



Date Mailed: April 4, 2025

Docket No.: 25-005371

Case No.: [REDACTED]

Petitioner: [REDACTED]

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هذه وثيقة قانونية مهمة. يرجى أن يكون هناك شخص ما يترجم المستند.

এটি একটি গুরুত্বপূর্ণ আইনি ডকুমেন্ট। দয়া করে কেউ দস্তাবেজ অনুবাদ করুন।

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Ky është një dokument ligjor i rëndësishëm. Ju lutem, kini dikë ta përktheni dokumentin.

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; 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 via telephone conference on March 6, 2025. Petitioner appeared for the hearing with his daughter/Authorized Hearing Representative (AHR) [REDACTED]. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Karen Smalls, Assistance Payments Supervisor.

ISSUE

Did the Department properly close Petitioner's Medical Assistance (MA) case?

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 and his wife [REDACTED] were ongoing recipients of MA benefits. In connection with a redetermination, MA eligibility was reviewed.
2. On or around November 27, 2024, Petitioner submitted a redetermination to the Department.

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3. On or around December 2, 2024, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit proof of his assets including savings account/Christmas club account statements by December 12, 2024. (Exhibit A, pp. 8-9)
 4. On or around December 20, 2024, the Department sent Petitioner a Verification Checklist (VCL) instructing him to submit proof of his income by December 30, 2024. (Exhibit A, pp. 6-7)
 5. Petitioner timely submitted proof of his income, tax return, and checking account.
 6. The Department determined that Petitioner failed to submit proof of a savings account with US Bank.
 7. On or around January 10, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice advising him that effective February 1, 2025, he was ineligible for MA because he failed to return verification of his savings account and effective February 1, 2025, Petitioner's wife was ineligible for MA because verification of her income was not returned. (Exhibit A, pp. 12-14)
 8. On or around January 28, 2025, Petitioner requested a hearing disputing the Department's actions with respect to the MA program. (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).

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 his MA case.

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 Department representative testified that Petitioner's MA eligibility was due for review and Petitioner timely returned a redetermination to the Department on or around November 27, 2024. The Department representative testified that in connection with the redetermination, the Department issued the December 2, 2024, VCL instructing Petitioner to submit proof of assets including savings account/Christmas club account statements by December 12, 2024. (Exhibit A, pp. 8-9). A second VCL was issued on December 20, 2024, instructing Petitioner to submit proof of his income by December 30, 2024. (Exhibit A, pp. 6-7). The Department representative testified that although Petitioner timely returned some of the requested verifications, he failed to submit proof of a savings account. As a result, the Department issued the January 1, 2025, Health Care Coverage Determination Notice, closing MA benefits effective February 1, 2025. It is noted that MA coverage for Petitioner's wife was also terminated effective February 1, 2025, due to a failure to submit verification of her income. However, the Department acknowledged that there was no income on file for Petitioner's wife and no reported income for her on the redetermination. Additionally, because there was no evidence that Petitioner's wife's MA benefits were subject to an asset test, as she may have been approved for HMP, a closure based on a failure to return asset information would also not have been proper.

At the hearing, Petitioner's AHR disputed that Petitioner had any savings account. Petitioner's AHR asserted that Petitioner has one checking account with Comerica Bank and that she submitted documentation from Comerica Bank showing that he does not have any active savings accounts. (Exhibit 1). The Department representative testified that an asset detection report was completed and identified a savings account associated with Petitioner's name through US Bank with a \$300 balance from November 2023 through July 2024. (Exhibit B). After reviewing the asset detection report, Petitioner's AHR again testified that Petitioner does not have any savings accounts and the only bank he has any account in is Comerica and it is a checking account. Petitioner's AHR asserted that at one point, Petitioner may have opened a credit card or pre-paid type of debit card through Comerica bank but it was unknown whether the issuing bank was US Bank. It is also noted the asset detection report did not identify any balance in the account after July 2024. It was unknown whether the

credit card account referenced by Petitioner is the same as the one identified on the asset detection report. Furthermore, because the VCL did not specify that Petitioner was to submit proof of an account with US Bank specifically, Petitioner was unaware it was required or how to obtain the verification. Upon review, Petitioner made a reasonable effort to submit all requested verifications that were available to him and did not indicate a refusal to comply with the VCL. Therefore, the case closure due to a failure to submit proof of a savings account that Petitioner was unaware of was improper.

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 Department policy when it terminated MA benefits for Petitioner and his wife effective February 1, 2025.

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. Reinstate Petitioner and his wife's MA cases effective February 1, 2025;
2. Provide Petitioner and his wife with MA coverage under the most beneficial category, that they were entitled to receive but did not from February 1, 2025; ongoing; and
3. Notify Petitioner in writing of its decision in writing.



ZAINAB A BAYDOUN
ADMINISTRATIVE LAW JUDGE

APPEAL RIGHTS: Petitioner may appeal this Hearing Decision to the circuit court. Rules for appeals to the circuit court can be found in the Michigan Court Rules (MCR), including MCR 7.101 to MCR 7.123, available at the Michigan Courts website at courts.michigan.gov. The Michigan Office of Administrative Hearings and Rules (MOAHR) cannot provide legal advice, but assistance may be available through the State Bar of Michigan at <https://lrs.michbar.org> or Michigan Legal Help at <https://michiganlegalhelp.org>. A copy of the circuit court appeal should be sent to MOAHR. A circuit court appeal may result in a reversal of the Hearing Decision.

Either party who disagrees with this Hearing Decision may also send a written request for a rehearing and/or reconsideration to MOAHR within 30 days of the mailing date of this Hearing Decision. The request should include Petitioner's name, the docket number from page 1 of this Hearing Decision, an explanation of the specific reasons for the request, and any documents supporting the request. The request should be sent to MOAHR

- by email to MOAHR-BSD-Support@michigan.gov, **OR**
- by fax at (517) 763-0155, **OR**
- by mail addressed to
Michigan Office of Administrative Hearings and Rules
Rehearing/Reconsideration Request
P.O. Box 30639
Lansing Michigan 48909-8139

Documents sent via email are not secure and can be faxed or mailed to avoid any potential risks. Requests MOAHR receives more than 30 days from the mailing date of this Hearing Decision may be considered untimely and dismissed.

Via Electronic Mail:

Respondent

OAKLAND COUNTY DHHS - SOUTHFIELD DIST
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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Authorized Hearing Representative

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