



GRETCHEN WHITMER
GOVERNOR

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

MARLON I. BROWN, DPA
ACTING DIRECTOR

██████████
████████████████████
████████████████████

Date Mailed: October 20, 2023
MOAHR Docket No.: 23-005598
Agency No.: ██████████
Petitioner: ██████ ██████

ADMINISTRATIVE LAW JUDGE: Kevin Scully

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; 45 CFR 99.1 to 99.33; and 45 CFR 205.10. After due notice, a telephone hearing was held on October 12, 2023, from Lansing, Michigan. Petitioner represented himself. The Department was represented by Kaylie Polk.

ISSUE

Did the Department of Health and Human Services (Department) properly closed Petitioner’s Medical Assistance (MA) benefits?

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 Medical Assistance (MA) recipient on July █ 2023, when the Department received his Redetermination (DHS-1010) form. Exhibit A, p 7.
2. Petitioner reported self-employment income on his July █ 2023, Redetermination form that he was receiving self-employment income. Exhibit A, p 8.
3. On July █ 2023, the Department sent Petitioner a Verification Checklist (DHS-3503) requesting a Federal Tax Return including the Schedule C form. Exhibit A, pp 13-16.
4. On July █ 2023, Petitioner reported to the Department that he does not intent to file a federal or state tax return. Exhibit A, p 18.
5. On July █ 2023, Petitioner submitted a Self-Employment Income and Expense Statement (DHS-431) showing self-employment income for December of 2023. Exhibit A, p 19.

6. On August 3, 2023, the Department notified Petitioner that he was not eligible for Medical Assistance (MA) effective September 1, 2023. Exhibit A, p 21.
7. On August █ 2023, the Department sent Petitioner another Verification Checklist (DHS-3503) again requesting verification of self-employment income by September 11, 2023. Exhibit A, p 25.
8. On August 31, 2023, the Department received Petitioner's request for a hearing protesting the closure of her Medical Assistance (MA) benefits. Exhibit A, p 5.

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 through 42 USC 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 through 42 CFR 420.25. The Department administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.103 through MCL 400.112k of the Social Welfare Act, MCL 400.1 *et seq.*

Clients must cooperate with the local office in determining initial and ongoing eligibility and this includes the completion of necessary forms. Department of Human Services Bridges Assistance Manual (BAM) 105 (July 1, 2023), p 9.

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level when it is required by policy, required as a local office option, or information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. The Department uses documents, collateral contacts, or home calls to verify information. A collateral contact is a direct contact with a person, organization, or agency to verify information from the client. When documentation is not available, or clarification is needed, collateral contact may be necessary. Department of Human Services Bridges Assistance Manual (BAM) 130 (July 1, 2023), pp 1-10.

Petitioner was an ongoing recipient of MA benefits, and the Department initiated a routine redetermination of his eligibility for ongoing assistance. Petitioner had reported that he was receiving income from self-employment and the Department requested that he provide verification of that income as well as any expenses that he intended to claim.

Recipients of MA benefits are required to provide verification of self-employment by submitting copies of federal tax forms. The DHS-421, Self-Employment Statement is not acceptable verification for Medicaid purposes, but is acceptable for other forms of assistance. Department of Health and Human Services Bridges Eligibility Manual (BEM) 400 (October 1, 2019), pp 8-9.

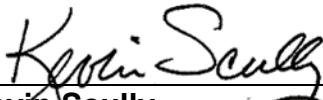
Petitioner was required to provide the Department with verification of his self-employment income in order to maintain his eligibility for ongoing MA benefits, and the hearing record supports a finding that he failed to provide sufficient verification of that income in a timely manner. Department policy allows MA recipients to submit tax documents that have not been filed with the IRS and prohibits using the Self-employment Statement as verification of self-employment 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 acted in accordance with Department policy when it closed Petitioner's Medical Assistance (MA) for failure to provide the Department with information necessary to determine his eligibility to receive benefits.

DECISION AND ORDER

Accordingly, the Department's decision is AFFIRMED.

KS/dm



Kevin Scully
Administrative Law Judge
Michigan Office of Administrative Hearings
and Rules (MOAHR)

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
Kim Cates
Bay County DHHS
MDHHS-Bay-
Hearings@michigan.gov

SchaferM

EQADHearings

BSC2HearingDecisions

MOAHR

Via-First Class Mail :

Petitioner

██████████
████████████████████
████████████████████