

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: 2008-26692
Issue No: 2001
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
October 1, 2009
Van Buren County DHS

ADMINISTRATIVE LAW JUDGE: Suzanne L. Keegstra

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 October 1, 2009. The claimant personally appeared and provided testimony.

ISSUE

Did the department properly terminate the claimant's Adult Medical Program (AMP) benefits for failure to return the required verifications in July, 2008?

FINDINGS OF FACT

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

1. The claimant was mailed AMP review materials on June 12, 2008. The review materials included a new application to complete and a Verification Checklist requiring the claimant to provide her driver's license and social security card, all income records, all asset records (including all proof of current value and availability of...IRA or 401K accounts), and all

records of household expenses. This information was due by July 11, 2008, when the claimant was scheduled for a personal interview. (Department Exhibit 1, 2).

2. The review packet was returned to the department as undeliverable on June 16, 2008. The department then mailed the packet to a new address (on [REDACTED]). (Department Exhibit 4, 5).

3. This second review packet was again returned to the department on June 20, 2008. However, the U.S. Postal Service did provide a new address for the claimant. Thus, the department re-mailed the packet on June 20, 2008, to the address provided by the postal service ([REDACTED]). The claimant did receive this packet. (Department Exhibit 6 – 7).

4. The claimant attended the personal interview on July 11, 2008. During this interview, the claimant indicated that she had a pension through the [REDACTED]. This was the first time the claimant had reported having a pension. On two previous applications (dated December 27, 2007 and August 9, 2007) the claimant had checked “no” to any retirement plans. Thus, the department representative conducting the personal interview informed the claimant (and noted on the application) that she must provide the amount or value of the retirement account and whether she could access it. The claimant was advised to provide this information prior to July 23, 2008. (Department Exhibit 8 – 10).

5. The claimant submitted a letter from the [REDACTED] [REDACTED] on July 23, 2009, which was written by the school on July 21, 2008. However, while it does indicate the claimant does have a vested retirement, it does not indicate any value or if the claimant has current rights to any of the money. This letter was received after the case closure had already occurred. (Department Exhibit 12 – 13).

6. The claimant's AMP case closed on July 23, 2009, as the required verifications had not been provided within the required time limits. (Department Exhibit 11).

7. The claimant submitted a hearing request on July 23, 2009.

CONCLUSIONS OF LAW

The Adult Medical Program (AMP) is established by Title XXI of the Social Security Act; (1115)(a)(1) of the Social Security Act, and is administered by the Department of Human Services (DHS or department) pursuant to MCL 400.10, *et seq.* Department policies are contained in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

Department policy states:

CLIENT OR AUTHORIZED REPRESENTATIVE RESPONSIBILITIES

Responsibility to Cooperate

All Programs

Clients must cooperate with the local office in determining initial and ongoing eligibility. This includes completion of the necessary forms. PAM, Item 105, p. 5.

Refusal to Cooperate Penalties

All Programs

Clients who are able but refuse to provide necessary information or take a required action are subject to penalties. PAM, Item 105, p. 5.

Verifications

All Programs

Clients must take actions within their ability to obtain verifications. DHS staff must assist when necessary. See PAM 130 and PEM 702. PAM, Item 105, p. 8.

Assisting the Client

All Programs

The local office must assist clients who ask for help in completing forms (including the DCH-0733-D) or gathering verifications. Particular sensitivity must be shown to clients who are illiterate, disabled or **not** fluent in English. PAM, Item 105, p. 9.

Verification is usually required at application/redetermination **and** for a reported change affecting eligibility or benefit level. PAM, Item 130, p. 1.

Obtaining Verification

All Programs

Tell the client what verification is required, how to obtain it, and the due date (see “**Timeliness Standards**” in this item). Use the DHS-3503, Verification Checklist, or for MA redeterminations, the DHS-1175, MA Determination Notice, to request verification. PAM, Item 130, p. 2.

The client must obtain required verification, but you must assist if they need and request help. PAM, Item 130, p. 2.

Timeliness Standards

All Programs (except TMAP)

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. PAM, Item 130, p. 4.

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. PAM, Item 130, p. 4.

In this case, the department mailed the review materials to the claimant at the proper address on June 20, 2008. The claimant had moved without providing the department with her new address. However, the claimant still had 21 days to gather the required verifications and

bring them with her to the in-person interview on July 11, 2008. The Verification Checklist (DHS-3503) that was mailed to the claimant did indicate the claimant needed to bring proof of the current value and availability of any retirement accounts.

The claimant did not bring the documentation regarding the retirement account to the department at her July 11, 2008 interview. At that time, the department became aware of the existence of the retirement account. The claimant had never claimed a retirement account on her applications prior to this interview. The claimant was advised by the department that she would need to provide documentation of the value and availability of the retirement monies before the negative action date of July 23, 2008. This is noted by the department staff member on the application, which was completed at the time of interview.

The claimant did not provide the required information prior to July 23, 2008. The department received a letter from the [REDACTED] on July 23, 2008, that indicated the claimant did have a retirement account, but indicated no value or current availability. This was after the negative action had already taken place. The claimant testified that she went to the school the Monday following her interview and got the information for the department and then turned it in. However, the letter from the school is dated July 21, 2008, which was ten days after her interview. Thus, the claimant could not have received the letter the Monday following her interview.

Department policy indicates that clients have the responsibility to provide all necessary information to the department to allow the department to determine eligibility for programs and benefits levels. PAM 130. The retirement account information was necessary as the AMP program has an asset test that must be met by clients. The department was unable to determine the claimant's eligibility for the AMP program without the information. The claimant was

provided with 21 days notice to have the information regarding her retirement account when the Verification Checklist (DHS-3503) was sent to the claimant. Further, the claimant was given additional time to provide the information on July 11, 2008, at the time of the personal interview. Even though the negative action was placed on the case on July 11, 2008, the claimant had until July 22, 2009, to turn in the verification and the negative action would have been deleted. Department policy indicates that when the required information is not received within the time limits, the department should send notice of the negative action. PAM 130. Thus, the department properly handled the claimant's AMP case.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly terminated the claimant's AMP benefits because the claimant did not turn in the required verifications within the required time limits.

Accordingly, the department's actions are UPHELD. SO ORDERED.

/s/ _____
Suzanne L. Keegstra
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: October 7, 2009

Date Mailed: October 12, 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 mailing 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.

SLK [REDACTED]

cc:

[REDACTED]