



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: March 9, 2020  
MOAHR Docket No.: 20-000715  
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 March 9, 2020 from Detroit, Michigan. Petitioner appeared and represented herself. The Department of Health and Human Services (Department) failed to appear for the hearing.

### **ISSUE**

Did the Department properly deny Petitioner's [REDACTED] 2019 application for 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. On [REDACTED] 2019, Petitioner applied for MSP benefits.
2. On January 6, 2020, Petitioner was notified that her application was denied.
3. On [REDACTED], 2020, Petitioner submitted to the Department a request for hearing objecting to the Department's denial of her MSP application.

### **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 submitted a [REDACTED], 2020 hearing request contesting the Department's January 6, 2020 denial of Petitioner's [REDACTED], 2019 application for MSP benefits. Upon receiving the hearing request, the Department put together a hearing summary and hearing packet and forwarded the matter to the Michigan Office of Administrative Hearings and Rules (MOAHR). In the section titled "Explanation of actions taken and facts and fact sources used in taking action," the Department stated as follows:

Client submitted a hearing request on 01/23/2020 regarding her Medicaid cost Share denial (EX. A hearing request) Client applied for assistance with paying her Medicare premium on ([REDACTED]/2019) (EX. B application). On (01/06/2020) client was denied for assistance with her Medicaid cost share premium (EX C health care coverage determination notice) Client current gross income for RSDI is \$1746 (EX. D SOLQ) Per policy client exceed the limit. (EX. E policy and bridges screen print showing failed income limit) Client was scheduled a pre-hearing conference for 01/30 at 8:30am (EX. F pre-hearing conference notice) Client completed pre-hearing conference on 01/28/2020 with supervisor over the phone in which the client requested to move forward with the hearing. Client has requested to have a over the phone hearing due to physical limitations.

Upon receiving the hearing summary and hearing packet, MOAHR scheduled the matter for a hearing before an Administrative Law Judge. A Notice of Hearing was issued to the parties on February 25, 2020 informing them of the hearing taking place on March 9, 2020 at 10:00 am. The parties were informed that the hearing would be held via a three-way teleconference, with Petitioner being reached at her telephone number of record. On March 9, 2020, the Department was informed via email that Petitioner's hearing was ready to go and requested a phone number at which the Department could be contacted in order to participate in the hearing. The Department received that email and opened it well before the hearing time. However, the Department did not respond to the message or otherwise provide a call-back number. The hearing was held in the Department's absence after providing the Department with 30 minutes to appear.

Clients have the right to contest a Department decision affecting eligibility or benefit levels, including termination of program benefits, when the client believes the decision is incorrect. BAM 600 (October 2018), pp. 1, 5. When a hearing request is filed, the matter is transferred to the Michigan Office of Administrative Hearings and Rules (MOAHR) for a hearing before an Administrative Law Judge. BAM 600, p. 1. In preparation for the hearing, the Department is required to send to MOAHR and the client a hearing summary. BAM 600, pp. 9-10, 24. The hearing summary is required to include a clear, concise statement of the case action taken, a chronological summary of events, and citations to relevant law and policy, amongst other things. BAM 600, p. 10. Additionally, a hearing packet must be prepared to send along with the hearing summary. BAM 600, p. 10. The completed hearing packet must include, at a minimum, the relevant Notice of Case Action or Health Care Coverage Determination Notice and a copy of all documents the Department intends to offer to support its action. BAM 600, p. 10.

At the hearing, the Department representative and client are tasked with presenting their respective cases with reference to the documents provided in the hearing packet or otherwise properly served under the Michigan Administrative Rules. BAM 600, p. 37. After hearing the evidence, the Administrative Law Judge has the duty to review the evidence presented and based on that evidence, determine whether the Department met its burden of proving that the challenged actions were taken in compliance with law and Department policy. BAM 600, p. 39.

Petitioner's hearing request concerned the Department's denial of Petitioner's application for MSP benefits. As the Department failed to appear for the hearing and the documents in the hearing packet were not offered into evidence, the record remains unclear as to what actions were taken, when they were taken, and why they were taken.

As stated above, the Department bears the burden of proving that its actions were taken in compliance with law and policy when those actions are properly contested via a valid hearing request. Petitioner filed a valid hearing request contesting actions taken by the Department with respect to her MSP application. The Department presented zero evidence to substantiate its actions. Thus, Petitioner's testimony is taken as true, and the actions contested by Petitioner's hearing request are reversed.

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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's application for MSP benefits.

### **DECISION AND ORDER**

Accordingly, the Department's decisions are **REVERSED**.

THE DEPARTMENT IS ORDERED TO BEGIN DOING THE FOLLOWING, IN ACCORDANCE WITH DEPARTMENT POLICY AND CONSISTENT WITH THIS HEARING DECISION, WITHIN 10 DAYS OF THE DATE OF MAILING OF THIS DECISION AND ORDER:

1. Reregister and process Petitioner's [REDACTED], 2019 MSP application;
2. If any eligibility-related factors remain unclear, inconsistent, or contradictory, follow Department policy in issuing verifications checklists that clearly request the information required;
3. Determine Petitioner's eligibility for MSP benefits;
4. If Petitioner is eligible for additional benefits that were not provided, promptly issue supplements to Petitioner; and
5. Provide Petitioner with adequate written notice of its decisions that accurately convey to Petitioner the actions taken by the Department and the reason(s) for the actions.

JM/tm



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**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**

Richard Latimore  
4733 Conner  
Detroit, MI  
48215

**Petitioner**

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

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