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

ORLENE HAWKS DIRECTOR



Date Mailed: April 5, 2022

MOAHR Docket No.: 22-000290

Agency No.: Petitioner:

#### 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 hearing was held via telephone conference line on March 30, 2022. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS) was represented by Alaric Edgeworth, specialist.

## **ISSUE**

The issue is whether MDHHS properly denied Petitioner's application for 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. On 2021, Petitioner applied for MA benefits and reported non-disability, non-pregnancy, ongoing biweekly employment income, being 19-64 years old, and no other persons in the household.
- 2. On November 29, 2021, MDHHS mailed Petitioner a Verification Checklist (VCL) requesting 30 days of income verification by December 9, 2021.
- 3. On December 9, 2021, Petitioner returned to MDHHS documentation verifying two weeks of employment income.
- 4. On December 27, 2021, MDHHS mailed Petitioner an Employment Verification Form to be returned by January 6, 2022.

- 5. On 2022, MDHHS denied Petitioner's MA application due to not receiving 30 days of employment income verification.
- 6. As of January 6, 2022, Petitioner had not returned 30 days of employment income verification to MDHHS.
- 7. On January 25, 2022, Petitioner requested a hearing to dispute the denial of MA benefits.

## **CONCLUSIONS OF LAW**

The 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. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k. MA 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 denied application for MA benefits. Exhibit A, pp. 3-7. A Health Care Coverage Determination Notice dated 2022, stated that Petitioner was denied due to failing to verify information. Exhibit A, pp. 20-22. MDHHS testimony clarified that Petitioner specifically failed to verify 30 days of employment income.<sup>2</sup>

For all programs other than MA for children under 19 years, employment income is required at application. BEM 501 (July 2021) p. 10. MDHHS is to budget non-child support income from the past 30 days if it appears to accurately reflect what is expected to be received in the benefit month. BEM 505 (November 2021) p. 6.

For all programs, MDHHS is to inform the client what verification is required, how to obtain it, and the due date. BAM 130 (July 2021) p. 3. MDHHS is to use a VCL to request verification. *Id.* For MA, MDHHS is to allow the client 10 calendar days to provide the verification that is requested. *Id.*, p. 8. MDHHS may send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed. *Id*.

Petitioner properly reported receiving employment income on her MA application In response, MDHHS mailed Petitioner a VCL on November 29, 2021, requesting

<sup>&</sup>lt;sup>1</sup> The notice also stated that Petitioner was denied MA due to Petitioner's benefit group having no eligible children. MDHHS provided no evidence to support a proper denial of MA based on this reason.

<sup>&</sup>lt;sup>2</sup> MDHHS initially claimed that Petitioner's application was also justified due to the employer not being listed on the pay document received. MDHHS testimony acknowledged that Petitioner's pay document indeed included employer information.

verification of 30 days of income by December 9, 2021. Exhibit A, pp. 14-15. Petitioner responded by submitting one pay document verifying two weeks of employment income. Exhibit A, p. 19. MDHHS followed-up by sending Petitioner an Employment Verification Form on December 27, 2021, as a means to inform Petitioner that her submission was insufficient. Exhibit A, pp. 16-18. It was not disputed that Petitioner did not return the requested 30 days of income verifications before the application denial date of 2022, or the due date of the Employment Verification Form on January 6, 2022.

MDHHS acknowledged receiving additional income documents from Petitioner in March 2022. Petitioner's eventual compliance does not allow MDHHS to resurrect the denied application.

Given the evidence, MDHHS properly requested proof of Petitioner's employment income. The evidence also established that Petitioner failed to timely verify employment income. Thus, MDHHS properly denied Petitioner's application for MA benefits. As discussed during the hearing, Petitioner's recourse is to reapply for MA benefits.

## **DECISION AND ORDER**

The	administrative la	w judge, ba	ased upon the	above findings	of fact and	conclusions	of
law,	finds that MDHF	<b>IS</b> properly	denied Petitic	ner's application	n requesting	g MA benefit	ts.
date	ed	2021. The	actions taken b	by MDHHS are	AFFIRMED.		

CG/mp

Christian Gardocki

Administrative Law Judge

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**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

**Email Recipients:** MDHHS-Wayne-17-hearings

EQADhearings C. George MOAHR BSC4

**First-Class Mail Recipient:** 

