



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED]

Date Mailed: December 4, 2019
MOAHR Docket No.: 19-010982
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: John Markey

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 December 2, 2019 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) was represented by Markita Mobley, Hearings Facilitator. During the hearing, a 17-page packet of documents was offered and admitted into evidence as Exhibit A, pp. 1-17.

ISSUE

Did the Department properly close the Medicaid (MA) case of Petitioner and Shakiba Parvin, effective October 1, 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. Petitioner was an ongoing recipient of MA benefits under the Group 2 Caretaker (G2C) program. [REDACTED] is Petitioner's daughter and was an ongoing recipient of MA benefits as well.
2. In late July 2019, the Department received a notification from its asset detection program that Petitioner had checking accounts at [REDACTED] ([REDACTED] and [REDACTED] Bank ([REDACTED])) with substantial holdings therein. The [REDACTED] account had already been reported and verified to the Department, but the Department was previously unaware of the [REDACTED] account. Exhibit A, pp. 6-8.

3. On [REDACTED], 2019, the Department issued to Petitioner a Verification Checklist requesting information related to Petitioner's checking accounts. Issued along with the Verification Checklist were two documents titled "Verification of Assets," one to be filled out with information from [REDACTED] and the other to be filled out with information from [REDACTED]. Proofs were due back by September 3, 2019. Exhibit A, pp. 5; 9-12.
4. Petitioner did not return anything to the Department by September 3, 2019.
5. On [REDACTED], 2019, the Department issued to Petitioner a Health Care Coverage Determination Notice informing Petitioner that the MA benefits cases of Petitioner and her daughter were closing, effective [REDACTED], 2019, due to Petitioner's failure to provide timely verifications. Exhibit A, pp. 14-16.
6. On [REDACTED], 2019, Petitioner submitted to the Department a request for hearing objecting to the Department's action.

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 and her minor daughter, [REDACTED], were ongoing recipients of MA benefits from the Department. In July 2019, the Department became aware of a previously unreported checking account held in Petitioner's name. Because Petitioner's eligibility for MA benefits was subject to an asset limitation, the Department required Petitioner to provide proof of the assets Petitioner held in both the newly discovered account and the already reported account. After Petitioner failed to timely respond to the Verification Checklist requesting the information, the Department issued to Petitioner a [REDACTED] 2019 Health Care Coverage Determination Notice informing Petitioner that the MA benefits cases of Petitioner and her daughter were closing, effective [REDACTED], 2019. Petitioner timely requested a hearing to contest the Department's action.

Petitioner and her daughter were both enrolled in MA programs that had asset limits. BEM 132 (April 2018), p. 2; BEM 135 (October 2015), p. 2. Verification of eligibility-related factors is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (April 2017), p. 1. Additionally, the Department must obtain verification when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130, p. 1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. When: (1) the client indicates a refusal to provide a verification OR (2) the time period given has elapsed and the client has not made a reasonable effort to provide it, the Department sends a negative action notice. BAM 130, p. 8. Timely notice is required to reduce or terminate benefits. BAM 130, p. 9. Timely notice is mailed at least 11 days before the intended negative action take effect. BAM 220 (April 2019), pp. 4-5. The negative action is pended to provide the client a chance to react to the proposed action. BAM 220, p. 5.

Upon receiving the asset detection notice, the eligibility-related factor of asset eligibility was unclear, incomplete, and arguably contradictory. Accordingly, the Department properly issued the ██████████ 2019 Verification Checklist and accompanying documents to Petitioner at her address of record. Petitioner did not respond to the request for information, causing the Department to issue the ██████████, 2019 Health Care Coverage Determination Notice closing the MA cases, which was not effective until ██████████ 2019.

The Department's ██████████, 2019 Health Care Coverage Determination Notice constituted timely notice of closure, effective ██████████, 2019. Additionally, the decision to close was correct as Petitioner failed to respond to a legitimate request for information by the deadline. Because the Department made the correct decision in a proper manner, the Department's decision must be upheld.

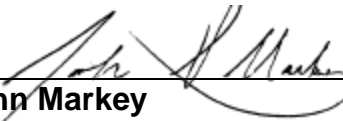
Petitioner argued during the hearing that the decision should be reversed because she was out of town working and did not receive the Verification Checklist until it was too late. However, Petitioner admitted that she did not provide the Department with any other address to send correspondence or otherwise communicate with the Department to ensure that she would receive important correspondence while away from home. It is ultimately Petitioner's responsibility to ensure that the Department is aware of changes in circumstances, including those concerning communication.

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 the MA benefits cases of Petitioner and ██████████, effective ██████████, 2019.

DECISION AND ORDER

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

JM/tm



John Markey

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

Keisha Koger-Roper
12140 Joseph Campau
Hamtramck, MI
48212

Petitioner

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

cc: ME—D. Smith; EQADHShearings
AP Specialist-Wayne County