



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

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[REDACTED] MI [REDACTED]

Date Mailed: May 20, 2024
MOAHR Docket No.: 24-002270
Agency No.: [REDACTED]
Petitioner: [REDACTED]

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 April 23, 2024, from Lansing, Michigan. The Petitioner was represented by himself. The Department of Health and Human Services (Department) was represented by Susan Dersweh Hearing Facilitator. Department Exhibit 1, pp, 1-47 was received and admitted.

ISSUE

Did the Department properly close Petitioner's Medical Assistance case because he failed 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 June 30, 2023, Petitioner submitted redetermination paperwork.
2. On September 18, 2023, a Health Care Coverage Determination Notice was sent to Petitioner informing him that he is not eligible for MA.
3. On December 27, 2023, a letter was sent to Petitioner informing him that his hearing request was denied because it was not signed.
4. On January 29, 2024, a Health Care Coverage Determination Notice was sent to Petitioner informing him that he was not eligible because his self-employment verifications were not sufficient. (Ex. 1, p.4)
5. On February 29, 2024, Petitioner requested a hearing disputing the denial of MA.

6. On February 29, 2024, Petitioner submitted his 2021 tax return.

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

Form 1040, U.S. individual federal income tax return. Form 1040 NR, non-resident alien federal income tax return. Schedule C, Profit or Loss From Business, including all attachments. This form is used in conjunction with IRS form 1040. Schedule C is acceptable even if not yet filed with the IRS. A non-tax filer may submit a completed Schedule C to verify expenses without a 1040. This may occur with a new business entity. A tax-filer may submit a Schedule C along with the accompanying 1040. Schedule F, Farm Rental Income and Expenses may be filed in conjunction with Form 1040. The DHS-431, Self-Employment Statement, is not acceptable verification for Medicaid purposes. BEM 502

MAGI MEDICAID

MDHHS must use information currently available in STATE OF MICHIGAN systems to renew eligibility. Do not request information from the beneficiary if the information is already available to MDHHS. This includes completing a renewal form. Current means the following: Income documents must correspond to the period used to determine eligibility or benefit amount; see BEM 500, Income Overview, 501, Income From Employment, 502, Income From Self-Employment, 503, Income, Unearned, and 504, Income From Rental/Room And Board. BAM 130

In this case, on February 29, 2024, Petitioner submitted his income tax return documents for tax year 2021. Petitioner had not yet filed his tax year 2022 or 2023 income tax returns. The income tax return documents from tax year 2021 do not correspond to the period used to determine eligibility and therefore are insufficient. 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 closed Petitioner's MA case for failing to verify income.

DECISION AND ORDER

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

AM/cc



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 :

Interested Parties

MDHHS-Genesee-UnionSt-Hearings
BSC2-HearingDecisions
EQADHearings
M. Schaefer
MOAHR

Via-First Class Mail :

Petitioner

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