



**Date Mailed:** December 18, 2025  
**Docket No.:** 25-039313  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED]

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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.

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**Case No.:** [REDACTED]

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### **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 December 15, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Rosemary Molsbee-Smith, Eligibility Specialist and Hearings Coordinator.

### **ISSUE**

Did the Department properly close Petitioner's Medical Assistance (MA) Program 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 was an ongoing MA recipient.
2. On April [REDACTED] 2025, the Department received a Food Assistance Program (FAP) application from Respondent.
3. On May [REDACTED] 2025, the Department issued a Verification Checklist (VCL) to Petitioner requesting proof of self-employment income via recent business receipts to date, recent account or other business records to date, or recent income tax returns.
4. On May [REDACTED] 2025, the Department received several invoices from Petitioner verifying her income from her dog walking/sitting services.
5. On September [REDACTED] 2025, the Department issued a Health Care Coverage Determination Notice (HCCDN) to Petitioner advising her that her MA benefits were closing effective November 1, 2025 for failure to verify her self-employment income.
6. On October 23, 2025, the Department received Petitioner's request for hearing disputing the Department's closure of her MA benefits.

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## CONCLUSIONS OF LAW

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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, the Department closed Petitioner's MA benefits for failure to verify self-employment income. Per policy, self-employment income must be verified for MA purposes via form 1040, U.S. individual federal income tax returns or Schedule C, Profit or Loss from Business including all attachments in conjunction with the form 1040. BEM 502 (October 2025), p. 7. The schedule C is acceptable even if not yet filed with the IRS. *Id.* A non-tax filer may submit a completed Schedule C to verify expenses without the form 1040. *Id.* At the time the Department sought verification of Petitioner's self-employment income, the Department gave Petitioner options as to what she could submit to verify her self-employment income. Petitioner submitted invoices for multiple months showing the services provided and the amount billed. These documents do not meet the requirements for verification of self-employment in MA cases, but no one advised Respondent of the more stringent requirements for MA benefits. As a result, she did not submit the required documents for MA purposes. Therefore, the Department did not properly close Petitioner's MA benefits.

## 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 closed Petitioner's MA benefits.

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 MA eligibility effective November █ 2025;

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2. If otherwise eligible, issue supplements to Petitioner for benefits not previously received; and,
3. Notify Petitioner in writing of its decision.



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**AMANDA MARLER**  
**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](https://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://rs.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](mailto: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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**Via First Class Mail:**

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED]