

STATE OF MICHIGAN  
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES

ADMINISTRATIVE HEARINGS FOR THE  
DEPARTMENT OF HUMAN SERVICES

IN THE MATTER OF: [REDACTED]

Claimant

Reg. No: 2008-15628

Issue No: 1005; 2006

Case No: [REDACTED]

Load No: [REDACTED]

Hearing Date:

November 20, 2008

Washtenaw County DHS

ADMINISTRATIVE LAW JUDGE: Jana A. Bachman

HEARING DECISION

This matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9; and MCL 400.37 upon claimant's request for a hearing. After due notice, a telephone hearing was held on November 20, 2008.

ISSUE

Whether the Department of Human Services (department) acted in compliance with department policy when it determined claimant's Family Independence Program (FIP) and Medical Assistance (MA) benefits?

FINDINGS OF FACT

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

- (1) December 13, 2007, claimant applied for FIP and MA.
- (2) December 13, 2007, the department provided claimant a Verification Checklist (DHS-3503) that indicated needed proof of income and assets and set a due date of December 26, 2007. Department A, page 1.
- (3) January 8, 2008, department received a letter from claimant wherein he stated that proof of income was enclosed with the exception of one job where the employer would not complete the verification form. Department A, pages 2-7.
- (4) On or about January 14, 2008, claimant provided the department with a completed Verification of Employment (DHS-38) from the second employer. Department A, pages 8-10.
- (5) January 28, 2008, the department sent claimant a Verification Checklist stating the need for pay stubs for all employment in the past 30 days and proof of the value and availability of all assets. The due date was stated as February 7, 2008 which was crossed out and February 4, 2008 was penciled in. Department A, page 11.
- (6) On or about February 19, 2008, claimant wrote the department a letter indicating required proofs were enclosed. Claimant did not provide proof of the availability of his investment accounts. Proof of income was still lacking needed information. Department A, pages 12-15.
- (7) February 20, 2008, the department provided claimant with written notice that the application was denied due to failure to provide required proofs.
- (8) On or about February 21, 2008, claimant wrote the department a letter stating that proof of the value of his investment accounts would be available the following week. Department A, page 16.

(9) February 22, 2008, claimant provided a statement showing investment earnings from an investment account and two January pay stubs and one February pay stub.

### CONCLUSIONS OF LAW

The Medical Assistance (MA) program is established by Title XIX of the Social Security Act and is implemented by Title 42 of the Code of Federal Regulations (CFR). The Department of Human Services (DHS or department) administers the MA program pursuant to MCL 400.10, *et seq.*, and MCL 400.105. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

The Family Independence Program (FIP) was established pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, 8 USC 601, *et seq.* The Department of Human Services (DHS or department) administers the FIP program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3101-3131. The FIP program replaced the Aid to Dependent Children (ADC) program effective October 1, 1996. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department manuals provide the following policy statements and instructions for caseworkers:

#### **Timeliness of Verifications**

Allow the client 10 calendar days (or other time limit specified in policy) to provide the verification you request. If the client cannot provide the verification despite a reasonable effort, extend the time limit at least once.

Verifications are considered to be timely if received by the date they are due. For electronically transmitted verifications (e.g., fax, email), the date of the transmission is the receipt date.

Verifications that are submitted after the close of regular business hours through the drop box or by delivery of a DHS representative are considered to be received the next business day.

Send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed and the client has not made a reasonable effort to provide it.

### **MA Only**

Send a negative action notice when:

- The client indicates refusal to provide a verification, or
- The time period given has elapsed.

### **Program Administrative Manual (PAM) 130**

#### **FIP**

45 CFR 206.10(a)(2)(ii)  
45 CFR 233.10(a)(1)(ii)(B)  
MCL 400.37

#### **MA**

42 CFR 435.913(a)  
42 CFR 435.916(b)  
MCL 400.37  
Public Law 109-171

In this case, the department provided claimant with proper notice of required proofs.

Several extensions of deadline were granted upon claimant request. Claimant did not provide proof of income and assets as requested within the timeframe allowed. Findings of Fact 1-9. No evidence was offered to establish value of investment accounts was not available or that pay stubs were not available. Accordingly, a preponderance of the evidence establishes that claimant did not make a reasonable effort to provide proof of income and assets by the extended deadlines. As such, the department has met its burden of proof and its action must be upheld.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides the Department of Human Services acted in compliance with department policy when it determined claimant's eligibility for Medical Assistance and Medical Assistance benefits.

Accordingly, the department's action is **HEREBY UPHOLD**.

/s/  
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Jana A. Bachman  
Administrative Law Judge  
for Ismael Ahmed, Director  
Department of Human Services

Date Signed: September 2, 2009

Date Mailed: September 3, 2009

**NOTICE:** Administrative Hearings may order a rehearing or reconsideration on either its own motion or at the request of a party within 30 days of the mailing date of this Decision and Order. Administrative Hearings will not order a rehearing or reconsideration on the Department's motion where the final decision cannot be implemented within 90 days of the filing of the original request.

The Claimant may appeal the Decision and Order to Circuit Court within 30 days of the receipt of the Decision and Order or, if a timely request for rehearing was made, within 30 days of the receipt date of the rehearing decision.

JAB/db

cc:

