



GRETCHEN WHITMER  
GOVERNOR

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

MARLON I. BROWN, DPA  
DIRECTOR

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Date Mailed: February 25, 2025  
MOAHR Docket No.: 24-012263  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**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 January 27, 2025, from Detroit, Michigan. Petitioner appeared for the hearing and represented herself. A representative from the Department of Health and Human Services (Department) was not present for the hearing and it was held in the absence of the Department.

**ISSUE**

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

**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 MA benefits.
2. On or around August 7, 2024, the Department sent Petitioner a Verification Checklist (VCL) instructing her to submit proof of her assets including checking account statements by August 19, 2024.
3. On or around September 24, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice (Notice) advising her that effective November 1, 2024, she was eligible for MA benefits under the limited coverage Plan First category. The Notice advises Petitioner that effective November 1, 2024, she is ineligible for Medicare Savings Program (MSP) benefits because she failed to submit requested verifications.

4. On or around October 30, 2024, Petitioner requested a hearing disputing the Department's actions with respect to the MA eligibility determination.

### **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 disputed the Department's determination that she was ineligible for full coverage MA benefits and that she was ineligible for MSP benefits effective November 1, 2024.

MA is available (i) under SSI-related categories to individuals who are aged (65 or older), blind or disabled, (ii) to individuals who are under age 19, parents or caretakers of children, or pregnant or recently pregnant women, (iii) to individuals who meet the eligibility criteria for Healthy Michigan Plan (HMP) coverage, and (iv) to individuals who meet the eligibility criteria for Plan First Medicaid (PF-MA) coverage. 42 CFR 435.911; 42 CFR 435.100 to 435.172; BEM 105 (October 2023), p. 1; BEM 137 (June 2020), p. 1; BEM 124 (July 2023), p. 1. MSP are SSI-related MA categories. Asset eligibility is required for MA coverage under SSI-related MA categories but not for eligibility under HMP or Plan First. BEM 400 (April 2024), p. 1-8; BEM 105, p. 1. Under federal law, an individual eligible under more than one MA category must have eligibility determined for the category selected and is entitled to the most beneficial coverage available, which is the one that results in eligibility and the least amount of excess income or the lowest cost share. BEM 105, p. 2; 42 CFR 435.404.

HMP is a MAGI-related MA category that provides MA coverage to individuals who (i) are 19 to 64 years of age; (ii) have income under the MAGI methodology at or below 133% of the federal poverty level (FPL); (iii) do not qualify for or are not enrolled in Medicare; (iv) do not qualify for or are not enrolled in other MA programs; (v) are not pregnant at the time of application; and (vi) are residents of the State of Michigan. BEM 137, p. 1; 42 CFR 435.603.

Additionally, verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (May 2024), 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. Although the client must obtain the required verification, the Department must assist if a client needs and requests help. If neither the client nor the Department can obtain the verification despite a reasonable effort, the Department is to use the best available information; and if no evidence is available, the Department is to use its best judgment. BAM 130, pp. 3-4.

For MA cases, clients are given 10 calendar days (or other time limit specified in policy) to provide the verifications requested by the Department. BAM 130, pp. 7-9. If the client cannot provide the verification despite a reasonable effort, the Department is to extend the time limit to submit the verifications up to two times. BAM 130, pp. 7-9. Verifications are considered to be timely if received by the date they are due. BAM 130, pp. 7-9. The Department will send a negative action notice when the client indicates refusal to provide a verification, or the time period given has lapsed. BAM 130, pp. 8-9.

At the hearing, the undersigned read the Hearing Summary prepared by the Department in response to Petitioner's request for hearing into the hearing record. According to the Hearing Summary, the change in Petitioner's MA and MSP coverage was due to a verification of assets found on an asset detection report not being returned timely. The Hearing Summary states that Petitioner was notified with a DHS-1606 sent by Bridges Central print. Petitioner testified that she did not receive the VCL requesting asset information. Petitioner testified that her mail is sometimes delivered to an incorrect address because of a substitute mail carrier. Petitioner testified that she has received important documents at her home that belong to her neighbors as well. Petitioner asserted that her MA and MSP benefits were terminated effective November 1, 2024.

Although the Hearing Summary was read into the record, the Department was not present for the hearing and thus did not present any evidence in support of the processing of Petitioner's MA and MSP eligibility. Because the Department was not present for the hearing, there was no evidence presented in support of its determination that Petitioner was ineligible for full coverage MA or MSP benefits due to a failure to verify assets and that she was only eligible for limited coverage Plan First MA effective November 1, 2024.

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 because the Department failed to appear for the hearing, the Department failed to satisfy its burden of showing that it acted in accordance with Department policy when it determined Petitioner's MA and MSP eligibility for November 1, 2024, ongoing.


**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 and MSP eligibility under the most beneficial category for November 1, 2024, ongoing;
2. If eligible, provide Petitioner with MA and MSP coverage under the most beneficial category, that she was entitled to receive but did not from November 1, 2024, ongoing; and
3. Notify Petitioner in writing of its decision.

ZB/ml

  
**Zainab 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**

Tracey Jones

Oakland County Southfield District III

25620 W. 8 Mile Rd

Southfield, MI 48033

**MDHHS-Oakland-6303-Hearings@michigan.gov**

**Interested Parties**

BSC4

M Schaefer

EQAD

MOAHR

**Via First Class Mail:**

**Petitioner**

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