



GRETCHEN WHITMER  
GOVERNOR

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

MARLON I. BROWN, DPA  
DIRECTOR

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Date Mailed: July 5, 2024  
MOAHR Docket No.: 24-004783  
Agency No.: ██████████  
Petitioner: ██████████

**ADMINISTRATIVE LAW JUDGE: L. Alisyn Crawford**

**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 June 6, 2024. Petitioner was present at the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Dania Ajami, Lead Eligibility Specialist.

**ISSUE**

Did the Department properly terminate Petitioner’s Medical Assistance (MA) case due to Petitioner’s failure to provide verification?

**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 was an ongoing recipient of MA coverage.
2. Petitioner is █████ years old (Exhibit A, p. 7).
3. On █████, 2024, Petitioner timely submitted to the Department redetermination documents for continued MA benefits.
4. On March 6, 2024, the Department sent Petitioner a Verification Checklist (VCL) requesting that Petitioner’s provide proof of his pension and checking account statements by March 18, 2024. (Exhibit A, pp. 13-14).
5. On March 14, 2024, Petitioner submitted to the Department his pension statement and a withdrawal receipt from his bank. (Exhibit A, pp. 15-16).

6. On March 20, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing him that effective April 1, 2024 his MA case would close. (Exhibit A, pp. 17-19).
7. On April 22, 2024, Petitioner requested a hearing disputing the closure of his MA benefits. (Exhibit A, pp. 3-4).

### **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.

Petitioner requested a hearing to dispute the termination of his MA case beginning April 1, 2024. At the hearing, the Department testified that Petitioner's MA case was closed because he failed to verify assets.

The Department sent Petitioner a VCL requesting verification, in part, of his checking account. Because Petitioner is over age ■ and is not the caretaker of a minor child, he is only eligible for MA under SSI-related categories, which have an asset limit to determine eligibility. BEM 400 (March 2024), p. 7; BEM 105 (January 2024), p. 1. Checking accounts are assets, the value of which is the amount in the account, less any current income deposits. See BEM 400, pp. 16-17, 19, 25. Therefore, the Department properly requested verification of Petitioner's checking account.

For all programs, the Department must tell the client what verification is required, how to obtain it, and the due date. BAM 130 (October 2023) p. 3. The Department is to use the DHS-3503, Verification Checklist (VCL), to request verification. BAM 130, p. 3. The Department is to allow the client 10 calendar days (or other time limit specified in policy) to provide the verification that is requested. BAM 130, p. 7. The Department is to send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it. Id.

In this case, the Department testified that even though it received a completed redetermination from Petitioner, since Petitioner did not adequately respond to the VCL request and did not submit the requested checking account verifications by March 18, 2024, it sent him the HCCDN advising him of the termination of his MA case effective April 1, 2024. The VCL from the Department requested Petitioner's pension statement and checking account statement. (Exhibit A, pp. 6-7). The Department acknowledged that it timely received Petitioner's verification regarding his pension account but testified that the verification provided for Petitioner's checking account was not sufficient, leading to the termination of his MA case.

Petitioner confirmed receiving the VCL and testified that he submitted the requested verifications to the Department. Petitioner asserted that he was not aware that the information he provided was insufficient and once he got the HCCDN he went to the local office and provided the Department with a screenshot of his bank account from the bank. The Department stated that Petitioner's MA case continued to remain in pending status, because of Petitioner's failure to submit verification of his assets. The Department testified that as of the date of the hearing, the Department had not received any acceptable verification of Petitioner's checking account, and that his MA case would close. On April 24, 2024, Petitioner testified that he received a telephone call from a work at a MDHHS local office informing him that the verification he provided on March 5, 2024 regarding his checking account was not sufficient and not accepted. Petitioner testified that he went to his credit union the next day to obtain acceptable verification of his checking account and took it to the local office on the same day and submitted the verification. At the hearing and upon further review of Petitioner's case file, the Department stated that additional information was provided on April 25, 2024 but was determined to be insufficient for verification purposes. (Exhibit B, p. 1). At first glance, the Department noted that the newly provided information was not from the correct banking institution. Petitioner provided further clarification stating that there was a bank name change but fundamentally the banking account was same. This clarification was confirmed by the undersigned with a Google search.

Given the evidence, the Department failed to review and process the verification proof provided by Petitioner regarding his checking account and Petitioner did not fail to comply with the VCL requesting such information. Thus, the corresponding termination of MA coverage was improper.

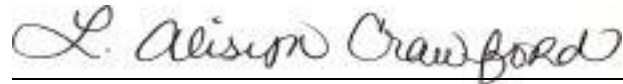
The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department did not act in accordance with Department policy when it terminated Petitioner MA coverage due to failure to provide verification proofs.

**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. Redetermine Petitioner's MA eligibility effective April 1, 2024 ongoing;
2. If eligible, provide Petitioner with the most beneficial MA coverage he is eligible to receive from April 1, 2024 ongoing; and
3. Notify Petitioner in writing of its decision.



**L. Alisyn Crawford**  
Administrative Law Judge

LC/pt

**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**

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