



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES
SUZANNE SONNEBORN
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA
DIRECTOR

[REDACTED]
MI [REDACTED]

Date Mailed: March 26, 2024
MOAHR Docket No.: 24-001067
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 18, 2024, from Detroit, Michigan. Petitioner appeared for the hearing with her son, [REDACTED] and represented herself. The Department of Health and Human Services (Department) was represented by Jamila Goods, Eligibility Specialist. Mouna Sayed served as Arabic interpreter.

ISSUE

Did the Department properly process Petitioner's Medical Assistance (MA) case?

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's household includes herself, her husband [REDACTED] and five children. Petitioner and her household members were ongoing recipients of MA benefits.
2. Petitioner and the children were approved for MA under a Modified Adjusted Gross Income (MAGI-related) MA category.
3. Petitioner's husband was approved for MA under the Ad-Care program and the Medicare Savings Program (MSP) both of which are SSI-related MA categories.
4. In connection with a redetermination, the household's eligibility to receive MA benefits was reviewed.

5. On or around September 5, 2023, Petitioner submitted a redetermination for her MA case. On the redetermination, Petitioner reported that the household had various assets, including four vehicles, three of which were registered to Petitioner's name and the fourth, to her husband's name.
6. On or around October 3, 2023, the Department sent Petitioner a Verification Checklist (VCL) instructing her to submit proof of income for one of her sons, proof of self-employment income for herself, bank account asset information, and proof of vehicle values by October 13, 2023.
7. The Department did not receive all of the requested verifications by the due date.
8. On or around December 19, 2023, the Department issued a Health Care Coverage Determination Notice (Notice) advising Petitioner that effective February 1, 2024, she and her adult son [REDACTED] were approved for full coverage MA under the Healthy Michigan Plan (HMP). (Exhibit A, pp. 5-14)
 - a. The Notice further informed Petitioner that effective February 1, 2024, Petitioner's husband was ineligible for MA and MSP benefits due to a failure to provide requested verifications.
9. On or around January 31, 2024, Petitioner requested a hearing disputing the Department's action with respect to the MA program.

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 requested a hearing disputing the Department's actions with respect to the MA program. During the hearing, it was established that Petitioner and her five children have been approved for full coverage MA benefits under MAGI-related categories with no lapse in their benefits. The Department reviewed the eligibility of the six household members with full coverage MA and identified the type of coverage as well as the months of approval. The MA coverage was certified on or around December 19, 2023, and there was no evidence that Petitioner received any negative action

notices advising of the closure of MAGI-related MA for herself or her five children. However, after some discussion, it was established that Petitioner's husband [REDACTED] had previously been approved for MA under the Ad-Care program and the Medicare Savings Program (MSP) both of which are SSI-related MA categories. It was established that Mr. [REDACTED] MA and MSP cases were closed effective February 1, 2024, due to a failure to verify assets.

Asset eligibility is required for MA coverage under SSI-related MA categories, which are categories providing MA coverage to individuals who are aged, blind or disabled. This includes Ad-Care category and the Medicare Savings Program (MSP). For MAGI related MA categories such as HMP and Under Age 19 (U19), there is no asset test. BEM 400 (January 2024), p. 1-2, 6; BEM 105 (January 2022), p. 1. Vehicles are considered personal property assets. BEM 400, pp. 1-2. Vehicle value is taken into consideration for SSI-related MA asset eligibility and can be verified using the verification sources outline in BEM 400 at pp. 67-68. BEM 400, pp. 40-42, 67-68.

The Department must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes a thorough review of all eligibility factors. Redetermination, renewal, semi-annual and mid-certification forms are often used to redetermine eligibility of active programs. For MA cases, a redetermination is an eligibility review based on a reported change. A renewal is the full review of eligibility factors completed annually. The renewal month is 12 months from the date the most recent complete application was submitted. BAM 210 (October 2023), pp. 1-4. For MA cases, benefits stop at the end of the benefit period unless a renewal is completed, requested verifications are received and a new benefit period is certified. BAM 210, pp. 3-5. The Department will provide the client with timely notice of the negative action if the time limit is not met. BAM 210, p. 14. The Department will send a DHS-1606, Health Care Coverage Determination Notice, which details the information used to determine eligibility. BAM 210, p. 19-20.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2023), p.1. To request verification of information, the Department sends a verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, p. 3.

For MA cases, clients are given 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. BAM 130, pp. 7-9. If the client cannot provide the verification despite a reasonable effort, the Department is to extend the time limit to submit the verifications up to two times. BAM 130, pp. 7-9. Verifications are considered to be timely if received by the date they are due. BAM 130, pp. 7-9. The

Department will send a negative action notice when the client indicates refusal to provide a verification, or the time period given has lapsed. BAM 130, pp. 8-9.

In this case, in connection with a redetermination, MA eligibility for the household was reviewed. The Department issued several VCLs to the household requesting information regarding income, bank account assets, and vehicle value. The Department representative reviewed Petitioner's electronic case file and testified that all verifications were submitted with the exception of asset verifications, specifically, the vehicle value of four vehicles in the household. The Department representative testified that although Petitioner timely completed the redetermination and submitted some of the requested verifications, because Petitioner and her husband failed to provide verification of the value of the vehicles in the household by the due dates identified on the VCLs sent to them, the Department initiated the closure of only Mr. [REDACTED] MA and MSP cases, as he was the only household member receiving SSI-related MA and subject to the asset test.


At the hearing, Petitioner confirmed that she was aware that verification of vehicle value was requested. Petitioner testified that her husband had previously submitted proof of the vehicle value that was registered to his name years ago when the Department first asked for it. Petitioner testified that she did not submit verification of the vehicles registered to her name because she did not have any paperwork that could prove the value. There was no evidence presented that Petitioner requested an extension of time to submit the requested verifications or that Petitioner requested assistance from the Department to obtain the verifications. As such, the Department properly processed the MA case for Petitioner's husband due to a failure to provide requested verifications in a timely manner. Petitioner was informed of the acceptable verification sources for vehicle value during the hearing and was informed that her husband is entitled to submit a new application for MA/MSP benefits for his current eligibility to be determined.

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 processed Petitioner's MA benefits and closed her husband's MA/MSP cases for failure to verify.

DECISION AND ORDER

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

ZB/ml



Zainab A. Baydoun
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
Susan Noel
Wayne-Inkster-DHHS
26355 Michigan Ave
Inkster, MI 48141
MDHHS-Wayne-19-Hearings@michigan.gov

Via First Class Mail:

Interested Parties
M Schaefer
EQAD
MOAHR

Petitioner

[REDACTED]
[REDACTED], MI [REDACTED]