



Date Mailed: May 1, 2025

Docket No.: 25-010956

Case No.: [REDACTED]

Petitioner: [REDACTED]

This is an important legal document. Please have someone translate the document.

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 April 30, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Danielle Moton, Assistance Payments Worker.

ISSUE

Did MDHHS properly close Petitioner's Medical Assistance/Medicaid (MA) case for failure to timely return requested verifications of income?

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 November 23, 2024, Petitioner submitted a MA redetermination. Petitioner reported that she is self-employed and receives child support (Exhibit A, pp. 8-12).
2. On December 10, 2024, MDHHS issued a Verification Checklist (VCL) to Petitioner, requesting that she submit documentation of her self-employment

income and income from child support to MDHHS by December 20, 2024 (Exhibit A, pp. 13-14).

3. On January 29, 2025, MDHHS issued a Healthcare Coverage Determination Notice to Petitioner, informing her that her MA case was closed for failure to return verification of income, effective March 1, 2025. Petitioner's children maintain MA coverage (Exhibit A, pp. 15-19).
4. On March 13, 2025, MDHHS received Petitioner's timely submitted hearing request disputing the closure of her MA case (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's MA case was closed for failure to return requested verifications of income to MDHHS. Petitioner disputes the closure of her MA case, arguing that she was unaware of the request as she did not receive the VCL.

The Medicaid program is comprised of several sub-programs or categories. To receive MA under an SSI-related category, the person must be aged (65 or older), blind, disabled, entitled to Medicare or formerly blind or disabled. Medicaid eligibility for the Healthy Michigan Plan is based on Modified Adjusted Gross Income (MAGI) methodology. BEM 105 (January 2024), p. 1. These are the only categories that Petitioner and Wife would be eligible for. Persons may qualify under more than one MA category. Federal law gives them the right to the most beneficial category. The most beneficial category is the one that results in eligibility, the least amount of excess income or the lowest cost share. BEM 105, p. 2.

When submitting the redetermination of benefits, Petitioner reported that she is self-employed and receives child support. MDHHS must verify countable income at the time of application. BEM 502 (June 2024) p. 6. To request verification of information, MDHHS must inform the client of what verification is required, how to obtain it, and the due date. BAM 130 (May 2024) p. 3. With respect to MA cases, clients are given 10

calendar days to provide the verifications requested by MDHHS. Verifications are considered to be timely if received by the date they are due. MDHHS will send a negative action notice when the client indicates refusal to provide a verification, or the time period given has elapsed. BAM 130, pp. 7-8.

MDHHS requested verification of Petitioner's self-employment and child support income by issuing a VCL on December 10, 2024 to Petitioner's verified home address. MDHHS properly requested verification of income in order to determine Petitioner's eligibility and most beneficial MA category. Petitioner credibly testified that she did not receive the VCL and was unaware of the request for verification. Petitioner testified that she did not receive the Healthcare Coverage Determination Notice informing her that her MA case was scheduled to close on March 1, 2025 for failure to return requested verifications. Petitioner testified that she did not know that her MA closed until she attempted to use her coverage at the pharmacy. Petitioner testified that she did not receive the hearing packet timely either. MDHHS was unable to present proof that the documents were issued to Petitioner as dated and conceded the possibility of issues in delivery. Petitioner submitted a new MA application and submitted all verifications timely, further corroborating her testimony that she did not intentionally fail to submit requested verifications at the time of redetermination. Given Petitioner's credible testimony, it is found that she was not aware that verifications had been requested by MDHHS and her MA case should not have closed for failure to return verifications.

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 MDHHS did not act in accordance with Department policy when it closed Petitioner's MA case.

DECISION AND ORDER

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. Reprocess Petitioner's November 23, 2024 MA redetermination;
2. Seek additional verification from Petitioner if required by policy or previously submitted verification is unclear or incomplete;
3. Seek input from Petitioner when prospecting ongoing self-employment income if needed;
4. If Petitioner is eligible for MA benefits, provide coverage to Petitioner for any MA she was eligible to receive but did not from March 1, 2025 ongoing;

5. Notify Petitioner of its decision in writing

Danielle Nuccio

**DANIELLE NUCCIO
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

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Interested Parties

EQAD HEARINGS
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Via First Class Mail:

Petitioner

