



Date Mailed: April 8, 2025

Docket No.: 25-006436

Case No.: [REDACTED]

Petitioner: [REDACTED]

TAMIKA RAMSEY
3012 GREENFIELD RD
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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; 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 hearing was held by teleconference on March 19, 2025 and the parties participated jointly by Microsoft Teams from the Michigan Department of Health and Human Services (Department) local office. Petitioner appeared and represented herself. The Department was represented by Avery Smith, Assistance Payments Supervisor, and Julie Berg, Assistance Payments Supervisor, was present for observation purposes.

ISSUE

Did the Department properly determine Petitioner's Medicaid (MA) and Medicare Savings Program (MSP) eligibility?

FINDINGS OF FACT

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

1. On [REDACTED] 2024, the Department received an application for MA from Petitioner.

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2. On January 9, 2025, the Department sent Petitioner a Verification Checklist (VCL) that requested Petitioner provide:
 - a) Proof of her tax refund amount and the date received,
 - b) Verification of her checking account, and
 - c) Verification of her savings/Christmas club account,to the Department by January 21, 2025. The VCL did not identify any specific bank accounts. (Exhibit A, pp. 7 – 8).
 3. On January 10, 2025, the Department received verification of Petitioner's checking and savings accounts.
 4. On January 28, 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that:
 - a) Approved Petitioner for full coverage MA for November 2024 only,
 - b) Approved Petitioner for Plan First Family Planning (PFFP) MA effective December 1, 2024 ongoing, and
 - c) Denied Petitioner for MSP effective December 1, 2024 ongoing.(Exhibit A, pp. 11 – 12).
 5. On February 5, 2025, the Department received a request for hearing from Petitioner, disputing the Department's determination regarding Petitioner's MA and MSP eligibility. (Exhibit A, pp. 3 – 6).

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.

Petitioner requested a hearing to dispute the Department's determination of her MA and MSP eligibility. The Department approved Petitioner for full coverage MA for November 2024 only, approved her for PFFP MA effective December 1, 2024 ongoing, and denied her for MSP effective December 1, 2024 ongoing. The Department testified that its determination of Petitioner's eligibility was due to her failure to return requested verifications.

There was no dispute that Petitioner is potentially eligible for coverage under SSI-related MA categories, including Group 2 Aged, Blind and Disabled (G2S), and for MSP benefits. SSI-related MA categories and MSP both have asset tests and require the Department to consider a client's countable assets when determining eligibility for those categories. BEM 400 (January 2025), pp. 1, 6. For SSI-related MA categories, unless the client's own report of asset values exceed the limit, the Department must verify the value of countable assets at application, redetermination, and when a change is reported. BEM 400, p. 61. For purposes of SSI-related MA categories, countable assets include cash and funds in bank accounts, and the value of those assets cannot exceed the applicable asset limit. BEM 400, pp. 1 – 2. For most SSI-related MA categories, an asset group of one has an asset limit of \$2,000 and an asset group of two has an asset limit of \$3,000. BEM 400, pp. 7 – 8. Effective January 1, 2025, for MSP, an asset group of one has an asset limit of \$9,660 and an asset group of two has an asset limit of \$14,470. BEM 400, p. 8.

To obtain verifications, the Department must send the client a VCL that identifies what verification is required, how to obtain it, and the due date. BAM 130 (May 2024), p. 3. A checking or draft account may be verified by phone contact with the financial institution, a written statement from the financial institution, or a monthly statement of the account. BEM 400, pp. 63 – 64.

For MA, the Department must allow the client 10 calendar days (or other time limit specified in policy) to provide the verification requested, and if the client cannot provide the verification despite a reasonable effort, the time limit may be extended up to two times upon request of the client. BAM 130, p. 8. Policy requires that the Department give the client a reasonable opportunity to resolve any discrepancy between his statements and information from another source before determining eligibility. BAM 130, p. 9. If the client refuses to provide a verification, or the time period given has elapsed, the Department sends a HCCDN to notify the client that MA has been denied. BAM 130, pp. 8 – 9.

In this case, the Department testified that it received an application from Petitioner on [REDACTED] 2024, and the evidence established that the Department sent her a VCL on January 9, 2025 that requested a) proof of her tax refund amount and the date received, b) verification of her checking account, and c) verification of her savings/Christmas club account. The VCL did not identify any specific bank accounts the Department needed to verify.

The Department testified that Petitioner provided checking and savings account statements on January 10, 2025, one of which was for an account with Michigan First Credit Union for checking and savings, which was the account known to the Department. However, the Department did not clearly explain why the statements were not acceptable and testified that it did not request additional verifications or otherwise give Petitioner a reasonable opportunity to resolve any discrepancy identified by the Department. Therefore, the Department did not act in accordance with Department policy when Petitioner returned the verifications before the due date, it determined the bank statements Petitioner provided were not acceptable, and did not give Petitioner a reasonable opportunity to resolve any discrepancy identified by the Department.

The Department also testified that when it requested proof of Petitioner's tax refund information, the request was for the 2023 tax year. However, the requested tax year was not identified on the VCL and the Department did not clearly explain why it requested tax refund information for the 2023 tax year in January 2025. Additionally, there was no dispute that the Department's application¹ asks applicants: "Does anyone applying plan to file a federal tax return next year?". Petitioner testified, and the Department confirmed, that the application she submitted asked about future tax returns, not prior years. Petitioner testified that she did not file income tax returns for 2023, but that she expected to do so in the future. Therefore, the Department failed to establish that it acted in accordance with Department policy when it requested verification of Petitioner's 2023 tax information.

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 denied Petitioner MA and MSP for failure to return verifications.

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 eligibility for MA and MSP for December 2024 ongoing, requesting additional verifications if necessary;

¹ https://www.michigan.gov/mdhhs/-/media/Project/Websites/mdhhs/Folder2/Folder79/Folder1/Folder179/MDHHS-1171_Assistance_Application_and_Program_Supplements.pdf?rev=4e8ad078e71c4a8196d3354d8eaa4b68&hash=BC696E0619247673587AA8598DEDA298 (Last accessed April 3, 2025).

1. If eligible, provide Petitioner with the most beneficial MA and MSP coverage she is eligible to receive for December 2024 ongoing; and
2. Notify Petitioner of its decision in writing.



CARALYCE M. LASSNER
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:

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Interested Parties
EQAD HEARINGS
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Via First Class Mail:

Petitioner

[REDACTED]