



GRETCHEN WHITMER  
GOVERNOR

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

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DIRECTOR

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Date Mailed: March 15, 2024  
MOAHR Docket No.: 23-009443  
Agency No.: ██████████  
Petitioner: █████ █████

**ADMINISTRATIVE LAW JUDGE: Colleen Lack**

**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 February 14, 2024, from Lansing, Michigan. █████ █████ the Petitioner, appeared on his own behalf. The Department of Health and Human Services (Department) was represented by Sara Estes, Hearing Facilitator.

During the hearing proceeding, the Department's Hearing Summary packet was admitted as Exhibit A, pp. 1-86.

**ISSUE**

Did the Department properly determine Petitioner's eligibility for Medical Assistance (MA) and the Medicare Savings Program (MSP)?

**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 June █████ 2023, Petitioner submitted an online Redetermination form. Petitioner reported assets of checking and savings accounts, two stocks/mutual funds accounts, a burial plot, and a vehicle. Petitioner reported his income was from interest and dividends. (Exhibit A, pp. 14-17)
2. On July █████ 2023, Petitioner submitted a paper Redetermination form with several verifications. Petitioner reported assets of a vehicle. Petitioner reported his income included interest and dividends as well as Retirement Survivors Disability Income (RSDI). Additional submitted documentation was the Beneit Verification Letter for

the RSDI income, Sovita checking and savings account statement for June 2023, utility bill, July 1, 2023 account balance receipt, expense receipts for a service animal, and vehicle financing information. (Exhibit A, pp. 18-39)

3. On July █ 2023, a Verification Checklist was issued to Petitioner requesting verification of assets, interest and dividends income, and proof of all earned and unearned income. A comment was added explaining the asset verifications needed are current bank statement for █ checking and savings account, current statement for stocks/bonds/mutual funds at █ and █ financial, and verification of the burial plot. The due date was July 31, 2023. (Exhibit A, pp. 40-41)
4. On July █ 2023, Petitioner submitted verifications of █ document for trust interest shares as of April 27, 2023, June 2023 █ checking and savings account statement with a notation that the █ deposit is on the second page, █ Financial document for the value of his stock share as of April 27, 2023, and verification of burial plot. (Exhibit A, pp. 43-48)
5. On August █ 2023, a Health Care Coverage Determination Notice was issued denying MA and the Medicare Savings Program (MSP) effective October 1, 2023 based on a failure to provide verification of income. (Exhibit A, pp. 49-52)
6. On August █ 2023, a Verification Checklist was issued to Petitioner requesting verification of checking and savings account, interest and dividend income, as well as stocks, bonds and mutual funds. The due date was September 5, 2023. (Exhibit A, pp. 53-54)
7. On August █ 2023, a Verification Checklist was issued to Petitioner requesting verification of trust account. The due date was September 8, 2023 (Exhibit A, pp. 55-56)
8. On September █ 2023 Petitioner submitted verifications of June and July 2023 █ checking and savings account statement with a notation on the June statement that the █ deposit is on the second page, █ document for trust interest shares as of May 10, 2022, verification of burial plot, █ document about bank payment information, and █ Financial document dated October 25, 2017 stating they have not declared any dividend payments. (Exhibit A, pp. 57-68)
9. Department records indicate a trust was previously reported but verification had never been provided. (Exhibit A, pp. 4 and 86)
10. On September █ 2023, a Verification Checklist was issued to Petitioner requesting a copy of the original trust papers and any changes made. The due date was September 25, 2023. (Exhibit A, pp. 69-72)
11. On September █ 2023, Petitioner submitted verifications of █ document for trust interest shares as of April 27, 2023 and documentation of a dividend paid

September 14, 2023, ██████████ Financial document for the value of his stock share as of April 27, 2023. (Exhibit A, pp. 73-76)

12. On October █ 2023, a Health Care Coverage Determination Notice was issued to Petitioner denying MSP benefits as of October 1, 2023, based on a failure to return verification. The verification not received was the trust document. (Exhibit A, pp. 5 and 77-79)
13. On October █ 2023, a Health Care Coverage Determination Notice was issued to Petitioner denying MA benefits as of November 1, 2023. An incorrect denial reason was listed on the notice, The denial was based on a failure to return verification of the trust document. (Exhibit A, pp. 5 and 81-83)
14. On October █ 2023, Petitioner indicated he wanted to appeal a Health Care Coverage Determination Notice. (Exhibit A, pp. 11-12)
15. On December 14, 2023, Petitioner filed a hearing request contesting the Department's determination. (Exhibit A, pp. 7-10)

### **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 general, verification is to be obtained when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. The Department must tell the client what verification is required, how to obtain it, and the due date. The client must obtain required verification, but the Department must assist if the client needs and requests help. If neither the client nor the Department can obtain verification despite a reasonable effort, the Department should use the best available information. If no evidence is available, the Department is to use their best judgment. BAM 130, January 1, 2023, pp. 1-4.

For MA, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the

verification despite a reasonable effort, the Department can extend the time limit up to two times when specific conditions are met. Verifications are considered timely if received by the date they are due. The Department is to send a case action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 8-9.

In this case, the denial of MA and MSP benefits for Petitioner was based on a failure to provide the requested verification of trust documents. (Exhibit A, pp. pp. 5, 77-79, and 81-83) Petitioner's testimony indicated the Department had not been clear about what it was requesting. (Petitioner Testimony). However, the September ■ 2023 Verification Checklist specifically requested a copy of the original trust papers and any changes made. In the Other section of the Verification Checklist, the Department further requested that Petitioner provide the actual trust documents that Petitioner signed as the grantor/settlor/creator. The due date was September 25, 2023. (Exhibit A, pp. 69-72).

Petitioner's testimony indicated that the ■ shares were from his aunt. Petitioner asserted that he does not have any trust documentation other than the ■ statements showing the trust transfer on July 29, 2015 and trust share balance. (Exhibit A, pp. 44, 64-65, and 74-75). However, it is expected that there would be additional documentation of the trust itself.

Overall, the evidence indicates there is some form of a trust that the ■ shares are included in. The Department needed additional information regarding the trust and properly issued the September ■ 2023 Verification Checklist specifically requesting a copy of the original trust papers and any changes made. Petitioner has not provided documentation of the trust. Accordingly, the denial of MA and MSP benefits is upheld.

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 determined Petitioner's eligibility for MA and the MSP.

### **DECISION AND ORDER**

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

CL/dm

  
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Colleen Lack  
Administrative Law Judge

**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-Electronic Mail :**

**DHHS**  
Janice Collins  
Genesee County DHHS Union St  
District Office  
**MDHHS-Genesee-UnionSt-  
Hearings@michigan.gov**

**SchaferM**

**EQADHearings**

**BSC2HearingDecisions**

**MOAHR**

**Via-First Class Mail :**

**Petitioner**

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