

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

MARLON I. BROWN, DPA ACTING DIRECTOR



Date Mailed: November 2, 2023 MOAHR Docket No.: 23-006061

Agency No.:
Petitioner:

ADMINISTRATIVE LAW JUDGE: Danielle Nuccio

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 November 1, 2023. Petitioner appeared and represented himself. The Department of Health and Human Services (MDHHS) was represented by Tom Jones, Assistant Payments Supervisor.

ISSUE

Did MDHHS properly close Petitioner's Medicaid (MA) case due to failure to return verifications of 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. Under the Families First Coronavirus Response Act (FFCRA), PL 116-127, Michigan received additional federal MA funding during the COVID-19 pandemic health emergency (PHE).
- 2. As a condition for receiving the increased funding, § 6008 of the FFCRA required that MDHHS provide continuous MA coverage for individuals who were enrolled in MA on or after March 18, 2020, even if those individuals became ineligible for MA for reasons other than death, residing outside of Michigan, or requesting that MA be discontinued.
- 3. The MA continuous coverage requirement under § 6008 of the FFCRA was not indefinite.

- 4. The Consolidated Appropriations Act, 2023 (CAA, 2023), PL 117-328, terminates the continuous coverage requirement effective March 31, 2023.
- 5. Beginning April 1, 2023, the CAA, 2023 required MDHHS to reevaluate almost all MA recipients' eligibility for ongoing MA.
- 6. Petitioner was an ongoing MA recipient for a group size of four.
- 7. Petitioner timely submitted a redetermination of MA benefits to MDHHS.
- 8. On July 31, 2023, MDHHS issued a Verification Checklist (VCL) to Petitioner, requesting that he submit the last 30 days of his income to MDHHS by August 10, 2023 (Exhibit A, pp. 14-15).
- 9. To date, no verification of income has been submitted to MDHHS.
- On August 14, 2023, MDHHS issued a Healthcare Coverage Determination Notice to Petitioner, informing him that MA for his group has been terminated for failure to return verification of income.
- 11. On September 11, 2023, MDHHS received Petitioner's timely submitted hearing request, disputing the closure of his MA case (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 MA program is established by Title XIX of the Social Security Act, 42 USC 1396 *et seq*; 42 USC 1315; the Affordable Care Act of 2010, the collective term for the Patient Protection and Affordable Care Act, PL 111-148, as amended by the Health Care and Education Reconciliation Act of 2010, PL 111-152; 42 CFR 430.10 to 42 CFR 430.25; 42 CFR 431.200 to 431.250; and 42 CFR 438.400 to 438.424. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10 and MCL 400.103 to MCL 400.112k of the Social Welfare Act, MCL 400.1 et seq.

Starting April 1, 2023, ongoing MA eligiblity must be renewed. For MA beneficiaries whose MA eligibility is based on their Modified Adjusted Gross Income (MAGI)-based income, MA must be renewed once every 12 months and no more frequently than once every 12 months. 42 CFR 435.916(a)(1). For MA beneficiaries whose MA eligibility is not based on their MAGI-based income, MA eligibility must be redetermined at least every 12 months. 42 CFR 435.916(b). Any renewal form or notice must be accessible to persons who are limited English proficient and persons with disabilities. 42 CFR 435.916(f)(2).

In conducting this renewal or redetermination, MDHHS must check available information and data sources to attempt to redetermine eligibility before contacting the beneficiaries. 42 CFR 435.916(a)(2) and (b), 435.948, and 435.949. Before concluding that an individual is ineligible for MA, MDHHS must evaluate the individual's eligiblity for MA on all bases for MA coverage, including the Medicare Savings Programs. 42 CFR 435.916(f)(1).

Petitioner timely submitted the MA redetermination forms to MDHHS for his group size of four. Upon receiving Petitioner's redetermination, MDHHS issued a VCL requesting that Petitioner submit his past 30 days of income information in order for MDHHS to determine his MA eligibility.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (January 2023), p. 1. For MAGI Medicaid, MDHHS must use information currently available in State of Michigan systems to renew eligibility. Current income must be used to determine MA eligibility. BAM 130, p. 2. MDHHS testified that they did attempt to obtain Petitioner's income information by searching the databases available but were unable to yield any income information. Petitioner conceded that he did not submit any verification to MDHHS. Since Petitioner has not submitted the required income verification, MDHHS acted in accordance with policy in closing Petitioner's MA case. Petitioner is encouraged to submit a new application for MA.

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 MA case.

DECISION AND ORDER

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

DN/mp

Danielle Nuccio

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

<u>Via-Electronic Mail</u>: Interested Parties

MDHHS-Oakland-6303-Hearings EQAD Hearings M. Schaefer MOAHR BSC4

Via-First Class Mail:

