



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], MI [REDACTED]

Date Mailed: January 6, 2020  
MOAHR Docket No.: 19-012002  
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, a telephone hearing was held on December 12, 2019, from Lansing, Michigan. Petitioner was represented by his mother [REDACTED]. The Department of Health and Human Services was represented by Amber Gibson.

### **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 under the Freedom to Work (FTW) category.
2. On July 12, 2019, Petitioner was sent a notice that his \$55.68 Freedom to Work premium was due July 5, 2019, and Medical Assistance (MA) would close if payment was not received by July 31, 2019. Exhibit A, p 4.
3. On July 31, 2019, Petitioner was sent an invoice for a \$165.78 Freedom to Work premium due September 5, 2019, and that Medical Assistance (MA) would close if payment was not received. Exhibit A, p 5.
4. On August 1, 2019, the Petitioner received notice that a \$55.60 payment was received leaving \$0.08 unpaid. Exhibit A, p 7.
5. On August 16, 2019, the Department notified Petitioner that he was not eligible for Medical Assistance (MA) as of September 1, 2019. Exhibit A, pp 10-13.

6. On October 28, 2019, the Department received Petitioner's request for a hearing. Exhibit A, p 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.

Freedom to Work is a disability related category of Medicaid available to clients age 16 through 64 who have earned income. Nonpayment of premium will close the Freedom to Work category. Department of Health and Human Services Bridges Eligibility Manual (BEM) 174 (January 1, 2017), p 3.


Petitioner was an ongoing recipient of MA benefits under the FTW category when notice was sent that failing to pay the FTW premium would result in closure of those benefits. It was not disputed that the FTW premium was not paid in a timely manner, and on August 16, 2019, the Department notified Petitioner that his MA benefits would close.

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.

### **DECISION AND ORDER**

Accordingly, the Department's decision is AFFIRMED.

KS/hb

  
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**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  
Lansing, Michigan 48909-8139

**DHHS**

Amber Gibson  
5303 South Cedar  
PO BOX 30088  
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Ingham County, DHHS

BSC2 via electronic mail

D. Smith via electronic mail

EQADHS via electronic mail

**Petitioner**

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