



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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Date Mailed: September 26, 2019
MOAHR Docket No.: 19-008575
Agency No.: ██████████
Petitioner: ██████████

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 September 23, 2019, from Detroit, Michigan. The Petitioner was self-represented. The Department of Health and Human Services (Department) was represented by ██████████, Hearings Facilitator.

ISSUE

Did the Department properly deny Petitioner's Application for Medical Assistance (MA) Program benefits and close Petitioner's Medicare Savings Program (MSP) 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 a recipient of the MSP from February 2019.
2. On April 5, 2019, the Department received Petitioner's Application for MA benefits.
3. On April 9, 2019, the Department completed a review of Petitioner's State Online Query (SOLQ), an interface with the Social Security Administration accessible by the Department to aid it in determining a client's Social Security Benefit and Medicare participation, which showed that Petitioner was a recipient of Retirement Survivors Disability Insurance (RSDI) benefits in the amount of ██████████ per month and a recipient of the MSP since February 2019.

4. On the same day, the Department completed an Asset Detection showing that Petitioner had a Savings and Checking Account with [REDACTED]
5. On June 13, 2019, the Department issued a Verification Checklist (VCL) to Petitioner requesting proof of his savings account by June 24, 2019.
6. On July 16, 2019, the Department issued a Verification of Assets for his bank account to Petitioner and a VCL requesting proof of Petitioner's home ownership by July 26, 2019.
7. On July 29, 2019, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner informing him that his MA Application had been denied effective January 1, 2019 and his MSP benefits would close effective September 1, 2019 because he failed to submit the requested verification of his savings account and home ownership.
8. The Department received verification of home ownership at a later date.
9. On August 1, 2019, the Department received Petitioner's request for hearing disputing the denial of his Application and closure of his MSP benefits in addition to copies of his bank statement from Financial Plus Credit Union for July 2019 and a blank Verification of Assets form.

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, Petitioner disputes the denial of his MA Application and closure of his MSP benefits for failure to verify requested items. The Department is required to verify household circumstances at Application, Redetermination, and for reported changes affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. The Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Typically to accomplish this objective, the Department issues a VCL or a specific

form to be filled out. In MA cases, the Department provides the client with ten calendars to provide the requested items. BAM 130, p. 8. The deadline can be extended up to two times so long as the client has made a reasonable effort, the Department has attempted to assist, and the client has requested the extension. *Id.* Case action notices are sent when the client indicates a refusal to provide a verification or when the time period given has lapsed. *Id.*

Assets are used in determining eligibility for MA and MSP benefits. BEM 400 (January 2019), pp. 1, 6-8. Therefore, the Department's attempt to verify Petitioner's bank accounts and property ownership are in accordance with Department policy.

Petitioner admits having received the VCL and Verification of Assets form but indicated that he did not understand the documents. Petitioner did not make any effort to clarify what the Department expected or needed from him. He simply failed to act. Since Petitioner took no measures to comply with the Department's request, did not request an extension, and did not provide the requested verifications by the first or second deadline, the Department properly closed Petitioner's MSP benefits and denied his MA Application.

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 MSP benefits and denied his MA Application.

DECISION AND ORDER

Accordingly, the Department's decision is **AFFIRMED**.

AM/tm



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 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

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Petitioner

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

CC:

[REDACTED]
[REDACTED]