



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
LANSING

MARLON I. BROWN, DPA
DIRECTOR

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Date Mailed: January 30, 2025
MOAHR Docket No.: 24-013975
Agency No.: 117511851
Petitioner: ██████████

ADMINISTRATIVE LAW JUDGE: Jeffrey Kemm

HEARING DECISION

On December 18, 2024, Petitioner ██████████ requested a hearing to dispute public assistance benefits. As a result, a hearing was scheduled to be held on January 28, 2025. Public assistance hearings are held 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; 45 CFR 205.10; and Mich Admin Code, R 792.11002.

The parties appeared for the scheduled hearing. Petitioner appeared and represented herself. Respondent Michigan Department of Health and Human Services (Department) had Assistance Payments Worker Toia Mattison-Brown appear as its representative. Neither party had any additional witnesses.

Both parties provided sworn testimony, and one exhibit was admitted into evidence. A 21-page packet of documents provided by the Department was admitted into evidence collectively as Exhibit A.

ISSUE

Did the Department properly close Petitioner's Medicaid and Food Assistance Program (FAP) 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 receives a pension benefit of ██████████ per month from Ford Motor Company.
2. On or about November 14, 2024, Petitioner submitted a redetermination form to the Department to renew her eligibility for public assistance benefits. In the

redetermination form, Petitioner reported that her income consisted of Social Security benefits and a pension benefit.

3. The Department was previously unaware that Petitioner was receiving a pension benefit, so the Department had not been budgeting Petitioner's pension benefit as income when it had determined her eligibility for public assistance benefits.
4. On November 14, 2024, the Department mailed a verification checklist to Petitioner to obtain additional information from Petitioner to determine her eligibility for public assistance benefits. The verification checklist instructed Petitioner to provide the Department with proof of her pension/retirement. It stated, "return one of the following: recent check stub(s) or a letter or document from person/agency making payment." The verification checklist instructed Petitioner to provide this proof to the Department by November 25, 2024.
5. On November 25, 2024, Petitioner provided the Department with copies of her checking account statement and a 2023 1099-R tax statement. The checking account statement did not show the pension payments that Petitioner received. The 2023 1099-R tax statement showed that Petitioner received gross distributions of [REDACTED] in 2023.
6. The Department reviewed the documents that Petitioner provided, and the Department was unable to ascertain what Petitioner's pension income was. Accordingly, the Department determined that the documents that Petitioner provided were inadequate proof of her pension income.
7. On December 11, 2024, the Department mailed a health care coverage determination notice to Petitioner to notify her that she was ineligible for Medicaid and Medicare Savings Program (MSP) coverage, effective January 1, 2025. The Department also mailed a notice of case action to Petitioner to notify her that she was ineligible for FAP benefits, effective January 1, 2025.
8. Petitioner requested a hearing to dispute the Department's decision.

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 Food Assistance Program (FAP) 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 administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

Medicaid is known as Medical Assistance (MA). The 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 administers the MA program pursuant to 42 CFR 435, MCL 400.10, and MCL 400.105-.112k.

In this case, the Department closed Petitioner's Medicaid and FAP benefits because the Department determined that Petitioner did not provide verification of her pension income as instructed. Verification is usually required at application/redetermination and for a reported change affecting eligibility. BAM 130 (May 1, 2024), p. 1. The Department must tell the client what verification is required, how to obtain it, and the due date. *Id.* at 3. The client must obtain required verification, but the local office must assist if the client needs and requests help. *Id.*

For Medicaid, the Department must give the client 10 days to provide the requested verification. *Id.* at 7. Verifications are considered timely if received by the due date. *Id.* The Department must send a negative action notice when (1) the client refuses to provide the requested verification or (2) the due date has lapsed. *Id.*

For FAP benefits, the Department must give the client 10 days to provide the requested verification. *Id.* at 7. Verifications are considered timely if received by the due date. *Id.* The Department must send a negative action notice when (1) the client refuses to provide the requested verification or (2) the client has failed to make a reasonable effort to provide the verification by the due date. *Id.*

Based on the evidence presented, Petitioner provided the Department with sufficient verification by the due date. Petitioner provided a copy of a 2023 1099-R tax statement that showed that Petitioner received gross distributions of [REDACTED] in 2023. This was a document from the agency that made pension payments to Petitioner. Thus, it was one of the types of documents that the Department described in its verification checklist. The Department could have used the document to calculate Petitioner's monthly pension benefit by dividing the gross distributions of [REDACTED] by 12 months. Alternatively, the Department could have requested more specific information from Petitioner if the Department needed additional information to determine Petitioner's eligibility for public assistance benefits.

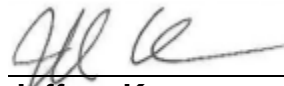
The Department's decision is reversed because Petitioner complied with the Department's verification checklist by providing the Department with a copy of a 2023 1099-R tax statement. The Department must redetermine Petitioner's eligibility for public assistance based on the document she provided. However, if the Department determines that it needs additional information to redetermine Petitioner's eligibility for public assistance, the Department may request additional information from Petitioner.

DECISION AND ORDER

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 its policies and the applicable law when it closed Petitioner's Medicaid and FAP benefits.

IT IS ORDERED: the Department's decision is **REVERSED**. The Department must redetermine Petitioner's eligibility for public assistance consistent with this decision. The Department shall begin to implement this decision within 10 days of the date of mailing of this hearing decision.

JK/pe



Jeffrey Kemm

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
B. Cabanaw
M. Holden
N. Denson-Sogbaka
MOAHR

Via First Class Mail:

Petitioner

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