

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: 2009-18564
Issue No: 2006
Case No: [REDACTED]
Load No: [REDACTED]
Hearing Date:
August 27, 2009
Presque Isle County DHS

ADMINISTRATIVE LAW JUDGE: Lisa D. Dahlquist

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 August 27, 2009. Claimant appeared and testified. Susan Babcock, Family Independence Manager, appeared on behalf of the Department.

ISSUE

Did the Department properly deny claimant's application for Medical Assistance (MA)?

FINDINGS OF FACT

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

1. Claimant applied for Medical Assistance on February 2, 2009.
2. On February 3, 2009, the Department sent claimant a verification checklist (DHS-3503) requesting income records, asset records and household expenses.
3. Verification was due on February 18, 2009

4. On February 19, 2009, the Department issued application eligibility notice (DHS-1150) for claimant's failure to provide requested information timely.
5. At the hearing, claimant alleged she was unaware of the due date, that was included on the paperwork and it was checked to bring in proofs to the interview, return by mail, or return to DHS. However, on the checklist, it was handwritten that there was no (interview) appointment at this time.
6. Claimant requested a hearing on February 20, 2009. With her hearing request, she submitted self-employment income and expense statements (DHS-431). Asset records and proof of actual expenses (receipts) was not provided. Claimant did not realize she had to submit copies of her receipts.

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 (formerly known as the Family Independence Agency) 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).

Clients must cooperate with the local office in determining initial and ongoing eligibility, including the completion of the necessary forms. PAM 105, p. 5. Claimants must take action within their ability to obtain verification. The local office must assist clients who ask for help in completing forms or gathering verification. Verification means documentation or other evidence to establish the accuracy of the client's verbal or written statements. PAM 130, p. 1. Clients are allowed ten (10) calendar days (or other time limit specified in policy) to provide the requested

verifications. PAM 130, p. 4. If the client cannot provide the verification, despite a reasonable effort, the time limit should be extended up to three times. *Id.* The Department is to send a negative action notice when: (1) The client indicates a refusal to provide verification, or (2) the time period given has lapsed and the claimant has not made a reasonable effort to provide it. Only adequate notice is required for application denial. PAM, Item 130.

In the record presented, the Department alleged the claimant failed to timely provide the verification information requested. Claimant argued she was unaware that the paperwork had to be submitted to the Department by February 18, 2009. Her proofs would have been brought in with her interview, however, there was no interview appointment scheduled at the time. After having her application denied on February 19, 2009, the claimant submitted some of the verification information to the Department with her hearing request on February 20, 2009.

Under Program Administrative Manual Item 600, clients have the right to contest any Department decision affecting eligibility or benefit levels whenever they believe the decision is illegal. Efforts to clarify and resolve the client's concerns start when the Department receives a hearing request and continues through the date of the hearing. The Department provides an Administrative Hearing to review the Department decision and determine if it is appropriate.

In the present case, the Department needed verification from claimant to establish her eligibility under the Medical Assistance program. Claimant was under a misunderstanding that she was to bring her proofs in at the time of her interview. However, no interview appointment was to be held at that time. After her MA application was denied on February 19, 2009 for failure to provide verification, the next day, claimant requested a hearing and provided the Department with some of the information requested, pertaining to the self-employment income and expense statements (DHS-431). No verification extension was provided by the Department.

As soon as she realized her error [pertaining to the verification due date], claimant made a reasonable effort to submit documentation requested . This Administrative Law Judge cannot find that the claimant failed to cooperate in providing the requested verification. This Administrative Law Judge finds the Department has acted in error in denying claimant's Medical Assistance case due to claimant's failure to cooperate.

DECISION AND ORDER

The Administrative Law Judge, based upon the above findings of fact and conclusions of law, finds that the Department's denial of claimant's application for Medical Assistance for her failure to cooperate is REVERSED.

Therefore, it is ORDERED that the Department shall reinstate and process the Medical Assistance application of February 2, 2009 in accordance with Departmental policy.

/s/ _____
Lisa D. Dahlquist
Administrative Law Judge
for Ismael Ahmed, Director
Department of Human Services

Date Signed: September 3, 2009

Date Mailed: September 9, 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.

LDD/law

cc:

