GRETCHEN WHITMER
GOVERNOR

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

MARLON BROWN DIRECTOR



Date Mailed: January 15, 2025 MOAHR Docket No.: 24-013355

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 January 8, 2025, from Detroit, Michigan. Petitioner appeared for the hearing and represented himself. The Department of Health and Human Services (Department) was represented by Karen Smalls, Assistance Payments Worker.

#### **ISSUE**

Did the Department properly close Petitioner's Food Assistance Program (FAP) case and determine his 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 previously a recipient of FAP benefits.
- 2. On or around October 5, 2023, Petitioner was incarcerated at the County Jail. (Exhibit A, p.6)
- 3. Petitioner's FAP case closed effective November 30, 2023. Petitioner has not submitted any application for FAP benefits since the case closure.
- 4. Petitioner was previously a recipient of MA benefits under the Healthy Michigan Plan (HMP) category with case number 126443302.
- 5. On or around July 31, 2024, Petitioner's HMP MA benefits under case number 126443302 were terminated.

- 6. On or around August 2, 2024, Petitioner was released from the County Jail. (Exhibit A, p. 6)
- 7. On or around October 2, 2024, Petitioner submitted an application requesting MA benefits and was assigned case number 122646976.
- 8. On or around October 4, 2024, the Department sent Petitioner a Health Care Coverage Determination Notice advising him that he was denied MA benefits under case number 122646976 because he was eligible for MA in another case. (Exhibit A, pp. 8-10)
- 9. On or around December 5, 2024, Petitioner requested a hearing disputing the Department's actions with respect to his FAP and MA benefits. (Exhibit A, pp. 3-5)

### **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).

#### **FAP**

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

Petitioner requested a hearing on December 5, 2024, disputing the Department's actions with respect to the FAP.

BAM 600, pp. 6-7 provides that a request for hearing must be received in the Department local office within 90 days of the date of the written notice of case action. The Michigan Office of Administrative Hearings and Rules (MOAHR) may grant a hearing about a denial of an application and/or supplemental payments; reduction in the amount of program benefits or service; suspension or termination of program benefits or service; restrictions under which benefits or services are provided or delay of any action beyond the standards of promptness. BAM 600, pp. 4-6.

It was established that Petitioner was previously a recipient of FAP benefits and that his case closed effective November 30, 2023. Petitioner confirmed that he did not reapply for FAP benefits at any point after the case closure or prior to the hearing. There was also no evidence that Petitioner submitted a request for hearing to dispute the FAP case closure prior to December 5, 2024. Petitioner testified that he was incarcerated at the

County Jail until August 2, 2024. Despite Petitioner's incarceration, Department policy requires that an appeal be filed within 90 days of the negative case action. Therefore, Petitioner's December 5, 2024, hearing request was not timely filed within ninety days of the November 30, 2023, case closure and because Petitioner did not reapply for FAP benefits, Petitioner failed to show that there had been any negative action taken with respect to the FAP within the 90 days of his request for hearing. Thus, the hearing request with respect to FAP is, thereby, **DISMISSED** for lack of jurisdiction.

## MA

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 actions with respect to the MA program. It was established that Petitioner was previously approved for MA benefits under the HMP and that his case closed effective July 31, 2024, possibly due to a failure to submit requested information. Petitioner reapplied for MA benefits on or around October 2, 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. 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.

At the hearing, the Department representative testified that on October 4, 2024, a Health Care Coverage Determination Notice was issued advising Petitioner that he was denied MA benefits under case number 122646976 because he was eligible for MA in another case. (Exhibit A, pp. 8-10). However, during the hearing, the Department reviewed Petitioner's MA eligibility under both case numbers associated with his name and testified that at the time the October 2, 2024, MA application was submitted and the October 4,

2024, Health Care Coverage Determination Notice was issued, Petitioner did not have active MA benefits under the HMP. Thus, the October 2, 2024, MA application was denied in error. The Department conceded that it did not properly consider Petitioner's eligibility for MA benefits under all categories when processing the October 2, 2024, MA application.

Therefore, because the Department did not consider Petitioner's eligibility for HMP prior to denying his MA application and because there was no evidence that Petitioner had active MA benefits under the previous case number, the Department failed to properly process Petitioner's MA benefits.

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 processed Petitioner's MA benefits.

## **DECISION AND ORDER**

Accordingly, the hearing request with respect to FAP is **DISMISSED** and the Department's MA 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 under the most beneficial category, and consider his eligibility for HMP MA for October 1, 2024, ongoing;
- 2. If eligible, provide MA coverage to Petitioner under the most beneficial category, that he was entitled to receive but did not from October 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

Tracey Jones

Oakland County Southfield Disctrict III

25620 W. 8 Mile Rd Southfield, MI 48033

MDHHS-Oakland-6303-Hearings@michigan.gov

**Interested Parties** 

BSC4

M Schaefer

**EQAD** 

**MOAHR** 

<u>Via First Class Mail:</u> Petitioner

MI