



GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN
DIRECTOR

[REDACTED]
[REDACTED]
[REDACTED] MI [REDACTED]

Date Mailed: October 3, 2024
MOAHR Docket No.: 24-009649
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Amanda M. T. Marler

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 October 2, 2024. The Petitioner was represented by [REDACTED] his aunt and Legal Guardian. The Department of Health and Human Services (Department) was represented by Jacob Frankmann, Assistance Payments Supervisor.

ISSUE

Did the Department properly determine Petitioner's Medical Assistance (MA) Program eligibility?

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 March 27, 2019, the Department issued a Memorandum regarding Petitioner's MA Disabled Adult Child (DAC) screening indicating that he was not eligible for DAC because his Supplemental Security Income (SSI) benefit ended due to his institutional status rather than due to the start of DAC Retirement Survivors Disability Insurance (RSDI) benefits.
2. Petitioner was an ongoing MA recipient under the Freedom-to-Work (FTW) category.
3. Petitioner's employment ended on July 13, 2024 and he received his final paycheck on July 19, 2024.
4. Petitioner receives an RSDI benefit of \$ [REDACTED] per month.

5. On August 8, 2024, the Department received a completed Semi-Annual Contact report on which he indicated his income had changed after a loss of employment.
6. On August 9, 2024, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner advising him that effective September 1, 2024, he was eligible for Medicare Savings Program (MSP)-Additional Low Income Beneficiary (ALMB) and that effective September 1, 2024, he was eligible for MA benefits with a deductible of \$1,274.00 (under the Group 2-Aged, Blind, Disabled (G2S)) category but that he was no longer eligible for FTW effective September 1, 2024 because his employment had ended for "other reasons than medical necessity, lay-off or an involuntary lay-off."
7. On August 15, 2024, the Department received a hearing request on Petitioner's behalf disputing the determination of MA eligibility indicating he had been involuntarily laid off.

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's Legal Guardian disputed the Department's determination of his MA eligibility. Petitioner was previously enrolled in FTW, a program available to individuals who are disabled, ages 16 to 64, with earned income. BEM 174 (January 2020), p. 1. Pursuant to policy, FTW clients may have temporary breaks in employment up to 24 months if the break is the result of an involuntary layoff or is determined to be medically necessary. *Id.* During these breaks, the client retains FTW eligibility. *Id.* To determine whether the break is temporary due to an involuntary layoff or medical necessity, the Department is required to rely upon the client's statements to verify the circumstances. *Id.*

In the hearing request, Petitioner's Legal Guardian and Authorized Hearings Representative (AHR) indicated that Petitioner was involuntarily laid off. At the hearing, the Department representative testified that he was uncertain whether there was an inquiry into the nature of Petitioner's separation from employment. Because Petitioner's

AHR and Legal Guardian indicated that Petitioner was involuntarily separated and because the Department is required to accept the client's statement as verification, Petitioner is eligible for continuing FTW benefits with a temporary break in employment and the Department did not properly determine Petitioner's MA eligibility.

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 redetermined Petitioner's MA eligibility effective September 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 Petitioner's MA eligibility effective August 1, 2024;
2. If otherwise eligible, provide coverage to Petitioner for benefits not previously received; and,
3. Notify Petitioner in writing of its decision.

AM/cc



Amanda M. T. Marler
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-Oakland-6303-Hearings
BSC4-HearingDecisions
EQADHearings
M. Schaefer
MOAHR

Via-First Class Mail :

Petitioner

[REDACTED] MI [REDACTED]

Authorized Hearing Rep.

[REDACTED] MI [REDACTED]