



Date Mailed: December 22, 2025
Docket No.: 25-039735
Case No.: [REDACTED]
Petitioner: [REDACTED]

[REDACTED]
[REDACTED]
[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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Docket No.: 25-039735

Case No.: [REDACTED]

Petitioner: [REDACTED]

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 17, 2025. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) failed to appear for the hearing.

ISSUE

Did the Department properly deny Petitioner's application for 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. On August [REDACTED] 2025, the Department received Petitioner's application for Food Assistance Program (FAP) and MA benefits indicating he had income from employment at [REDACTED] as well as self-employment income but also noted that he had been fired recently.
2. On August [REDACTED] 2025, the Department and Petitioner completed an application interview during which he identified self-employment income "freelance work" of about \$[REDACTED] per month, and stated that he had a change in employment and lost his job with [REDACTED].
3. On the same day, a Verification Checklist (VCL) was issued to Petitioner requesting proof of wages, loss of employment with [REDACTED] [REDACTED] and [REDACTED] and other self-employment income by August 21, 2025.
4. On August [REDACTED] 2025, the Department completed a review of the Equifax Work Number Report showing Petitioner's wage history with [REDACTED] [REDACTED] but it did not identify a date of separation.
5. The Department received a copy of Petitioner's 2024 W-2 from [REDACTED] [REDACTED] but failed to date stamp it to show the date of receipt.

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6. On August █ 2025, the Department issued a Self-Employment Income and Expense Statement form to Petitioner for June and July 2025; no due date was identified.
 7. On August █ 2025, the Department issued a Health Care Coverage Determination Notice (HCCDN) which the hearing summary stated was in error because income had not been sufficiently verified.
 8. On August █ 2025, the Department issued another VCL stating that the Department “need[ed] proof of all your earned and unearned income. Provide proof of the last 30 days for employment, unemployment, social security benefits, pension, etc. Also, provide proof of self-employment/expense records over the last year. Examples of proof include copies of check stubs, self-employment records or a statement from your source of income.” Proofs were due by September 8, 2025.
 9. On September █ 2025, the Department issued a second HCCDN to Petitioner informing him that he was ineligible for MA benefits effective November 1, 2025 because he failed to verify or allow the Department to verify necessary information for this program.
 10. On October 28, 2025, the Department received Petitioner’s request for hearing disputing the denial of his MA application.

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, the Department denied Petitioner’s application for MA benefits for failure to “verify information necessary to determine eligibility.” (Exhibit A, p. 42) Because the Department failed to appear for the hearing, the evidence is unclear as to what exactly Petitioner still needed to verify. However, it is notable that Petitioner identified self-employment income on his application, and the Department requested verification of his self-employment income and gave him several options on how to provide the

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verifications. Specifically, the VCLs stated that he could provide “recent business receipts to date, recent accounting or other business records to date, recent income tax return” and “self-employment/expenses records over the last year. Examples of proof include copies of check stubs, self-employment records, or a statement from your source of income.” The Department also issued two self-employment income and expense statement forms. In MA cases, self-employment must be verified by Form 1040 of the U.S. individual federal income tax return, Schedule C Profit and Loss from a business with its attachments in conjunction with the form 1040, and for non-tax filers, a completed Schedule C without a 1040. BEM 502 (June 2024), p. 7-8. Furthermore, under BAM 130, the Department is tasked with requesting verifications and when it does so, it must tell the client what verification is requested, how to obtain it, and the due date. BAM 130 (May 2024), p. 3. The Department failed to properly inform Petitioner of the requirements for verification of self-employment in MA cases; therefore, it was impossible for him to comply with policy when he was given a multitude of options, including forms that would not satisfy the requirements, and no clarity as to what was required.

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 sought verification of Petitioner’s self-employment income.

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 August 2025 application for MA benefits;
2. If otherwise eligible, issue MA coverage for benefits not previously received on behalf of Petitioner; and,
3. Notify Petitioner in writing of its decision.



AMANDA MARLER
ADMINISTRATIVE LAW JUDGE

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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://irs.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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