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GOVERNOR

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

MARLON BROWN DIRECTOR



Date Mailed: November 14, 2024 MOAHR Docket No.: 24-010242

Agency No.: Petitioner:

ADMINISTRATIVE LAW JUDGE: Zainab A. Baydoun

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 17, 2024, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. The Department of Health and Human Services (Department) was represented by Rebecca Scott, Eligibility Specialist. Rene Moreno served as Spanish interpreter.

<u>ISSUE</u>

Did the Department properly close the Medical Assistance (MA) case for Petitioner's son Child A?

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's household includes herself, her husband and three minor children. Petitioner and her household members were ongoing recipients of MA benefits.
- 2. In April 2024, the Department received a completed MA redetermination/renewal for Petitioner, her husband, and two of her children (Child B and Child C).
- 3. Child A was a recipient of MA under the Newborn category and had his own annual renewal, as he was to turn one year old in July 2024.
- 4. On or around June 4, 2024, the Department sent Petitioner a redetermination for Child A's MA case that was to be completed and returned to the Department by July 4, 2024. (Exhibit A, pp. 12-20)

- 5. On or around June 13, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice advising that effective June 1, 2024, Petitioner, her husband, Child B, and Child C were all approved for full coverage MA benefits. (Exhibit A, pp. 21-24)
- 6. The Department asserted that Petitioner failed to timely complete and return the redetermination/renewal form to continue Child A's MA eligibility.
- 7. On or around August 19, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice advising her that effective September 1, 2024, Child A's MA case would be closed because of the failure to return the redetermination. (Exhibit A, pp. 27-29)
- 8. On or around August 23, 2024, the Department received the completed redetermination form for Child A's MA case.
- 9. On or around August 26, 2024, Petitioner requested a hearing disputing the closure of Child A's MA case and the information contained in the August 19, 2024, Health Care Coverage Determination Notice. (Exhibit A, pp. 4-10)

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 son was previously approved for MA under the Newborns category, which is a full coverage Modified Adjusted Gross Income (MAGI) based MA program from birth to age one. BEM 145 (April 2020), pp. 1-3. The Department representative testified that Child A's MA eligibility was due for review, as the child was turning one year old in July 2024.

The Department must periodically redetermine or renew an individual's eligibility for active programs. The redetermination/renewal process includes a thorough review of all eligibility factors. Redetermination, renewal, semi-annual and mid-certification forms are often used to redetermine eligibility of active programs. For MA cases, a redetermination is an eligibility review based on a reported change. A renewal is the full review of eligibility

factors completed annually. The renewal month is 12 months from the date the most recent complete application was submitted. BAM 210 (October 2023), pp. 1-4. For MA cases, benefits stop at the end of the benefit period unless a renewal is completed, requested verifications are received and a new benefit period is certified. BAM 210, pp. 3-5. The Department will provide the client with timely notice of the negative action if the time limit is not met. BAM 210, p. 14. The Department will send a DHS-1606, Health Care Coverage Determination Notice, which details the information used to determine eligibility. BAM 210, p. 19-20.

Additionally, if MAGI-based MA is terminated at renewal for failure to return the renewal form or other needed and requested documentation, the Department must reconsider the individual's eligibility without requiring a new application if the renewal form and/or requested information is returned within 90 days after the date of termination. 42 CFR 435.916(a)(3)(iii) and (b).

At the hearing, the Department representative testified that although Petitioner and her other household members had completed a redetermination in April 2024 and were approved for ongoing MA benefits, Child A had his own MA redetermination cycle, as his MA eligibility was approved under the Newborn category until he turned one year old. The Department testified that because Petitioner failed to submit a completed redetermination/renewal form by the July 5, 2024, deadline, the Department was unable to review her son's continued MA eligibility, and initiated the closure of his case by sending the Health Care Coverage Determination Notice on August 19, 2024, advising of the MA case closure effective September 1, 2024.

Petitioner testified that she was unaware that she was required to complete a separate redetermination for Child A's MA eligibility, as she had just submitted an MA redetermination for her entire household. Petitioner testified that when she received the redetermination from the Department in June 2024, she contacted the Department to inquire about the form and was told that Child A's MA was active and there was nothing that she needed to submit. Petitioner testified that after she received the August 19, 2024, notice of case closure, she contacted the Department again. The Department acknowledged that on or around August 23, 2024, it received the completed redetermination for Child A's MA case and conducted a redetermination interview with Petitioner. However, the Department testified that it did not reconsider Child A's eligibility because the case had closed.

As referenced above, because Petitioner returned the redetermination/renewal form within 90 days of the case closure, the Department was required to reconsider the individual's eligibility without requiring a new application. 42 CFR 435.916(a)(3)(iii) and (b). As of the hearing date, the Department had not reconsidered MA eligibility for Petitioner's son.

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 closed Petitioner's son's MA case 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. Reinstate the MA case and redetermine MA eligibility for Petitioner's son Child A under the most beneficial category for September 1, 2024, ongoing;
- 2. If eligible, provide MA coverage to Petitioner's son Child A for any MA benefits he was entitled to receive but did not from September 1, 2024, ongoing, and
- 3. Notify Petitioner in writing of its decision.

ZB/ml

Zaînab A. Baydoun

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

Tracy Felder
Wayne-Southwest-DHHS
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Detroit, MI 48209
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Interested Parties

BSC4 M Schaefer EQAD MOAHR

Via First Class Mail: Petitioner

