



GRETCHEN WHITMER
GOVERNOR

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

ORLENE HAWKS
DIRECTOR

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██████████, MI ██████████

Date Mailed: February 22, 2023
MOAHR Docket No.: 22-006211
Agency No.: ██████████
Petitioner: ██████ ██████

ADMINISTRATIVE LAW JUDGE: Aaron McClintic

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 January 26, 2023, from Lansing, Michigan. The Petitioner was represented by herself. The Department of Health and Human Services (Department) was represented by AP Supervisor, Jodi O'Neil. Department Exhibit 1, pp. 1-37 was received and admitted.

ISSUE

Did the Department properly deny Petitioner's Medicare Cost Share application for failing to verify self-employment income?

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 ██████████ 2022, Petitioner applied for Medicare Cost Share Program benefit. (Ex. 1, pp. 24-37)
2. In her application Petitioner listed \$██████████ in self-employment income for herself with \$5,000 in expenses. Petitioner listed \$██████████ in self-employment income for her spouse ██████████ with \$2,000 expenses. (Ex. 1, p. 29)
3. On October 28, 2022, a Verification Checklist was sent to Petitioner requesting verification of self-employment income for herself and ██████████ (Ex. 1, pp. 20-21)
4. On November 9, 2022, Petitioner submitted self-employment verification information for herself. (Ex. 1, pp. 14-19)

5. On December 1, 2022, a Health Care Coverage Determination Notice was sent to Petitioner informing her that her Medicare Cost Share benefit was denied because self-employment verifications for [REDACTED] were not received.
6. [REDACTED] [REDACTED] submitted a letter dated December 14, 2022, that states that she has no self-employment income and only receives social security.
7. On December 22, 2022, Petitioner requested hearing disputing the denial of Medicare Cost Share.
8. Petitioner testified at hearing that she submitted verification of self-employment income for herself, and that household member [REDACTED] [REDACTED] has no self-employment income.

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.

Medicaid

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested. Refer to policy in this item for citizenship verifications. If the client cannot provide the verification despite a reasonable effort, extend the time limit up to two times.

At renewal if an individual is required to return a pre-populated renewal form, allow 30 calendar days for the form to be returned.

At application, renewal, ex parte review, or other change, explain to the client/authorized representative the availability of your assistance in obtaining needed information. Extension may be granted when the following exists:

The customer/authorized representative need to make the request. An extension should not automatically be given.

The need for the extension and the reasonable efforts taken to obtain the verifications are documented.

Every effort by the department was made to assist the client in obtaining verifications.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (fax, email or MI Bridges document upload), the date of the transmission is the receipt date.

Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a MDHHS representative are considered to be received the next business day.

Send a case action notice when:

The client indicates refusal to provide a verification, **or**
The time period given has elapsed. BAM 130

VERIFICATION SOURCES

All TOA, except Medicaid

Self- Employment Income

Primary source - Income tax return provided:

The client hasn't started or ended self-employment, or received an increase/decrease in income, etc.

The tax return is still representative of future income.

The client filed a tax return.

Secondary source - DHS-431, Self-Employment Statement, with all income receipts to support claimed income.

Third source - DHS-431, Self-Employment Statement, without receipts. BEM 502

In this case, Petitioner stated in her application that she and her spouse had self-employment income. In response to that, the Department sent Petitioner a verification checklist on October 28, 2022, requesting verification of self-employment income and expenses for Petitioner and [REDACTED] [REDACTED]. The verification checklist had a due date of November 7, 2022. Petitioner submitted verifications on November 9, 2022, for herself for her Toe Togs business and a Social Security Statement for [REDACTED] [REDACTED]. Nothing regarding self-employment income for [REDACTED] [REDACTED] was submitted.

On December 1, 2022, a Health Care Coverage Determination Notice was sent to Petitioner informing her that her Medicare Cost Share application was denied because verifications of self-employment for [REDACTED] [REDACTED] were not received. On December 14, 2022, [REDACTED] [REDACTED] submitted a letter stating that she has no self-employment income.

Since Petitioner stated that [REDACTED] [REDACTED] had self-employment income in her application, the Department was correct to request verification of that self-employment income. Petitioner was clearly instructed to provide self-employment income for Shirley Johns in the verification checklist sent to her on October 28, 2022. Petitioner failed to provide self-employment income verification for [REDACTED] [REDACTED] prior to the deadline and it was proper and correct for the Department to deny the application. BAM 130

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 denied Petitioner's Medicare Cost Share application for failing to verify self-employment income for [REDACTED] [REDACTED].

DECISION AND ORDER

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

AM/nr



Aaron McClintic
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
Jodi O'Neal
Antrim County DHS
205 E. Cayuga St
Bellaire, MI 49615
**MDHHS-Antrim-
Hearings@michigan.gov**

Interested Parties
Antrim County DHHS
BSC1
D. Smith
EQAD
MOAHR

Via-First Class Mail :

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