



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

MARLON I. BROWN, DPA  
DIRECTOR

[REDACTED], MI [REDACTED]

Date Mailed: October 3, 2024  
MOAHR Docket No.: 24-008603  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Caralyce M. Lassner**

### **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 by telephone on September 4, 2024. [REDACTED] Petitioner's adult daughter (Daughter) and a member of Petitioner's Medicaid group, appeared on Petitioner's behalf. The Department was represented by Rosemary Molsbee-Smith, Eligibility Specialist.

### **ISSUE**

Did the Department properly close Medicaid (MA) for Petitioner's daughter Rania Salem-Shaheen (Daughter) effective August 1, 2024?

### **FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Daughter was an ongoing MA recipient.
2. On December 3, 2023, the Department received a completed MA redetermination application from Petitioner for herself and two children, one of whom was Daughter. At that time, Daughter was [REDACTED] years old and a tax dependent of Petitioner. (Exhibit A, pp. 16 – 23).
3. On December 15, 2023, the Department sent Petitioner a Verification Checklist (VCL) requesting verification of Daughter's checking account and Daughter's retirement account by December 26, 2023. (Exhibit A, pp. 24 – 25).

4. In March 2024, Daughter turned ■ years old. (Exhibit A, p. 17).
5. On July 2, 2024, the Department sent a New Hire Client Notice to Petitioner.
6. Daughter's employer completed the New Hire Client Notice, which was timely returned to the Department. (Exhibit A, pp. 26 – 31).
7. On July 18, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that closed Daughter's MA effective August 1, 2024 because the verifications requested on December 15, 2023 were not returned to the Department. At that time, Daughter was ■ years old. (Exhibit A, pp. 17, 32 – 35).
8. On July 22, 2024, the Department received a request for hearing from Petitioner disputing the closure of Daughter's MA. (Exhibit A, pp. 4 – 5).

### **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.

Petitioner requested a hearing to dispute closure of Daughter's MA. The Department closed Daughter's MA for failure to return requested verifications.

The Department must complete a full review of a client's eligibility for MA annually, including verification of assets if required. BAM 210 (October 2023), p. 1; BEM 400 (July 2023), p. 1. As an individual under the age of 19 on December 15, 2023, the date of the VCL requesting verification of Daughter's checking and retirement accounts, Daughter was potentially eligible for MIChild, Healthy Kids, or Group 2 Persons Under Age 21 (G2U). BEM 130 (July 2021), p. 1; BEM 131 (January 2022), p. 1; BEM 132 (April 2018), p. 1. There is no asset test for MIChild or Healthy Kids. BEM 130, p. 2; BEM 131, p. 2. However, for G2U, the Department must verify assets, including bank accounts, investments and retirement plans when determining eligibility. BEM 132, pp. 2 – 3, 6. The asset limit for the G2U group, which includes the child and the child's parents, is \$3,000. BEM 132, p. 7; BEM 211 (October 2023), p. 8.

In this case, it was unclear which MA coverage Daughter had at the time of redetermination or which MA coverage the Department considered Daughter for in December 2023. However, because the Department did not show that Daughter was ineligible for MA coverage under MIChild or Healthy Kids, the MA programs without an asset test, the Department failed to establish that it acted in accordance with policy when it requested Daughter's verifications and closed Daughter's MA case for failure to verify.

The evidence also established that as of July 18, 2024, the date of the HCCDN, Daughter was [REDACTED] years old. (Exhibit A, p. 17). Because Daughter's potential MA category options changed due to her age, and each potential MA category available to her has different eligibility requirements, the Department's testimony that Daughter had excess income was unsubstantiated. The Department did not explain why verification of Daughter's assets was a basis for closure of her MA after she turned 19 or whether it had considered her for any other MA coverage based on her age. BEM 105 (January 2024), p. 3.

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 closed Daughter's MA case effective August 1, 2024.

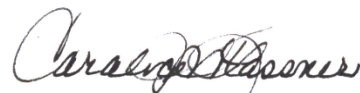
### **DECISION AND ORDER**

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 Daughter's eligibility for MA for August 1, 2024 ongoing;
2. If eligible, provide Daughter with the most beneficial MA coverage she is eligible to receive for August 2024 ongoing; and
3. Notify Petitioner of its decision in writing.

CML/nr



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**Caralyce M. Lassner**  
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**

Yvonne Hill  
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**Interested Parties**

BSC4  
M. Schaefer  
EQAD  
MOAHR

**Via-First Class Mail :**

**Petitioner**

[REDACTED]  
[REDACTED], MI [REDACTED]