

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: 2008-31575
Issue No: 2006; 4003
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
July 9, 2009
Genesee 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 July 9, 2009. The claimant did not appear. The claimant's representative [REDACTED] [REDACTED] (L and S Associates) appeared via telephone conference call.

ISSUE

Did the department properly deny the claimant's application for State Disability Assistance (SDA) and Medical Assistance (MA) on April 14, 2008, for failure to provide required verifications?

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 signed an authorization for representation, allowing L & S to represent him, on March 6, 2008.

2. The claimant, through L & S, submitted an Assistance Application (DHS-1171) and a Retroactive Medicaid Application (DHS-3243) for SDA and MA benefits on March 21, 2008. (Department Exhibit 1, 2).

3. Along with these applications, the claimant, through L & S, submitted a Facility Admission Notice (DHS-2565C); a Social Summary (DHS-49B); and a Medical – Social Questionnaire (DHS-49F). (Department Exhibits 4 – 6).

4. On March 25, 2008, the department mailed the claimant and the claimant's representative a Verification Checklist (DHS-3503), requesting the claimant to provide a Medical Examination Report (DHS-49); an Activities of Daily Living form (DHS-49G); a Medical Needs form (DHS-54A); a Release of Protected Health Information (DHS-1555); a Reimbursement Authorization (DHS-3975); and a Notice to Apply (DHS-1551). These forms were due back to the department by April 4, 2008. (Department Exhibits 7 – 13).

5. On April 14, 2008, the department mailed the claimant an Application Eligibility Notice (DHS-1150), denying the claimant's application for SDA and MA for failure to return requested verifications. (Department Exhibit 14).

CONCLUSIONS OF LAW

The State Disability Assistance (SDA) program which provides financial assistance for disabled persons is established by 2004 PA 344. The Department of Human Services (DHS or department) administers the SDA program pursuant to MCL 400.10, *et seq.*, and MAC R 400.3151-400.3180. Department policies are found in the Program Administrative Manual (PAM), the Program Eligibility Manual (PEM) and the Program Reference Manual (PRM).

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).

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.

VERIFICATION AND COLLATERAL CONTACTS

DEPARTMENT POLICY

All Programs

Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements.

Obtain verification when:

- . required by policy. PEM items specify which factors and under what circumstances verification is required.
- . required as a local office option. The requirement **must** be applied the same for every client. Local requirements may

not be imposed for MA, TMA-Plus or AMP without prior approval from central office.

- . information regarding an eligibility factor is unclear, inconsistent, incomplete or contradictory. The questionable information might be from the client or a third party. PAM, Item 130, p. 1.

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.

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.

MA Only

Send a negative action notice when:

- . the client indicates refusal to provide a verification, **or**
- . the time period given has elapsed. PAM, Item 130, p. 4.

AUTHORIZED REPRESENTATIVES

All Programs

An **Authorized Representative** (AR) is a person who applies for assistance on behalf of the client and/or otherwise acts on his behalf (e.g., to obtain FAP benefits for the group.) An AR is not the same as an Authorized Hearing Representative (AHR) PAM, Item 110, p. 6.

The AR assumes all the responsibilities of a client. See PAM 105. PEM, Item 110, p. 7.

The AR must give his name, address, and title or relationship to the client. To establish the client's eligibility, he must be familiar enough with the circumstances to complete the application, answer interview questions, and collect needed verifications. PAM, Item 110, p. 7.

Initially, the department brought up a threshold question as to if the hearing request was properly signed and submitted. The department worker indicated that the hearing request form was not signed by the client. However, PAM 600 states that for all programs either a client, an adult member of the eligible group or the client's authorized hearing representative (AHR) may sign the hearing request. An AHR can be documented by an authorization signed by the client authorizing the person to represent the client in the hearing process. In this case, the client has signed at least two documents authorizing L & S to represent him in any and all proceedings, one of which was signed on March 6, 2008, prior to L & S signing the application on the client's behalf. Thus, the documents were signed by the claimant's authorized representative and authorized hearing representative and are valid.

When an application for benefits is received, department policy requires certain types of documentation be produced by the claimant or their authorized representative. PAM 130. The Verification Checklist form (DHS-3503) is used to inform the client what verification is required, how to obtain it, and the due date. PAM 130. Department policy instructs the department to allow the client 10 calendar days to provide the verification requested. If the

client cannot provide the verification despite a reasonable effort, extend the time limit at least once. PAM 130.

In this case, the representative from L & S testified that he did receive the Verification Checklist (DHS-3503) on March 25, 2009. This Verification Checklist required the following documents: Medical Examination Report (DHS-49); an Activities of Daily Living form (DHS-49G); a Medical Needs form (DHS-54A); a Release of Protected Health Information (DHS-1555); a Reimbursement Authorization (DHS-3975); and a Notice to Apply (DHS-1551). These forms were due back to the department by April 4, 2008. Thus, both the claimant and his authorized representative received the Verification Checklist requiring these documents to be provided. Both the department and the representative from L & S also admit that these documents were never returned to the department.

Department policy does allow for a time limit extension to provide documents if the claimant is unable to provide the documentation. However, in this case, L & S failed to request any extensions. The representative from L & S admitted in his testimony that there did not appear to be any extensions requested by or for the claimant. None of the documents submitted by L & S show any request for an extension of time to provide the documents.

Department policy indicates to send a negative action notice when the client indicates refusal to provide a verification, **or** the time period given has elapsed. PAM 130. In this case, the claimant or his representative was given 10 days to provide the documentation and the claimant's case was not closed for yet another 10 days, which gave the claimant or his representative even further time to provide the documentation. When no extension requests were requested, the department followed policy and denied the claimant's application for failure to provide the required verifications.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, decides that the department properly denied the claimant's SDA and MA application for failure to provide required verifications in April, 2008.

Accordingly, the department's action is UPHELD. SO ORDERED.

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

Date Signed: September 10, 2009

Date Mailed: September 16, 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]