



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: July 26, 2024
MOAHR Docket No.: 24-006293
Agency No.: [REDACTED]
Petitioner: [REDACTED]

ADMINISTRATIVE LAW JUDGE: Corey Arendt

DECISION AND ORDER

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 42 CFR 431.200 *et seq.*, upon Petitioner’s request for a hearing.

After due notice, a hearing was held on July 25, 2024. [REDACTED] Petitioner’s daughter and Guardian, appeared on behalf of Petitioner. [REDACTED] Petitioner’s Co-Guardian, appeared as a witness. John Lambert, Appeals Review Officer, appeared on behalf of the Respondent, Michigan Department of Health and Human Services (Department of MDHHS). Nashonne McCannts, Adult Services Worker; and Leslie Sims, Adult Services Supervisor; appeared as witnesses for the Department.

Exhibits:

| | |
|------------|---------------------|
| Petitioner | None |
| Department | A – Hearing Summary |

ISSUE

Did the Department properly suspend Petitioner’s Home Help Services (HHS) case because Petitioner did not have active Medicaid?

FINDINGS OF FACT

The Administrative Law Judge, based upon the competent, material and substantial evidence on the whole record, finds as material fact:

1. Since at least August 25, 2021, Petitioner has been approved for and has received HHS benefits. (Exhibit A.)

2. On January 1, 2024, Petitioner's Medicaid scope of coverage changed to 1Y with a spenddown amount of \$932. (Exhibit A; Testimony.)
3. On April 1, 2024, Petitioner's spend down amount increased to \$974. (Exhibit A; Testimony.)
4. On June 6, 2024, the Michigan Office of Administrative Hearings and Rules received from Petitioner, a request for hearing. The request indicated a dispute with Petitioner's Medicaid coverage. (Exhibit A.)

CONCLUSIONS OF LAW

The Medical Assistance Program is established pursuant to Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). It is administered in accordance with state statute, the Social Welfare Act, the Administrative Code, and the State Plan under Title XIX of the Social Security Act Medical Assistance Program.

Home Help Services (HHS) are provided to enable functionally limited individuals to live independently and receive care in the least restrictive, preferred settings. These activities must be certified by a physician and may be provided by individuals or by private or public agencies.

The Adult Services Manual (ASM) addresses eligibility for Home Help Services:

GENERAL

Home help services are available if the client meets all eligibility requirements. An independent living services case may be opened for supportive services to assist the client in applying for Medicaid (MA).

Home help services payments cannot be authorized prior to establishing Medicaid eligibility and completing a face-to-face assessment with the client. Once MA eligibility has been established, the case service methodology **must** be changed to case management.

Requirements

Home help eligibility requirements include **all** of the following:

- Medicaid eligibility.
- Certification of medical need.

- Need for service, based on a complete comprehensive assessment indicating a functional limitation of level 3 or greater for at least one activity of daily living (ADL).
- Appropriate Program Enrollment Type (PET) codes.

Medicaid/ Medical Aid (MA)

The client may be eligible for MA under one of the following:

- All requirements for Medicaid have been met.
- MA deductible obligation has been met.

The client must have a scope of coverage of either:

- 1F or 2F.
- 1D or 1K (Freedom to Work).
- 1T (Healthy Kids Expansion).
- 3G (Healthy Michigan Plan).
- 7W (MiChild)
- 8L (Flint)

Clients with a scope of coverage 20, 2C or 2B are **not** eligible for Medicaid until they have met their MA deductible obligation.

Note: A change in the scope of coverage in Bridges will generate a system tickler in Michigan Adult Integrated Management System (MiAIMS) for active services cases.

Medicaid Personal Care Option

Clients in need of home help personal care services may become eligible for MA under the Medicaid personal care option.

Discuss this option with the client and coordinate implementation with the eligibility specialist.

Conditions of eligibility:

- The client meets all Medicaid eligibility factors except income.
- An independent living services case is open.
- The client is eligible for home help services.
- The cost of personal care services is **more** than the MA excess income amount.

