



**Date Mailed:** January 16, 2026  
**Docket No.:** 25-047202  
**Case No.:** [REDACTED]  
**Petitioner:** [REDACTED] [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

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

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**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 January 15, 2026. Petitioner appeared and was unrepresented. The Michigan Department of Health and Human Services (MDHHS or Department) was represented by Melissa Williams, Eligibility Specialist.

### **ISSUE**

Did the Department properly determine Petitioner's eligibility for Medicaid (MA) coverage?

### **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 October [REDACTED] 2025, Petitioner participated in an interview with the Department and reported self-employment income.
2. On October [REDACTED] 2025, the Department sent Petitioner a Verification Checklist for MA and Food Assistance Program (FAP) benefits with a due date of October 20, 2025. The VCL requested verification of self-employment through one of the following: recent business receipts to date, recent accounting or other business records to date; or recent income tax return. Exhibit A, pp. 7-9.
3. On October [REDACTED] 2025, the Department received three months of self-employment statements on the DHS-431 forms and page one of an SS-4 application for employer identification number IRS form.
4. On October [REDACTED] 2025, the Department sent Petitioner a Health Care Coverage Determination Notice (HCCDN) that informed Petitioner that he was not eligible for MA coverage effective December 1, 2025 ongoing because he did not provide verification of income. Exhibit A, pp. 11-13.
5. On December 11, 2025, the Department received Petitioner's request for hearing. Exhibit A, pp. 3-5.

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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).

Petitioner's request for hearing disputed the Department's actions in both his MA and FAP cases. At the commencement of the hearing, the Department testified that Petitioner's FAP case had been reinstated on December █ 2025 with a benefit amount of \$█ per month, effective January 1, 2026 ongoing with no lapse in benefits. Petitioner testified that the underlying dispute regarding FAP was resolved and withdrew the hearing request regarding FAP. Therefore, Petitioner's hearing request regarding FAP is **DISMISSED**.

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 denial of his MA coverage for failing to return verification of his self-employment income.

Verification is usually required at application/redetermination and for a reported change affecting eligibility or benefit level. BAM 130 (October 2023), 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. For MA cases, the client is allowed 10 calendar days (or other time limit specified in policy) to provide the verification requested. If the client cannot provide the verification despite a reasonable effort, the time limit is extended up to two times. *Id.*, p. 8. Verifications are considered timely if received by the date they are due. BAM 130, p. 7. The Department sends a negative action notice when: the client indicates a refusal to provide a verification or the time period given has elapsed and the client has not made a reasonable effort to provide it. BAM 130, p. 7. *For purposes of MA coverage, acceptable verification of self-employment income for a tax filer is a form 1040 federal income tax return or schedule C profit or loss from business including all attachments in conjunction with form 1040.* BEM 502 (October 2025) pp. 7-8 (emphasis added). Further, the DHS-431 is not an acceptable verification of self-employment income for MA purposes. *Id.*

Here, the Department issued a VCL on October 9, 2025. The VCL requested that Petitioner provide one of the following: recent business receipts to date, recent

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accounting or other business records to date; or recent income tax return. In addition to the VCL, the Department sent Petitioner the DHS-431 forms. Petitioner responded to the VCL by providing completed DHS-431s. The October 23, 2025 HCCDN notified Petitioner that his MA was closing because he failed to verify income. The Department testified that case comments clarified that the denial was because Petitioner did not provide his "full tax return." However, the VCL never informed Petitioner that the tax form was the only acceptable verification for MA purposes. The VCL gave Petitioner the option to return one of the listed sources of proof and Petitioner complied by submitting the DHS 431s.

The Department acknowledged that the October 23, 2025 HCCDN was erroneous. However, at the time of the hearing, the Department had not reinstated Petitioner's MA coverage. Because the VCL did not accurately inform Petitioner of what documentation was sufficient verification of self-employment income for purposes of MA, the Department did not act in accordance with Department policy when it closed Petitioner's MA for failing to return verification of self-employment income.

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**DECISION AND ORDER**

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Accordingly, Petitioner's hearing request regarding **FAP** is **DISMISSED** based on Petitioner's hearing request withdrawal.

The Department's decision regarding **MA** 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 coverage for December 1, 2025 ongoing in accordance with policy, requesting verification of Petitioner's self-employment income, if necessary, and notifying Petitioner what specific verification is required;
2. If eligible for MA coverage, provide Petitioner with the best available coverage for December 1, 2025 ongoing; and
3. Notify Petitioner of its decision in writing.



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**JULIA NORTON**  
**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**  
MACOMB COUNTY DHHS MT  
CLEMENS DIST 12  
44777 N GRATIOT AVE STE A  
CLINTON TOWNSHIP, MI 48036  
**MDHHS-MACOMB-12-  
HEARINGS@MICHIGAN.GOV**



**Via First Class Mail:**

**Petitioner**

[Redacted]  
[Redacted]  
[Redacted]