



STATE OF MICHIGAN

GRETCHEN WHITMER  
GOVERNOR

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
MICHIGAN OFFICE OF ADMINISTRATIVE HEARINGS AND RULES  
SUZANNE SONNEBORN  
EXECUTIVE DIRECTOR

MARLON I. BROWN, DPA  
DIRECTOR

[REDACTED]  
MI [REDACTED]

Date Mailed: August 1, 2024  
MOAHR Docket No.: 24-005610  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: L. Alisyn Crawford**

### **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 July 3, 2024. Petitioner was present at the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Ashley Zielinski, Lead Worker.

### **ISSUE**

Did the Department properly deny Petitioner's Medical Assistance (MA) coverage based on a failure to return asset verification?

### **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 MA recipient.
2. On February 5, 2024, the Department sent Petitioner a redetermination form to determine ongoing MA eligibility for Petitioner. (Exhibit A, pp. 6-12). The Department requested the redetermination be completed and returned by March 6, 2024.
3. On March 1, 2024, Petitioner submitted the redetermination documentation to the Department for continued MA eligibility. (Exhibit A, pp. 6-12).
4. On March 27, 2024, the Department sent a Verification Checklist (VCL) to Petitioner requesting verification of medical expenses and checking account. (Exhibit A, pp. 13-14). The verification proofs were due to the Department by April 8, 2024.

5. On March 27, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) informing Petitioner that she was approved for full coverage Transitional MA from April 1, 2024 through April 30, 2024. (Exhibit A, pp. 15-18). Effective May 1, 2024 ongoing, Petitioner was approved for limited coverage MA under the Plan First Family Planning (PFFP).
6. On May 20, 2024, the Department sent a HCCDN to Petitioner informing her that she was denied MSP because her income exceeded the limits for that program. (Exhibit A, pp. 19-21).
7. On May 10, 2024, Petitioner requested a hearing disputing the Department's action with respect to the MA program. (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 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.

Upon reviewing Petitioner's ongoing MA eligibility, the Department initially concluded that Petitioner was eligible for limited coverage MA under the PFFP program and testified that Petitioner was ineligible for other MA coverage because she had failed to verify her assets. Petitioner disputed the Department's action and argued that the Department failed to properly process her MA case.

In general, verification is to be obtained when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. 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 verification checklist (VCL) which tells the client what verification is required, how to obtain it, and the due date. BAM 130, p. 3. The Department allows the client 10 calendar days (or other time limit specified in policy) to provide the verification that is required. BAM 130, p. 7. Verifications are considered timely if received by the date they are due. BAM 130, p. 7. For electronically transmitted verifications (fax, email or Mi Bridges document upload), the date of the transmission is the receipt date. BAM 130, p.

7. Verifications submitted after the close of regular business hours through the drop box or by delivery to an office worker are considered to be received the next business day. 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, Petitioner testified that she informed the Department that she had technological issues with the MI Bridges online system when she attempted to upload the requested verifications. In her hearing request, the Petitioner stated that when she tried on two separate occasions to upload her verification proofs, "a red X appeared on the screen" and noted a system error. She was then prompted by the MI Bridges online system to try again later. (Exhibit A, p. 4). The Department acknowledged that Petitioner appeared to have issues with the MI Bridges online system. Subsequently, Petitioner made numerous alternative efforts to submit the verification proofs to the Department. The Department and Petitioner both testified that Petitioner came into a local office on more than one occasion to submit the verification proofs, but, because Petitioner did not want to submit her original documents and the local office would not provide copies of the documents, the local office did not accept her documents. Petitioner was told she would have to bring in copies of the documents she wished to submit. Petitioner testified that she was not financially able to make copies of the documents.

The Department testified that the local office's document submission process included taking the client's documents and not returning the documents to the client but instead shredding the documents after they were scanned into the client's case file. The Department further testified that the case comments in Petitioner's case file indicated that she had spoken to a supervisor at the pre-hearing conference, and she was told to come into the local office the next day and the supervisor would scan the documents and give them back to Petitioner. When Petitioner went into the local office the next day, the supervisor she spoke with was not present and she was again unable to submit the verification proofs. Based on Petitioner's attempts to upload her verifications electronically and to provide copies to the local office, it is clear Petitioner did not refuse to provide the verification and while the time period to provide the verification had lapsed, she made reasonable efforts to provide it.

At the hearing, the Department stated that Petitioner's case was pending for verification and noted that although the due date for the verification had already lapsed, the Department had notified Petitioner that her case had closed at the time a new VCL was requested.

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 for failure to provide asset verification.

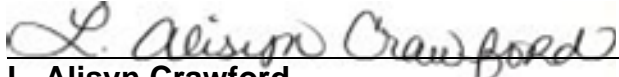
**DECISION AND ORDER**

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. Redetermine Petitioner's eligibility for MA benefits effective May 1, 2024, requesting verifications if necessary;
2. If Petitioner is eligible for MA, provide Petitioner with most beneficial MA coverage she is eligible to receive; and
3. Notify Petitioner in writing of its decision.

LC/ml

  
**L. Alisyn Crawford**  
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**

Vivian Worden  
Macomb County DHHS Mt. Clemens Dist.  
44777 Gratiot  
Clinton Township, MI 48036  
**MDHHS-Macomb-12-Hearings@michigan.gov**

**Interested Parties**

BSC4  
M Schaefer  
EQAD  
MOAHR

**Via First Class Mail:**

**Petitioner**

[REDACTED]  
[REDACTED]  
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