



# 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: August 30, 2024 MOAHR Docket No.: 24-005390

Agency No.:

Petitioner:

**ADMINISTRATIVE LAW JUDGE: Linda Jordan** 

# **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 hearing was held on August 20, 2024, via teleconference. Petitioner appeared and represented herself. Rachel Meade, Hearings Facilitator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS' Hearing Packet was admitted at the hearing as MDHHS Exhibit A, pp. 1-41.

# <u>ISSUE</u>

Did MDHHS properly determine Petitioner's eligibility for Medicaid (MA) coverage?

#### 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 2024, Petitioner applied for MA coverage (Exhibit A, p. 19-26). Petitioner requested retroactive MA coverage for herself from January through March 2024 (Exhibit A, p. 20).
- 2. On April 22, 2024, MDHHS sent Petitioner a Health Care Coverage Determination Notice indicating that Petitioner was eligible for Healthy Michigan Plan (HMP) MA, effective February 1, 2024 ongoing (Exhibit A, p. 28).
- 3. On May 3, 2024, Petitioner requested a hearing regarding the denial of her MA coverage (Exhibit A, p. 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).

Medicaid (MA) 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. MDHHS administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, MDHHS approved Petitioner for Healthy Michigan Plan (HMP) MA, effective February 1, 2024 ongoing, based on the April 19, 2024 application (Exhibit A, p. 19). On the application, Petitioner requested current and ongoing MA coverage, as well as coverage for the retroactive months of January through March 2024. At issue here is whether MDHHS properly denied Petitioner's eligibility for MA for the month of January 2024. The approval for full-coverage MA, effective February 1, 2024 ongoing, is not in dispute.

Retroactive MA coverage is available back to the first day of the third calendar month prior to the most recent application. BAM 115 (January 2024), p. 11. MDHHS requests verification of a client's written or verbal statements when required by policy or when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130 (October 2023), p. 1. The questionable information might be from a client or third party. *Id.* Verification is usually required at application or redetermination. *Id.* To request verification, MDHHS must send the client a Verification Checklist (VCL), which tells the client what verification is required, how to obtain it and the due date. *Id.*, pp. 3-4. For MA, MDHHS must allow the client ten calendar days to provide the verification requested. *Id.*, p. 8. If the client cannot provide the verification despite a reasonable effort, MDHHS is permitted to extend the time limit up to two times. *Id.* MDHHS is required to verify non-excluded earned income at application prior to authorizing benefits. BEM 501 (January 2024), p. 10.

At the hearing, MDHHS testified that it approved Petitioner for full-coverage HMP MA effective February 1, 2024 ongoing. It denied Petitioner's request for HMP MA for the month of January 2024. MDHHS testified that it based its determination for January 2024 on employment information that it had for Petitioner from 2023. However, MDHHS should have verified Petitioner's income information at application, pursuant to the policy stated above. No evidence was introduced to show that MDHHS properly verified Petitioner's income for January 2024.

Accordingly, 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 failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's MA eligibility for January 2024.

At the hearing, Petitioner also disputed MDHHS' termination of her MA coverage in 2023. MDHHS testified that Petitioner was previously receiving HMP MA until September 30, 2023. Effective October 1, 2023, MDHHS terminated Petitioner's HMP MA coverage and approved her for Plan First MA, a limited coverage category. MDHHS testified that it sent notice to Petitioner on September 13, 2023.

Regulations governing the hearing and appeal process for applicants and recipients of public assistance in Michigan are found in Mich Admin Code, R 792.10101 to R 792.10137 and R 792.11001 to R 792.11020. Rule 792.11002(1) provides as follows:

An opportunity for a hearing shall be granted to an applicant who requests a hearing because his or her claim for assistance is denied or is not acted upon with reasonable promptness, has received notice of a suspension or reduction in benefits, or exclusion from a service program, or has experienced a failure of the agency to take into account the recipient's choice of service.

A client's request for hearing must be in writing and signed by an adult member of the eligible group, adult child, or authorized hearing representative (AHR). BAM (March 2021), p. 2. Moreover, policy provides that a request for hearing must be received in the MDHHS local office within 90 days of the date of the written notice of case action. *Id.*, p. 6

Petitioner was not entitled to a hearing on this matter because no evidence was presented that she submitted a timely hearing request regarding the September 13, 2023 negative action. The only hearing request on the record was the one that Petitioner submitted on May 3, 2024 that led to the present appeal. Therefore, this matter is, **DISMISSED** for lack of jurisdiction.

# **DECISION AND ORDER**

Accordingly, MDHHS' determination is **REVERSED IN PART** with respect to MDHHS' determination that Petitioner was not eligible for MA in January 2024. MDHHS 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 eligibility for MA for the month of January 2024, requesting verifications as necessary;
- 2. Provide Petitioner with the most beneficial category of MA coverage that she is eligible to receive for the month of January 2024; and
- 3. Notify Petitioner of its decision in writing.

Petitioner's hearing request regarding the MA termination in September 2023 is **DISMISSED** for lack of jurisdiction.

LJ/pt

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

**Heather Dennis** 

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**Interested Parties** 

BSC4

M. Schaefer

EQAD MOAHR

<u>Via-First Class Mail</u>: Petitioner

