



GRETCHEN WHITMER  
GOVERNOR

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

MARLON I. BROWN, DPA  
DIRECTOR

[REDACTED]  
[REDACTED]  
MI [REDACTED]

Date Mailed: December 20, 2024  
MOAHR Docket No.: 24-011549  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE: Linda Jordan**

### **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 on November 21, 2024, via teleconference. Petitioner appeared and represented herself. April Sprague, Hearings Facilitator, appeared on behalf of the Michigan Department of Health and Human Services (MDHHS or Department). MDHHS' Hearing Packet was admitted into evidence at the hearing as MDHHS Exhibit A, pp. 1-56.

### **ISSUE**

Did MDHHS properly terminate Petitioner's Medicaid (MA) coverage?

### **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 recipient of Healthy Michigan Plan (HMP) MA coverage.
2. On July 5, 2024, MDHHS sent Petitioner a redetermination packet for MA with a due date of August 5, 2024 (Exhibit A, p. 9). MDHHS did not receive the redetermination packet prior to the deadline.
3. On [REDACTED] 2024, Petitioner submitted a MA application (Exhibit A, p. 16).
4. On August 30, 2024, MDHHS sent Petitioner a Verification Checklist (VCL), requesting proof of residential address and self-employment income by September 9, 2024 (Exhibit A, p. 31). Regarding self-employment income, MDHHS stated that Petitioner could return recent business receipts to date, recent accounting or other business records to date or a recent income tax return (Exhibit A, p. 32).

5. On August 30, 2024, MDHHS sent Petitioner Self-Employment Income and Expense Statements for May, June and July 2024 (Exhibit A, pp. 36-38).
6. On September 19, 2024, MDHHS sent Petitioner a Health Care Determination Notice indicating that she was not eligible for MA, effective October 1, 2024 ongoing, for failure to return the redetermination form or to provide required proofs (Exhibit A, p. 40).
7. On [REDACTED] 2024, Petitioner submitted documents to MDHHS, including one self-employment and expense statement.
8. On September 30, 2024, Petitioner requested a hearing regarding the MA closure (Exhibit A, p. 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).

Medicaid (MA) 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. MDHHS administers MA pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, MDHHS terminated Petitioner's Healthy Michigan Plan (HMP) MA coverage because it did not receive the redetermination packet prior to the deadline. MDHHS asserted at the hearing that this action was a mistake because Petitioner submitted a new application, which could have been used in lieu of a redetermination packet. MDHHS reprocessed Petitioner's case and requested verification of Petitioner's self-employment income. Subsequently, MDHHS terminated Petitioner's HMP MA coverage due to an alleged failure to return the requested verifications regarding self-employment income.

MDHHS requests verification of a client's written or verbal statements when required by policy or when information regarding an eligibility factor is unclear, inconsistent, incomplete, or contradictory. BAM 130 (October 2023), p. 1. The questionable information might be from a client or third party. *Id.* Verification is usually required at application or redetermination. *Id.* To request verification, MDHHS must send the client a Verification Checklist (VCL), which tells the client what verification is required, how to obtain it and the due date. *Id.*, pp. 3-4. Before determining eligibility, MDHHS must give the client a reasonable opportunity to resolve any discrepancy between the client's statements and information from another source. *Id.*, p. 9. Clients must obtain the

verification, but MDHHS must assist the client if the client needs and requests help. *Id.*, p. 4. If neither the client nor the local office can obtain verification despite a reasonable effort, MDHHS must use the best available information. *Id.*, p. 4. If no evidence is available, MDHHS is required to use its best judgment. *Id.* Verification is not required for excluded income and assets unless verification is needed to establish the exclusion. *Id.*

The record shows that MDHHS requested verification of Petitioner's self-employment income by sending a VCL and by sending self-employment income and expenses statements. The deadline for providing proof of self-employment income was September 9, 2024 (Exhibit A, p. 31). MDHHS asserted that Petitioner did not return any documentation until September 25, 2024, and that documentation was insufficient (Exhibit A, p. 3). Because MDHHS had not received the requested documentation by the deadline, it closed Petitioner's HMP MA coverage, effective October 1, 2024. At the hearing, Petitioner failed to establish that she provided the requested verification prior to the deadline, or that she contacted MDHHS for assistance prior to the deadline. Additionally, she did not submit sufficient evidence to show that she contacted MDHHS to request an extension prior to the deadline or that she otherwise indicated to the Department that she was having difficulty obtaining the requested information. Therefore, MDHHS has established that it properly terminated Petitioner's MA coverage because it did not receive the requested 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 MDHHS acted in accordance with Department policy when it terminated Petitioner's HMP MA coverage.

**DECISION AND ORDER**

Accordingly, MDHHS' decision is **AFFIRMED**.

LJ/pt

  
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**Linda Jordan**  
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**

Janice Collins

Genesee County DHHS Union St District Office

125 E. Union St 7th Floor

Flint, MI 48502

**MDHHS-Genesee-UnionSt-Hearings@michigan.gov**

**Interested Parties**

BSC2

M. Schaefer

EQAD

MOAHR

**Via-First Class Mail:**

**Petitioner**

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