



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: October 3, 2019
MOAHR Docket No.: 19-008930
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 October 2, 2019, from Detroit, Michigan. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Jeffrey Robinson, manager.

ISSUE

The issue is whether MDHHS properly terminated Petitioner's Medicaid eligibility beginning September 2019.

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 February 2019, Petitioner was an ongoing Medicaid recipient.
2. On February 21, 2019, MDHHS mailed Petitioner a Wage Match Client Notice concerning employment. Exhibit A, p. 9.
3. On February 27, 2019, Petitioner returned to MDHHS a completed Wage Match Client Notice. Exhibit A, p. 10.
4. On July 26, 2019, MDHHS terminated Petitioner's Medicaid eligibility beginning September 2019 due to Petitioner's alleged failure to return the Wage Match Client Notice dated February 21, 2019.

5. On August 14, 2019, Petitioner requested a hearing to dispute the termination of Medicaid.
6. On August 21, 2019, MDHHS requested verification of voluntary child support from Petitioner. Exhibit A, pp. 18-19.
7. As October 2, 2019, MDHHS had not reinstated Petitioner's Medicaid eligibility and pended Petitioner's eligibility until she returned verification of child support income.

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. A Health Care Coverage Determination Notice dated July 26, 2019, stated that Petitioner's Medicaid coverage would close beginning September 2019 due to a failure to verify information. MDHHS testimony clarified that Petitioner specifically failed to return a Wage Match Notice dated February 21, 2019.

MDHHS submits client Social Security Numbers to the Talent Investment Agency quarterly to be cross-matched with the work history records submitted by Michigan employers. BAM 802 (July 2018), p. 1. This information is compared to the client's gross earnings record in MDHHS' database. *Id.* MDHHS is to reconcile each match on the alert by verifying the client's work history stated on the application or other information in the client's case record. *Id.*, p. 2. Specialists are to request verification of the wage match earnings by generating a DHS-4638, Wage Match Client Notice. *Id.* The DHS-4638 automatically gives the client 30 days to provide verification. *Id.* If the information is returned, specialists are to update the client's case with the returned information. *Id.*

MDHHS mailed Petitioner a Wage Match Client Notice on February 21, 2019. Exhibit A, p. 9. The due date for Petitioner to return information was March 23, 2019. Petitioner returned the documentation to MDHHS on February 27, 2019. Thus, Petitioner complied with the Wage Match Client Notice. MDHHS testimony acknowledged that Petitioner complied with her procedural requirements. MDHHS testimony further acknowledged that Petitioner's Medicaid case should not have been closed on July 26, 2019.

If MDHHS wrongly closes a case, a client is entitled to receive the same benefits he/she would receive as if MDHHS had not closed the case. Had MDHHS not terminated Petitioner's Medicaid eligibility, her case would be open and active. Instead, Petitioner's case is inactive and awaiting verifications.

MDHHS contended that Petitioner needs to submit verification of voluntary child support before her case can be activated. MDHHS requested the verification from Petitioner via Verification Checklist on August 21, 2019. MDHHS' need to verify voluntary child support from Petitioner is a separate matter from the remedy for the wrongful termination. Perhaps MDHHS is justified in requesting verification of child support income, but no known justification exists for using the request to delay a reinstatement of Medicaid benefits. Once Petitioner's Medicaid eligibility is reinstated, MDHHS could reclose Petitioner's Medicaid if she fails to comply with the VCL, but no known policy justifies suspending the benefits pending the outcome of the VCL. Thus, MDHHS will be ordered to reinstate Petitioner's Medicaid eligibility.


DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS improperly terminated Petitioner's Medicaid eligibility. It is ordered that MDHHS begin to perform the following actions within 10 days of the date of mailing of this decision:

- (1) Reinstate Petitioner's Medicaid eligibility beginning September 2019 to an active status (i.e. Medicaid benefits are available to Petitioner); and
- (2) Issue notice in accordance with policy.

The actions taken by MDHHS are **REVERSED**.

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

DHHS (via electronic mail)

Linda Gooden
MDHHS-Oakland-6303-Hearings
BSC4
D Smith
EQAD

Petitioner (via first class mail)

[REDACTED]
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MI [REDACTED]