



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

[REDACTED]

Date Mailed: May 21, 2020
MOAHR Docket No.: 20-001246
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 May 14, 2020, from Trenton, Michigan. Petitioner did not participate. [REDACTED] Petitioner's daughter, testified and participated as Petitioner's authorized hearing representative (AHR). The Michigan Department of Health and Human Services (MDHHS) was represented by Daniel Davis, supervisor.

ISSUE

The issue is whether MDHHS properly denied Petitioner's application for Medical Assistance (MA).

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 Medicaid and Medicare Savings Program (MSP).
2. On December 18, 2019, MDHHS mailed Petitioner a Verification Checklist requesting proof of a checking account, savings account, and retirement benefits by December 30, 2019.
3. On January 2, 2020 MDHHS denied Petitioner's request for Medicaid and MSP due to a failure to timely return verifications.
4. As of January 2, 2020, Petitioner had not returned the requested verifications.

5. On January 31, 2020, Petitioner requested a hearing to dispute the denials of Medicaid and MSP.

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 denied requests for MSP and Medicaid. Exhibit A, p. 3. A Health Care Coverage Determination Notice dated January 2, 2020, stated that Petitioner's MSP and Medicaid requests were denied due to a failure to verify a savings account, checking account, and unearned income. MDHHS clarified that retirement benefits were the type of unearned income which allegedly went unverified.

Medicaid is also known as Medical Assistance (MA). BEM 105 (April 2017), p. 1. The Medicaid program includes several sub-programs or categories. *Id.* To receive MA under a Supplemental Security Income (SSI)-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. *Id.* Medicaid eligibility for children under 19, parents or caretakers of children, pregnant or recently pregnant women, former foster children, MOMS, MICHild and Healthy Michigan Plan (HMP) is based on Modified Adjusted Gross Income (MAGI) methodology. *Id.*

Whether a person is eligible for a MAGI or SSI-related Medicaid category is dictated by factors such as receipt of Medicare, age, disability, pregnancy status, and minor children. Petitioner's request for MSP verifies her as a recipient of Medicare (which renders her ineligible for HMP). Other presented evidence suggested that Petitioner is over 19 years, has no minor children, and is not pregnant. Under such circumstances, Petitioner is eligible only for Medicaid under an SSI-related category.

MSP is an SSI-related Medicaid category. BEM 165 (January 2018) p. 1. For SSI-related MA, cash assets, such as savings and checking accounts, are countable. BEM 400 (July 2019) p. 2. MDHHS is to verify countable assets at application. *Id.*, p. 61. For all programs, gross retirement benefits are countable. BEM 503 (January 2020) p. 29. MDHHS is to verify countable income at application. *Id.*, p. 41. Thus, MDHHS was authorized to require verification of Petitioner's assets and income.

For all programs, MDHHS is to tell the client what verification is required, how to obtain it, and the due date. BAM 130 (April 2017), p. 3. MDHHS is to use the DHS-3503, Verification Checklist (VCL), to request verification. *Id.* MDHHS is to allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. *Id.*, p. 7. MDHHS is to send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it. *Id.*

MDHHS mailed Petitioner a Verification Checklist dated December 18, 2019, requesting Petitioner's savings, checking, and pension information. Exhibit A, pp. 4-5. A supervisor testified that Petitioner's submission history indicated that MDHHS did not receive Petitioner's verifications by the VCL due date of December 30, 2019.¹

Petitioner's AHR testified that she submitted several applications and verifications to MDHHS over the past several months. She specifically testified that she went to the MDHHS office on [REDACTED] 2019 and dropped off the requested verifications. She further testified that she possessed date-stamped copies of her submissions. Verifications with a MDHHS office stamp dated from before the VCL due date is compelling evidence of a timely submission; however, Petitioner's AHR failed to prove her testimony. Petitioner did not submit her copies to MDHHS before the hearing. Nevertheless, Petitioner's AHR was given through the hearing date to email a copy of her date-stamped verifications. After the hearing, Petitioner emailed her regrets that she was unable to submit the documents that she testified to possessing.


Given the evidence, Petitioner did not timely submit properly requested verifications of assets or income. Thus, the denial of her application requesting Medicaid and MSP were proper. Petitioner's recourse is to reapply for benefits.

¹ Petitioner submitted verification of her bank account to MDHHS on [REDACTED] 2020, along with her hearing request. However, Petitioner's submission was too tardy to resurrect her denied application.

DECISION AND ORDER

The administrative law judge, based upon the above findings of fact and conclusions of law, finds that MDHHS properly denied Petitioner's Medicaid and MSP requests dated [REDACTED] 2019. The actions taken by MDHHS are **AFFIRMED**.

CG/cg



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

Via Email:

MDHHS-Berrien-Hearings
D. Smith
EQAD
BSC3- Hearing Decisions
MOAHR

**Petitioner –
Via First-Class Mail:**

[REDACTED]

**Authorized Hearing Rep. –
Via First-Class Mail:**

[REDACTED]