



GRETCHEN WHITMER  
GOVERNOR

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

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DIRECTOR

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Date Mailed: July 24, 2024  
MOAHR Docket No.: 24-003975  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: Linda Jordan**

**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 on June 25, 2024, via teleconference. Petitioner was represented by ██████████ ██████████ Authorized Hearing Representative (AHR). Priya Johnson, Assistance Payments Supervisor, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS’ Hearing Packet was admitted at the hearing as MDHHS Exhibit A, pp. 1-15. Petitioner’s documents were admitted as Petitioner’s Exhibit 1, pp. 1-4.

**ISSUE**

Did MDHHS properly determine Petitioner’s eligibility for Medicaid (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 ██████████ 2024, Petitioner applied for MA benefits.
2. On March 19, 2024, MDHHS sent Petitioner a Verification Checklist (VCL) indicating that it needed to verify certain information to determine Petitioner’s eligibility for MA (Exhibit A, p. 6). The VCL requested verification of Petitioner’s checking account, Retirement, Survivors, and Disability Insurance (RSDI), pension/retirement account, savings account/Christmas club account and home ownership (Exhibit A, pp. 6-7). The VCL indicated that proofs were due by March 29, 2024 (Exhibit A, p. 6).

3. On March 29, 2024, Petitioner requested a hearing regarding the denial of her MA application (Exhibit A, pp. 4-5).
4. On April 1, 2024, MDHHS issued a Health Care Coverage Determination Notice indicating that Petitioner was eligible for Plan First MA, a limited coverage category, effective April 1, 2024 ongoing, and not eligible for Medicare Savings Program (MSP) benefits, effective March 1, 2024 ongoing (Exhibit A, p. 12).

### **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).

Medicaid (MA) 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.

In this case, MDHHS denied Petitioner's application for full-coverage MA because it alleged that she failed to return the requested verifications prior to the deadline. Additionally, MDHHS indicated on the Notice of Case Action that Petitioner was not eligible for MSP benefits due to excess income.

MDHHS requests verification of a client's written or verbal statements when required by policy or when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130 (October 2023), p. 1. The questionable information might be from a client or third party. *Id.* Verification is usually required at application or redetermination. *Id.* To request verification, MDHHS must send the client a Verification Checklist (VCL), which tells the client what verification is required, how to obtain it and the due date. *Id.*, pp. 3-4. For MA, MDHHS must allow the client ten calendar days to provide the verification requested. *Id.*, p. 8. If the client cannot provide the verification despite a reasonable effort, MDHHS is permitted to extend the time limit up to two times. *Id.*

Here, AHR credibly testified that he attempted to comply with the verification requests prior to the deadline and that he did not know that what he submitted was insufficient. He submitted proof of Petitioner's RSDI award and a copy of a bank statement from Flagstar (Exhibit 1, pp. 1-4). MDHHS testified that it was missing certain bank statements for asset verification, including one from Chase Bank. AHR testified that the account was no longer active and that he did not know that he had to provide proof of that account. MDHHS did not present sufficient evidence to show that it informed Petitioner that proof was needed of the Chase account(s) specifically and the Liquid

Asset Summary confirmed that the accounts had a zero balance (Exhibit A, p. 9). Accordingly, the record shows that Petitioner made a reasonable effort to comply with MDHHS' requests and MDHHS failed to inform Petitioner what additional documentation was needed, if any.

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 MDHHS failed to satisfy its burden of showing that it acted in accordance with Department policy when it denied Petitioner's application for MA.

### **DECISION AND ORDER**

Accordingly, MDHHS' decision is **REVERSED**. MDHHS 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. Reregister and reprocess Petitioner's [REDACTED], 2024 MA application;
2. Redetermine Petitioner's eligibility for MA and MSP benefits based on the [REDACTED] 2024 application;
3. Notify Petitioner of its decision in writing.

LJ/pt



**Linda Jordan**  
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**

Yaita Turner

Oakland County Southfield District III

25620 W. 8 Mile Rd

Southfield, MI 48033

**MDHHS-Oakland-6303-Hearings@michigan.gov**

**Interested Parties**

BSC4

M. Schaefer

EQAD

MOAHR

**Via-First Class Mail:**

**Authorized Hearing Rep.**

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**Petitioner**

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