



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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Date Mailed: June 27, 2024
MOAHR Docket No.: 24-005399
Agency No.: ██████████
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Julia Norton

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 June 20, 2024. Petitioner was not present and was represented by her daughter, ██████████, Authorized Hearing Representative (AHR). The Department of Health and Human Services (Department) was represented by Dania Ajami, Eligibility Specialist.

ISSUE

Did the Department properly deny Petitioner's Medicaid (MA) application for failure to provide requested verifications?

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 for herself and her husband (Spouse). Exhibit A, pp. 10-16.
2. On April 18, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing her that Petitioner and Spouse were not eligible for MA coverage for April 1, 2024 ongoing because they failed to return verification of income for Spouse. Exhibit A, pp. 5-7.
3. On May 2, 2024, the Department received Petitioner's hearing request disputing the Department's denial of Petitioner's MA application. Exhibit A, pp. 3-4.

4. On May 13, 2024, the Department sent Petitioner a Verification Checklist (VCL) with a due date of May 23, 2024, requesting proof of all earned and unearned income. Exhibit A, pp.17-18.
5. On May 14, 2024, the Department sent Petitioner a VCL with a due date of May 24, 2024, requesting proof of self-employment, assets, and vehicle.
6. On May 22, 2024, the Department received Petitioner's Notice of Award from the Social Security Administration showing a monthly Retirement, Survivors and Disability Insurance (RSDI) payment of \$ [REDACTED] effective April 2024, to be paid in May 2024. Exhibit A, p. 8.

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.

In this case, Petitioner applied for MA coverage for herself and Spouse. The Department denied her application because Petitioner failed to return proof of self-employment income, assets, and vehicle in response to a VCL.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (October 2023), p. 1. To request verification of information, the Department sends a VCL which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. For MA cases, the client is allowed 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the verification despite a reasonable effort, the time limit is extended up to two times. *Id.*, p. 8. Verifications are considered timely if received by the date they are due. BAM 130, p. 7. The Department sends a negative action notice when the client indicates a refusal to provide a verification, or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7.

Here, the Department issued two VCLs to Petitioner requesting proof of income, assets, and vehicle. The VCL due dates were May 23 and May 24, 2024. AHR testified that on

May 22, 2024, she returned the VCL paperwork with information regarding self-employment, assets and vehicle and included a copy of Petitioner's RSDI award letter. AHR explained that she went to the Department's Woody Plaza location in Hamtramck and the guard on duty instructed her to place the paperwork into the on-site drop box. The Department testified that it received the RSDI award letter on May 22, 2024, but did not receive any other documents.

AHR's testimony that she timely submitted the requested verifications was credible and was reinforced by the Department's testimony that it received the RSDI award letter on May 22, 2024. The Department did not act in accordance with Department policy when it denied Petitioner's MA application for failing to return verifications.

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 did not act in accordance with Department policy when it denied Petitioner's MA application.

DECISION AND ORDER

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

THE DEPARTMENT 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. Reregister and reprocess Petitioner's [REDACTED] 2024 MA application, requesting additional verifications if necessary;
2. If eligible, provide Petitioner and Spouse with the best available MA coverage effective April 1, 2024 ongoing; and
3. Notify Petitioner of its decision in writing.

JN/cc



Julia Norton
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-Wayne-55-Hearings
BSC4-HearingDecisions
EQADHearings
M. Schaefer
MOAHR

Via-First Class Mail :

Petitioner

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