



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

Date Mailed: April 4, 2024
MOAHR Docket No.: 24-001369
Agency No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
MI [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 27, 2024, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Morgan Hafler, Assistance Payments Supervisor.

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 consists of seven members including himself, his wife [REDACTED] and five children [REDACTED] [REDACTED] [REDACTED] [REDACTED] and [REDACTED]
2. The Department asserted that some of the household members are on different redetermination/renewal cycles.
3. MA benefits for Petitioner's daughter [REDACTED] were terminated effective November 1, 2023, possibly due to a failure of Petitioner to submit verification of income.
4. On or around December 14, 2023, Petitioner submitted a new application requesting MA benefit for himself and his household members. (Exhibit A, pp. 6-14)

5. On or around December 28, 2023, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit proof of income by January 8, 2024. (Exhibit A, pp. 15-16)
6. On various occasions, Petitioner timely submitted at least 8 check stubs to the Department. The Department asserted that the check stubs did not have pay dates on them but did include the pay period for the earnings.
7. On or around January 10, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising him that his son [REDACTED] was approved for full coverage MA benefits for November 1, 2023, ongoing. The Notice advised Petitioner that effective December 1, 2023, his wife [REDACTED] and daughter [REDACTED] would be ineligible for MA benefits due to a failure to return verification of income. The Notice also advised Petitioner that effective February 1, 2024, MA benefits for himself, and his children [REDACTED] and [REDACTED] would be closed due to a failure to verify requested information. (Exhibit A, pp. 17-21)
8. On or around February 7, 2024, Petitioner requested a hearing disputing the Department's actions with respect to the MA program.
9. Petitioner confirmed that there was no issue with respect to MA benefits for [REDACTED] and [REDACTED] as both had active and ongoing MA benefits.

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 at issue was MA benefits for Petitioner, his wife [REDACTED] and three children [REDACTED] [REDACTED] and [REDACTED]. The Department representative testified that the MA cases were closed due to a failure of Petitioner to submit proof of income as requested. The Department testified that [REDACTED] MA case closed effective November 1, 2023, and likely, the household submitted the December 14, 2023, MA application in response. After processing the application and requesting verification of income through the VCL, the Department

issued the January 10, 2024, Notice advising Petitioner that effective December 1, 2023, his wife [REDACTED] and daughter [REDACTED] would be ineligible for MA benefits due to a failure to return verification of income and that effective February 1, 2024, MA benefits for himself, and his children [REDACTED] and [REDACTED] would be closed due to a failure to verify requested information. (Exhibit A, pp. 17-21).

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.

At the hearing, the Department acknowledged that Petitioner had timely submitted verification of his income, specifically, at least 8 check stubs at various times the information had been requested by the Department. The Department representative testified that because the check stubs did not have pay dates, and only identified the pay period, they were not accepted. There was no evidence that the Department notified Petitioner that the check stubs he submitted could not be accepted prior to the issuance of the January 10, 2024, Notice. The Department representative testified that Petitioner was verbally instructed to resubmit paystubs that had pay dates; however, the

MA cases had already been closed and the hearing was requested. The Department representative present for the hearing testified that the Department could have sent Petitioner a Verification of Employment form to be completed by his employer, as Petitioner indicated he requested new paystubs from his employer but his employer refused to provide different paystubs. The Department representative could have also assisted Petitioner with obtaining the verifications. The evidence established that Petitioner made a reasonable effort to obtain the requested verifications and did not indicate a refusal to submit the requested verification of income.

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 did not act in accordance with Department policy when it processed MA benefits for Petitioner, his wife [REDACTED] and his children [REDACTED] [REDACTED] and [REDACTED]


DECISION AND ORDER

Accordingly, the Department's decision is **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. Reinstate the MA cases for the household members effective November 1, 2023, for [REDACTED] December 1, 2023, for [REDACTED] and February 1, 2024, for Petitioner, [REDACTED] and [REDACTED] and redetermine their MA eligibility under the most beneficial category from the dates of closure, ongoing;
2. If eligible, provide MA coverage to each household member for any MA benefits they were entitled to receive but did not from the dates of closure, ongoing, and
3. Notify Petitioner in writing of its decision.

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

Caryn Jackson

Wayne-Hamtramck-DHHS

12140 Joseph Campau

Hamtramck, MI 48212

MDHHS-Wayne-55-Hearings@michigan.gov

Interested Parties

BSC4

M Schaefer

EQAD

MOAHR

Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED]
[REDACTED], MI [REDACTED]