If **all** the above conditions have been satisfied, the client has met MA deductible requirements. The adult services specialist can apply the personal care option in ASCAP. The deductible amount is entered on the **MA History** tab of the Bridges **Eligibility** module in MiAIMS. When processing a payment for a client using the personal care option, it is important to remember to enter the deductible amount on the Payment Detail screen when authorizing the payment in MiAIMS so that the deductible amount is subtracted from the Home Help payment.

Use the DHS-1210, Services Approval Notice, to notify the client of home help services approval when MA eligibility is met through this option. The notice must inform the client that the home help payment will be reduced by the deductible amount, and that the client is responsible for paying the provider the MA deductible amount each month.

Do **not** close a case eligible for MA based on this policy option if the client does not pay the provider. It has already been ensured that MA funds will not be used to pay the client's deductible liability. The payment for these expenses is the responsibility of the client.

Changes in the client's deductible amount will generate a system tickler from Bridges.

MA eligibility under this option **cannot** continue if the cost of personal care becomes **equal to or less than** the MA excess income amount.

Note: See Bridges Eligibility Manual (BEM) 545, Exhibit II, regarding the Medicaid Personal Care Option.¹

Department policy requires an HHS participant to have full coverage Medicaid or have met the monthly Medicaid spend-down in order to be eligible for the HHS program. Here, the Department's witness testified the Petitioner did not have Medicaid with the necessary scope of coverage.

The issue in this case, however, is whether proper notice was provided to the Petitioner regarding the suspension of HHS when Petitioner's Medicaid coverage changed.

ASM 150 addresses Advance Negative Action Notices and provides the following:

The DHS-1212, Advance Negative Action Notice, is used and generated from MiAIMS when there is a reduction, suspension, or termination of services. Appropriate notations must be entered in the comment section to explain the reason for the negative action.

- Reduced - decrease in payment.
- **Suspended - payments stopped but case remains open.**
- Terminated - case closure.²

Based on the evidence presented, it is clear Petitioner's HHS were suspended upon the Medicaid scope of coverage changing, but that suspension was never clearly communicated to Petitioner as required by ASM 150. The suspension of payments due to the scope of coverage change should have resulted in an Advance Negative Action Notice being sent to the Petitioner.

Consequently, I find sufficient evidence to reverse the Department's actions in this case due to the Department not providing Petitioner with the appropriate notice.

DECISION AND ORDER

The Administrative Law Judge, based on the above findings of fact and conclusions of law, decides that the Department erred in suspending Petitioner's HHS case without proper notice.

IT IS THEREFORE ORDERED that:

The Department's decision is **REVERSED**.

¹ Adult Services Manual (ASM) 105, June 1, 2020, pp 1-3.

² ASM 150, May 1, 2023, p 2.

The Department is ordered to issue retroactive benefits if otherwise eligible and qualified.

Furthermore, if it is determined following receipt of this Order that Petitioner does not qualify for HHS payments due to an unacceptable Medicaid Coverage code, the Department should immediately issue the appropriate Advance Negative Action Notice informing Petitioner of the suspension.

CA/pe



Corey Arendt
Administrative Law Judge
for Elizabeth Hertel, Director
Department of Health and Human Services

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 30763
Lansing, Michigan 48909-8139

Via First Class Mail:

Petitioner

[REDACTED]
[REDACTED] MI [REDACTED]

**Via Electronic and
First Class Mail:**

Authorized Hearing Representative

[REDACTED]
[REDACTED] MI [REDACTED]
[REDACTED]

Via Electronic Mail:

Agency Representative

John Lambert
MDHHS Appeals Section
Lansing, MI 48909
LambertJ4@michigan.gov

DHHS Department Contact

Michelle Martin
MDHHS
400 S. Pine St., 6th Floor
Lansing, MI 48933
MDHHS-Home-Help-Policy@michigan.gov

DHHS Location Contact

Sherry Reid
MDHHS-Greenview Adult Services District
Wayne County, BSC-4
19340 Greenview Ave., Ste. 200
Detroit, MI 48219
MDHHS-WC-MAHSHearing@michigan.gov

DHHS Department Representative

Mary Carrier
MDHHS Appeals Section
P.O. Box 30807
Lansing, MI 48909
MDHHS-Appeals@michigan.gov