistance (MA) effective August 1, 2019. Exhibit A, pp 12-14.
8. On July 30, 2019, the Department received Petitioner's request for a hearing protesting the closure of Medical Assistance (MA) benefits. Exhibit A, pp 1-3.

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.

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (January 1, 2019), p 9.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (April 1, 2017), pp 1-10.

Reinstatement restores a closed program to active status without completion of a new application. Closed programs may be reinstated for complying with program requirements before the negative action date. Department of Health and Human Services Bridges Administrative Manual (BAM) 205 (January 1, 2018), p 1.

A client that claims to have a disability lasting longer than 90 calendar days must apply for or appeal benefits through the Social Security Administration as a condition of program eligibility. Department of Health and Human Services Bridges Administrative Manual (BAM) 815 (April 1, 2018), p 1.

As a condition of eligibility, individuals must apply for any state and/or federal benefits for which they may be eligible. This includes taking action to make the entire benefit amount available to the group. Any action by the individual member to restrict the amount of the benefit made available to the group causes ineligibility. Department of Health and Human Services Bridges Eligibility Manual (BEM) 270 (January 1, 2018), p 1.

Petitioner was an ongoing MA recipient in a disability-based category of benefits based on a finding by the MRT that his impairments prevented any work-related activities for more than 90 days. As part of its determination of Petitioner's eligibility for ongoing MA benefits, the Department requested verification that he had a pending application for SSI or RSDI benefits, or that there was a pending appeal of a denied application, as directed by BAM 815.

On or around May 24, 2019, the Department received verification that an application for disability benefits had been initiated on the Social Security Administration's web site. Since the information the Department received was not sufficient to verify that there was a pending application with the Social Security Administration, the Department made a collateral contact to verify the application status. On June 27, 2019, the Department received verification that an application for disability benefits had been started on April 24, 2019, it had not been submitted.

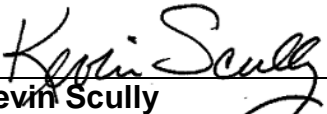
The record evidence supports a finding that Petitioner did not have a pending application for disability benefits on file with the Social Security Administration or a pending appeal of a denied application. Petitioner failed to verify that he was seeking all benefits that were available to him, and he failed to comply with program requirements before the negative action date.

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 acted in accordance with Department policy when it closed Petitioner's Medical Assistance (MA) benefits because he does not meet the non-financial criteria for a disability-based categories of assistance.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/hb



Kevin Scully
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
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Petitioner

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